Minnesota Public Employees Insurance Program (PEIP)

GROUP APPLICATION

EMPLOYER INFORMATION

Employer	Federal Tax ID Number	Desired Effective Date
Mille Lacs SWCD	41-1254710	01 / 01 /c9C)oi.'^}~

Name and title of person responsible for benefits decisions	Phone
Susan Shaw, District Administrator	(320) 983-2160
Email Address	**Fax**
susan.shaw@millelacs.mn.gov	( )

Address	City	County	State	Zip Code
ter 2nd st. SC	Milaca	A-iJlle Lacs	MN	56353

Name and title of person responsible for billing and accounting	Phone
Pam Kuhn, Financial Specialist	(3<^ 983-2160
Email address	**Fax**
pamela.'vCc-vUne /pCAl-cVexes.mn.gov	( )
Union Representative, if appropriate	**Union Rep Email Address**

OF EMPLOYEES TO BE INCLUDED IN COVERAGE

The Public Employees Insurance Program requires that 75% of all eligible employees participate in the Program. Those individuals who waive coverage due to coverage elsewhere are not included in the 75% calculation.

Total # of eligible employees: 5

# of employees who waived & have no other coverage: a. L)

# of employees who waived due to coverage elsewhere: 0

Total number to be included in PEIP: 5-5

new employee to be hired 10-26-ZloZU

Please attach a separate list of the following covered individuals (if any) with full names, social security numbers and effective date of coverage continuation:

- Cobra individuals
- Retirees
- Disabled individuals
- Other (explain)

ELIGIBILITY CRITERIA

The Public Employees Insurance Program allows employers the opportunity to determine eligibility criteria.

Please attach a copy of your group's eligibility policy and include hours worked, new hire effective date of coverage, and any waiting period. OR indicate eligibility below.

Insurance & benefits for probationary & full time employees will be provided on the 1st of the month following their start date.

RATE CONFIRMATION

PEIP Proposal Financial Section III signature pages attached ❑
(must be included)

SELECTION OF COVERAGE

Health Coverage:

JSDVdvantage High Plan

❑ Advantage HSA Plan

COBRA/MN Continuation/Rctircc Billing

❑ Group will manage own COBRA/Retiree Administration and bill for early retirees and COBRA participants

N^PEIP will manage COBRA/Retiree Administration and will bill Early Retirees and COBRA participants directly

Optional Dental Coverage: Employer Contributes: (choose one)

CP Comprehensive Plan

Cl 50-89% of employee premium.

1_I 90-100% of employee premium.

Optional Employee Life/Accidental Death & Dismemberment Insurance

Minimum $10,000, maximum $300,000 available in $5,000 increments. Amounts in excess of the group's guaranteed issue amount are subject to evidence of insurability. Employees who waive medical coverage because they are covered under another plan may slill participate in life/AD&D insurance coverage, providing 100% of those employees participate in life/AD&D coverage.

Choose one: ☑ $10,000 flat amount per active employee Q Amount equal to salary Cl Other (please specify below)

Eligibility: ☑ All employees Q Medical lock

Employer agrees to pay monthly, in advance (by the 25th of the prior month), the entire charges due for all participating individuals. In addition, the employer bears the responsibility to collect and pay to the Minnesota Public Employees Insurance Program any and all amounts to be contributed toward such charges by employees or early retirees of the employer

TERMS AND CONDITIONS

1. By completing and signing this application for group coverage, you are agreeing to participate in the Minnesota Public Employees Insurance Program under all the terms and conditions contained in the proposal/renewal letter provided to you by the Minnesota Public Employees Insurance Program.

2. You agree that the eligibility guidelines in effect today may not be changed until the annual renewal.

A four-year commitment is required.

One of the features that ensures rate stability and affordability in the PEIP Program is a four-year membership requirement for participating employers. Premium rates are guaranteed for 12 months at a time. Although specific rates cannot be guaranteed beyond the first 12 months, the Program contains specific features to promote rate stability and to prevent excessive rate increases upon renewal. Participation is automatically renewed for an additional four-year term unless the exclusive representative, or the employer for unrepresented employees gives the commissioner notice of withdrawal at least 30 days before expiration of the participation period. The employer is liable for the full premium due within the four-year commitment in the case of an invalid termination.

Following receipt of this application, coverage selections and final rates will be confirmed in writing by the Program. Premiums are guaranteed for one year. Withdrawal from the Minnesota Public Employees Insurance Program at any time prior to the end of the two-year term may result in the state pursuing legal action against the employer. Withdrawal for any reason will result in the group's ineligibility to participate for two years.

