North Risk Partners®

Navigating the Challenges of Employee Benefits

2026 Electrical Association Summit

January 29th, 2025

About Me

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To build something great, there must be a plan.

About North Risk Partners

Full-Service, Forward-Thinking

A Full-Service Independent Insurance Agency
North Risk Partners specializes in strategic insurance solutions for businesses and individuals. Our advisors help clients face risk head on with right-fit insurance coverage and attention to opportunities for preventing avoidable losses. For businesses, we offer programming and compliance support in the areas of HR, safety, worksite wellness and more.

Large Enough to Give You Options
We are one of the largest, privately owned independent insurance brokerage and risk management advisory firm in the Midwest with over 400 employees and over 30 locations across five states. Our size allows us to offer more choice in our core areas of capability:

For Businesses

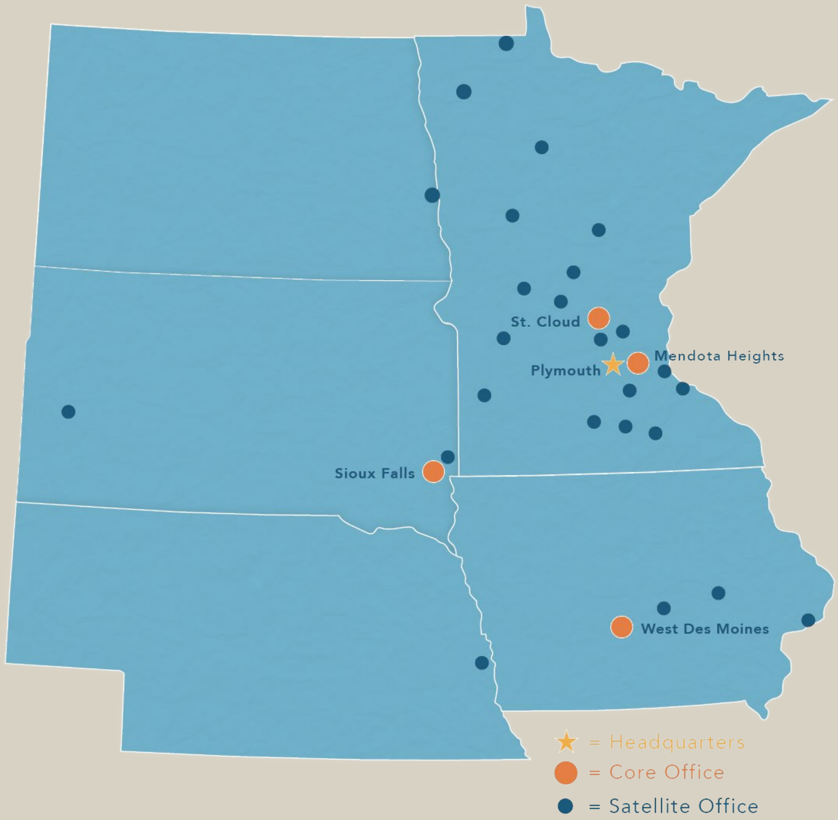
- Commercial Insurance
- Employee Benefits
- Surety Bonds

For Individuals & Families

- Home, Auto, & More
- Health & Life
- Farm & Agriculture

Small Enough to Be Local
We are committed to making a positive impact. Service to our clients, each other, and local communities is an important part of who we are.

LOCALLY OWNED & OPERATED



Health Insurance Market Conditions

A DYNAMIC MARKET

- Healthcare costs are high
- Employees demanding more from their benefits
- Competitive labor market
- Premiums increasing

Balancing act: It takes a robust benefit strategy to provide quality benefits and successfully manage costs

SMALL GROUP MARKET FINAL AVERAGE RATE CHANGES FOR PLAN YEAR 2026

Insurer	Average rate change from 2025 to 2026
Blue Cross	17.50%
Blue Plus	17.00%
Health Partners, Inc.	12.58%
Medica Insurance Company	9.98%
Quartz Health Plan MN	7.56%
Sanford	6.95%
UnitedHealthcare Insurance Company	13.60%
UnitedHealthcare of Illinois, Inc.	14.40%

Data from MN Department of Commerce: https://mn.gov/commerce/insurance/health/consumer-protections/rates/approved/2026/

