



Educators Health Alliance Approves 0% Increase in Rates

Lincoln, NE – Oct. 23, 2017 – There will be no increase in premium rates next year for the health insurance plan used by nearly every Nebraska school district, following action by the Educators Health Alliance (EHA), a consortium of three statewide public school groups that manages the plan.

When the 2018-19 plan year begins on Sept. 1, 2018, it will mark the 16th consecutive rate increase of less than 10 percent and the second time there has been a zero percent increase, said EHA Board of Directors Chair Neal Clayburn. The average annual increase over the past eight years has been 3.3 percent.

“This is great news for school districts and school employees across Nebraska,” said Clayburn. “The zero percent increase in rates is made possible because school employees and their families have made wise decisions regarding their health care, because of the EHA Board’s strong management of the plan, and due to the expertise provided by EHA’s insurer, Blue Cross and Blue Shield of Nebraska.

“All involved have worked hard to help our plan avoid the huge spikes in premium costs that other plans have experienced.”

The 2018-19 plan also boasts no increase in medical deductibles or other copays. The zero percent increase is for all plan options. Rate increases in the previous seven years were 7.99 percent; 4.9 percent; 1.91 percent; 2.30 percent; 6.40 percent; 2.99 percent; and zero percent.

“The EHA Board is pleased that we were able to achieve the renewal without requiring increases in member out of pocket costs,” said Clayburn.

Clayburn said the one-year freeze in premium rates is made possible due to a number of factors, including:

- The impact of the EHA’s state-wide wellness and health promotion program;
- Recent lower than anticipated utilization rates in hospital and physician services;
- Pharmacy benefit management programming that has led to reduced pharmacy trends;
- A program designed to assist in the management of a chronic diseases;
- Holding the line on health and administrative cost increases and;
- Continued prudent management in the design and choices of benefit plans.

EHA health insurance rates for the 2018-19 plan year apply to seven available active employee health benefit plans, three early retiree benefit plans, and five dental benefit plans.

“The EHA wellness program has also been instrumental in improving the health and wellness of EHA covered employees,” said Beth Kernes Krause, EHA Vice Chair and Auburn Public Schools Board of Education member. “The wellness plan continues to expand and includes options for individuals and school groups to earn financial incentives for achieving goals set by the program.”

“The EHA Board understands the financial concerns of our education members as well as the fiscal constraints facing school districts,” said John Spatz, executive director of the Nebraska Association of School Boards. “We are pleased to be able to hold the line on health insurance premiums for both districts and individual employees.”

“The decision to freeze premium rates was made only after careful review of the plan’s financial status,” said Mike Dulaney, executive director of the Nebraska Council of School Administrators. “This is the result of the cost-saving measures taken by the EHA Board as well as by employees and their families.”

“The EHA has taken action to help plan participants be careful stewards of their health and informed consumers of health care,” said Maddie Fennell, executive director of the Nebraska State Education Association. “This is one of the many benefits of our statewide risk pool. It ensures affordable health care insurance for members of the plan – and healthier school employees are better for our students.

“Healthier teachers and school employees mean lower absenteeism rates. Additionally, healthier teachers have been tied to higher academic achievement,” Fennell said. “In fact, a 2015 [study](#) showed a dramatic correlation between teacher wellness ratings and student ACT scores.”

The Educators Health Alliance is a non-profit corporation that was created to procure quality, affordable health care insurance for Nebraska educational employees. The rates set by the EHA Board are for the Blue Cross and Blue Shield of Nebraska (BCBSNE) health care plan used by more than 400 public school district and affiliate groups in the state. The plan is governed by a 12-member board representing the Nebraska Association of School Boards, the Nebraska Council of School Administrators and the Nebraska State Education Association. More than 80,000 Nebraskans are covered by the plan, making it the largest health plan in the state.

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