This application constitutes an offer to purchase Minnesota Public Employees Insurance Program coverage. No contract is created until the applicant receives written confirmation of acceptance from the Minnesota Public Employees Insurance Program. No agent has the authority to waive any of the Minnesota Public Employees Insurance Program's rights or requirements or to make or alter any contract or policy. Both network carriers offered by PEIP must be offered by the group. In accepting group coverage under the Minnesota Public Employees Insurance Program, it is acknowledged that:

1. The applicant is the employer for purposes of ERISA (to the extent applicable), COBRA and state law regarding continuation and conversion of group health coverage. The employer will therefore be responsible for notifying the PEIP of any and all information necessary to fulfill its obligations under these laws. The employer is also responsible for receiving from employees and forwarding to the PEIP notices of events such as an employee's divorce or legal separation or cessation of a child's eligibility under this Program.

2. The employer bears full responsibility for ensuring that its Plan satisfies any and all requirements of state or federal law that relate to employee benefit plans, including ERISA and HIPAA. Employer's legal counsel should be consulted to ensure compliance with these laws.

3. The employer assumes responsibility for collecting from employees and forwarding to the Minnesota Public Employees Insurance Program in a timely and accurate manner, notices of events such as addition of new employees, changes in coverage for employees or retirees, and changes in marital or dependent status of employees and retirees.

4. The employer understands that the monthly premium must be received in the billing and enrollment administrator's office by the 25th of the month in which you receive your invoice. The employer understands that the PEIP may terminate the employer's insurance coverage after two premium delinquencies and that there will be a $20 service fee for all Non-Sufficient-Fund (NSF) checks.

EMPLOYER SIGNATURE

I hereby apply for coverage stated within. I have reviewed the proposal, the terms of coverage, and the terms and conditions of participation in the Minnesota Public Employees Insurance Program.

Authorized Signature Title Date

Authorized Signature Title Date

Authorized Signature Title Date

Agent of Record (if applicable) Date

EXCLUSIVE REPRESENTATIVE (if applicable)

I have reviewed the selections of coverages and acknowledge that the selections are in accordance with the current collective bargaining agreement. I further acknowledge that charges for selected coverages will be collected and remitted to the billing and enrollment administrator by their employer according to the procedures established by PEIP.

Exclusive representative signature

Title Date

Innovo Benefits Signature **Date**

September 28, 2026

Susan Shaw
Mille Lacs SWCD
635 2nd Street SE
Milaca, MN 56353

RE: 2027 PEIP Renewal for January - Mille Lacs SWCD

Dear Susan:

Thank you for your participation in the Public Employees Insurance Program (PEIP). We hope the program continues to fulfill your insurance needs.

2026 vs 2027 MEDICAL RATES

		Current Rates	*2027 Renewal Rate Without Commission*	*2027 Renewal Rate With Commission*	*Projected Enrollment*
High Option	Single	$1,134.28	$1,134.28	$1,134.28	4
	Family	$3,028.20	$3,028.20	$3,028.20	0
HSA Option	Single	$783.76	$783.76	$783.76	0
	Family	$2,092.20	$2,092.20	$2,092.20	0

In accordance with MN Stat. 471.61, renewal rates for retirees under age 65 are the same as the rates for active employees. Eligible retirees currently on continuation are included in the rate structure.

The information below is provided to you as required by Minn. Stat. 471.6161, Subd.8.(d).

Summary	
Agent Commissions Paid as Part of the Premium	$0.00 PCPM / $0.00 PMPM
Total Premium Dollars in the First 12 Month Period of the Quote, Not Including Commissions	$54,445.44
Total Premium Dollars Per Member Per Month Not Including Commissions	$1,134.28
Number of Expected Members	4
Type of Provider Network	Broad Tiered Network HMO[1]

[1]The PEIP network operates as an HMO within each cost level tier.

2027 Actuarial Value Plan % of Total Allowed Costs		**2027 Cost Sharing Projection Plan % of Total Allowed Costs**	
High	HSA	HIGH	HSA
*88.9%	74.1%	94.5%	85.1%

*Please find additional commentary regarding the source of these actuarial values and their applicability on page 4.

The PEIP program continues to be in a strong financial position. However, we have seen claim costs increase significantly over the last 12 months. While the claims costs have varied across the groups in the program, a large driver of the increased claims costs is prescription drugs, in particular GLP-1 weight loss drugs (increased almost 40%). Because of these increased claims costs, the program-wide premium increase needed for 2027 is higher. There will be minimal changes to the PEIP plans for 2027.

PEIP continues to offer unique features to public employer groups such as an individual choice of two network providers for each employee, along with two plan design options. Our administrative costs remain low by leveraging with the State of Minnesota employees' plan contracts with the two network carriers.

PLEASE READ CAREFULLY:

As a reminder, the group enrollment commitment in PEIP has changed (Minn. Stat. 43A.316, Subd.5. (d)). The revised statute extends the enrollment commitment to four years, with an early termination option if you received a renewal of 20% or more. The goal of this change is to bring more stability to the pool and decrease volatility in renewal increases. In the first 10 years of the current pooling methodology, the plan had very high stability which resulted in average increases of approximately 3%. When the pool saw increased movement from our groups, the rate increases became higher. This return to stability will allow the plan to pool claims at a higher level which we anticipate will help keep rate volatility down.

