Educator Group Insurance Program (EGIP)
Essentials about our bill for a statewide health insurance pool

Education Minnesota members across the state are working to create a statewide insurance plan for all school employees. This change would be a huge step forward in addressing the health insurance crisis for our members and positively changing a wasteful, inefficient system in Minnesota.

What would the Educator Group Insurance Program look like?

- A statewide health insurance pool would include all school districts.
- Participation by school districts would be mandatory. Districts would not be able to get group insurance for its employees in another manner.
- The total pool size is estimated to be over 100,000 employees, plus any dependents.
- All public-school employees in school districts would be eligible to participate.
    - Higher Ed and other state employed educators would remain in their current plans.
- The Public Employee Insurance Program (PEIP) would merge into EGIP.

What advantages are created by a large health insurance pool?

- Increased purchasing power for the state (bargaining power).
- More stability and better predictability from year to year.
- Risk is spread out over a larger group and premium changes are more consistent.
- Efficiency in management resulting in cost savings (reduced administration costs).
- No need for district brokers and third-party administrators (saving millions of dollars a year).
- Fewer district resources used (district staff freed from most health insurance-related processes).
- A more efficient, cost-effective health insurance system.
- Future ability to negotiate and leverage at other levels of health care (clinics, hospitals and more).

What would be the required employer contributions to premiums?

- Single plan: minimum contribution of 95% by the employer.
- Family plan: minimum contribution of 85% by the employer.
- Locals could bargain higher contribution levels with the district.
- Funding is essential to achieve required contribution levels.

How would plan design decisions be made?

- The new program would mirror the current State Employee Group Insurance Program (SEGIP).
- While remaining separate from SEGIP, the plan structure would be mirrored.
    - A tiered/cost level design would be included, which is estimated to save 10% over the same commercial products without a tiered/cost level design.
- Future decisions about plan designs would occur at the state level.
    - A state level labor management committee (LMC) would exist to give input and be a part of the decision-making process around plan design.
    - The LMC would consist of 12 appointed members, with seven from Education Minnesota.

Check out the Education Minnesota website for more details.
View our bill with embedded explanations.