

Fighting for a statewide health insurance solution

Education Minnesota members have experienced immense and prolonged high health insurance costs across the state. Even the most skilled union and district negotiators have been unable to hold the line on excessive cost increases, coverage cuts and cost shifting.

The excessive rise of the cost of health care is a problem that affects every member, union, district and community throughout Minnesota. Coupling that with chronic underfunding of our schools over time, district and individual member budgets are being pushed past their limits.

Why now?

Education Minnesota members passed this action item at the 2024 Representative Convention to continue the statewide fight for solutions to the health care crisis:

- Education Minnesota will focus its work on the educator health care crisis by developing organizing and advocating for the successful passage of a statewide mandatory educator health insurance pool in the 2025 legislative session and beyond, if necessary.

Why does it matter to us all?

- Health insurance costs are continually outpacing overall inflation and wage increases. Teachers, ESPs, and all school employees cannot afford to continue with the same system.

The Minnesota health insurance system for schools is inefficient and wasteful.

- Our current system has layers and challenges built in that make it inefficient and wasteful. There are over 500 educational districts in Minnesota all trying to navigate a broken system creating unnecessary layers of costs.

Our solution:

- Create a mandatory pool for all school employees and eliminate waste and inefficiency.
- Set required minimum employer contribution levels, 95% for single and 85% for family (locals could still bargain higher levels)
- Win state funding to take these steps to begin to address the educator crises and provide the benefits our members deserve while making Minnesota a destination for the education profession.

Why is a larger pool of people good for health insurance?

A larger insurance pool creates:

- Increased purchasing power for the state (bargaining power to lower premiums)
 - This will be even better due to the state also overseeing the SEGIP pool (separately).
 - SEGIP = The State Employee Group Insurance Plan contains approximately 53,000 state of Minnesota employees.
- More stability and better predictability
 - Risk is spread out over larger group and premium changes are more consistent without the extreme changes.
- Efficiency in management resulting in cost savings (One administrator and same as SEGIP)
- No need for district level brokers and third-party administrators (Saving millions and millions of dollars a year!)
- Fewer district resources used (district staff freed from most related processes)