During open enrollment, your insurance eligible employees may change health plans and carrier networks. Please have your open enrollment completed by ***November 13, 2026***. Updated benefit summaries and other enrollment information are included in your email. Forms can also be found on PEIP's website at www.innovomn.com.

Individual Medicare Advantage and Cost policies are available for retirees over age 65. Please call Innovo Benefits Administration at 1-800-829-5601 or visit our website at www.innovomn.com.

Employees and dependents who wish to change health plans or networks must complete an Enrollment Form (or online enrollment) for the change. A primary care clinic number for each member is required. ***Participants staying with the same carrier who wish to change their primary care clinic must contact the carrier directly.***

Primary care clinics can be changed at any time by calling the customer service number on the member's ID card. **The PEIP 2027 clinic directory will be available October 15th on the PEIP website at www.innovomn.com. IMPORTANT: Please be sure members review their clinics for any cost level changes.**

All completed enrollment forms and any changes to your group's eligibility requirements must be submitted to Innovo Benefits Administration, PEIP's administrator, by November 13th. Please plan your open enrollment to meet this deadline. No form is required for those employees maintaining current coverage.

As the sponsor of the group insurance, you may change or add additional PEIP product options (e.g. life and dental coverages) and change your eligibility requirements at this time. Eligibility criteria includes the number of hours worked per week to be eligible, new employee waiting periods before coverage becomes effective, etc. Any changes made to your current eligibility policy must be made in writing and sent to Innovo. Please submit all forms via fax, email, Innovo Portal or mail to:

Innovo Benefits Administration
Attn: PEIP
7805 Telegraph Road, Suite 110
Bloomington, MN 55438
Secure Fax: 952-746-3108 Email: service@innovomn.com

Please forward the renewal rate information to your COBRA, Minnesota continuation, disabled, and early retiree participants (if any). If PEIP manages your COBRA, Innovo will send out the information to these participants.

If you have any questions, please call 952-746-3101 or 1-800-829-5601 or email shawn@innovomn.com. We look forward to another year of serving you.

Sincerely,

Shawn Byrne
Manager

CC: Agent (if applicable)

2027 Actuarial Value[3] Plan % of Total Allowed Costs		**2027 Cost Sharing Projection[4] Plan % of Total Allowed Costs**	
High	HSA	HIGH	HSA
88.9%	74.1%	94.5%	85.1%

[3]This minimum value calculator was released by the Department of Health and Human Services in conjunction with the final rule for determining minimum value, finalized as 45 CFR 156.145. This tool is being used to calculate actuarial value as required by Minnesota Statute 2023, section 471.6161, subdivision 8 as amended by Chapter 114, Article 1, Section 15.

The HHS minimum value calculator utilizes 2009 data trended to 2014 to determine each plan's actuarial value and relies solely on the Single coverage plan design. No employer premium or HRA/HSA contributions are included in these actuarial value calculations

[4]Using recent, actual claims data, as well as projected benefit changes, this represents PEIP's estimated member cost sharing associated with the HIGH and HSA plans. This estimate is calculated using actual PEIP membership and claim experience for both Single and Family coverages, trended forward to 2026 and using 2026 plan designs. No employer premium or HRA/HSA contributions are included in these actuarial value calculations.

Mille Lacs SWCD
1/1/2027 Renewal Rates

Additional Available Coverage Options

Delta Dental Comprehensive Dental Plan:

Coverage Level	Employer Pays 90% or More of Premium	Employer pays less than 90% of Premium
Employee Only	$43.50	$48.15
Family	$103.67	$113.67

***** *At least 50% of eligible employees must enroll for dental to be offered.*

***An Annual Open Enrollment Period is now available*

Deductible (Calendar Year)	Delta PPO	Delta Premier or Non-Choice
Per Covered Person	$25	$50
Per Family	$50	$100
Co-Insurance	**Delta PPO**	**Delta Premier or Non-Choice**
Diagnostic/Preventative Services (Deductible does not apply)	100%	90%
Basic Restorative Services	80%	80%
Major Restorative Services	50%	50%
Prosthetic Repairs/Adjustments	50%	50%
Prosthetics	50%	50%
Maximum Benefits: $1,000 Per covered Person per Calendar Year		

Choice of Providers: When you use a Delta PPO dentist, your benefits are greater than if you use any other Delta Dental dentist. When using a Delta PPO or Delta Premier dentist, your dentist will file your claims for you, and payment will be sent by Delta Dental directly to the dentist.

You can go to any dentist, even if they have not signed a participating provider agreement with Delta Dental, but you are not assured that the dentist will adhere to Delta Dental's allowable charges, and you may pay more out of pocket for your care.

(For participating dentists and other helpful online tools: www.deltadentalmn.org)

2027 LIFE RATES, if applicable

Basic Life/AD&D	$.18/1,000	
Dependent Life	$1.18	
Supplemental Life (Per Thousand)	Age	
	<35	$.11
	35-39	$.13
	40-44	$.17
	45-49	$.26
	50-54	$.44
	55-59	$.71
	60-64	$.79
	65-69	$1.49