

# Addressing Risk Management, Health Insurance and More

## SERVICE ASSOCIATE Q & A

**Q.** *Can you give examples of some of the biggest risk management challenges facing school districts?*

**A.** The biggest challenge we see with school districts is balancing the budget while maintaining the traditional, high-quality employee benefits that attract and retain talented staff. It's just not enough anymore to shop carriers year after year, hoping for a better deal. We find it's imperative for districts to create a multi-year benefits roadmap that contains well-researched options. This way, when key decisions are made, all of the legwork is already completed.

**Q.** *What is new in your field that school board members and administrators should be aware of?*

**A.** More and more employees are looking for benefits that suit their individual needs. The benefit needs of a family is very different from those of a single millennial, for example. The most successful districts offer competitive wages in combination with a wide choice of health plan options. Each option comes with different deductibles, co-pays and/or various medical savings accounts (*i.e.*, HRA, HSA, FSA).

Another area of individualized benefits is the growth of worksite benefits offered on a voluntary basis. These plans provide specialized benefits such as critical illness and accident coverage at low prices, and participants can choose whether to enroll annually.

**Q.** *What can school leaders do to stay current with important insurance-related issues?*

**A.** Rely on your associations such as WASB, as well as your brokers, carriers and partners. Attend presen-

tations, conferences and webinars. Read those newsletters that show up in your inbox. These opportunities are almost always free to districts, and they provide great and timely information on various employee benefit topics.

However, you are likely bombarded by information daily, and it's easy to get "information overload." There are only so many texts, articles, tweets, emails and posts you can pay attention to at one time. One option is to identify a professional consultant in the field of employee benefits to partner with. His/Her job is to keep you informed of the ever changing landscape of employee benefits. The consultant can keep you up-to-date, not only to the district leadership but can help educate staff as well.

**Q.** *If you could give one piece of insurance advice to schools, what would it be?*

**A.** There is a tendency for benefit managers to hyper-focus on health insurance because it's the largest expense item and the most problematic. This is natural, but it's useful to recognize how every benefit works together, and how each one affects the other. Examining how medical pricing drives contracts, how retiree benefits and OPEB balances relate to each other, how voluntary products drive benefit choices and how district contributions affect cash flow; just to cite a few examples.

Find a partner/consultant/broker that can help manage all of your employee benefits, not just health insurance. Partnering with someone who understands your benefit structure, personnel and political atmosphere is immeasurable. As a full benefits consulting firm, we work to integrate all employee benefits



**Erik Kass**  
National Insurance Services (NIS)



for active and retired staff and make sure that the investment in these benefits fit together.

**Q.** *Do you have any other recommendations for school districts?*

**A.** My advice is do what you can to fully engage staff to take more ownership of the employee benefit process. We see great success with employee benefit committees that center their purpose on wellness and understanding the claims and utilization data. Participating staff become champions for the benefit plans, helping to educate staff within their buildings about the changing landscape of employee benefits. In fact, we are currently writing a guide for districts about forming those committees. Keep an eye out for it. ■

**Erik Kass** is an employee benefits consultant for National Insurance Services (NIS). Erik worked 14 years in finance and human resources for school districts in Wisconsin and was named the 2016 Wisconsin School Business Manager of the Year by the Wisconsin Association of School Business Officials.

The WASB Service Associates Program includes businesses and organizations that have been recognized by the WASB Board of Directors as reputable businesses and partners of public education in Wisconsin. For more information, visit [wasb.org](http://wasb.org) and select "Service Associates."