SMALL GROUP PLAN OPTIONS

Plan Type	Description	Key Features
ACA Plans	Fully-insured employer-sponsored or individual plans purchased on the Exchange. Metal tiered (Bronze, Silver, Gold, Platinum). Insurance carrier assumes all risk.	• Little opportunity for cost savings • Standardized coverage • Carrier manages claims and risk • Community Rated
Level Funded Plans	A hybrid between fully-insured and self-funded. Employer pays a fixed monthly amount covering projected claims, stop-loss insurance, and admin costs. Potential for premium refunds if claims are low.	• Premium refund opportunity • Stop-loss insurance for protection • Renewal rates can be volatile • Composite Rates
ICHRA	Employers reimburse employees tax-free for individual health insurance premiums and/or medical expenses. Employees select their own plan from the marketplace.	• Premium predictability for employer • Broad employee choice • No participation minimums • Defined Contribution
Captives	Employers join together in a captive insurance arrangement to self-insure, sharing risk and potentially lowering costs. A reinsurer and captive carrier provide layered protection.	• Risk sharing among employers • Potential for cost control • Requires sufficient scale
Association Health Plans	Industry or trade associations sponsor plans for member employers, often structured as MEWAs. Allows small employers to access large group plans and risk pools.	• Access to large group rates • Stable long-term rates • Industry-based eligibility • Separate risk pool

MN ELECTRICAL ASSOCIATION HEALTH PLAN- HEALTH SPARK

- Association Health Plan available only to MEA member companies
- BlueCross BlueShield is the medical carrier
- 9 plan designs, 2 network options
- Available to all BCBS MN appointed agents to sell
- North Risk is the Plan Consultant to Health Spark

MN ELECTRICAL ASSOCIATION HEALTH PLAN- HEALTH SPARK

- Aware and High Value Networks
- Employers can offer multiple plans
  - Under 10 employees- offer 2 plan designs
  - 10 and above- offer 4 plan designs

	Aware Network	High Value Network
SOUTHEAST		
Allina	X	X
Children's Hospitals & Clinics	X	X
Gundersen Health System	X	X
Mankato Clinic LTD	X	X
Mayo Health System	X	
Northfield Hospital and Clinics	X	X
Olmsted Medical Center	X	X
Veterans Admin Medical Center	X	
Winona Health	X	X
NORTHWEST/SOUTHWEST		
Alomere Health	X	X
Altru Health System	X	X
Avera	X	
CentraCare Benson (includes Carris Health)	X	X
Essentia Health	X	
Integrity Health Network	X	X
Lake Region Healthcare Corp	X	X
Lakewood Health System	X	X
Mayo Health System	X	
Sanford Health	X	X

	Aware Network	High Value Network
METRO		
Allina	X	X
Avera	X	
CentraCare Health	X	X
Children's Hospitals & Clinics	X	X
Entira	X	X
HealthPartners Health System	X	
Hennepin County Medical Center	X	X
M Health Fairview	X	X
Mankato Clinic Ltd	X	X
Mayo Health System	X	
North Memorial	X	X
Northfield Hospital and Clinic	X	X
Park Nicollet	X	
Ridgeview	X	X
St. Croix Regional Medical Center	X	X
University of Minnesota Physicians	X	X
Veterans Admin Medical Center	X	
CENTRAL		
CentraCare Health (includes Carris Health)	X	X
Cuyuna Regional Medical Center	X	X
Essentia	X	
HealthPartners Health System	X	
Hutchinson Health	X	
Integrity Health Network	X	X
M Health Fairview	X	X
Veterans Admin Medical Center	X	
NORTHEAST		
Essentia Health	X	X*
Welia Health	X	X
Grand Itasca Clinic and Hospital	X	X
Integrity Health Network	X	X
M Health Fairview	X	X
St. Luke's	X	
Veterans Admin Medical Center	X	

MN ELECTRICAL ASSOCIATION HEALTH PLAN- HEALTH SPARK

- Large group rates available to small employers
- 9 plan designs to choose from
  - 3 copay plans
  - 6 High Deductible Health Plans- HSA Eligible
- Deductibles from $1000- $8500 available

Requirements:

-2 W2 employees (not related)

-50% participation of eligible employees

MN ELECTRICAL ASSOCIATION HEALTH PLAN- HEALTH SPARK

Process for quoting with BCBS for Mn Electrical Association Group Health Plan:

Contact your local BCBS agent or North Risk Partners for a quote.

Business requirements:

- 2 – 9 enrolled employees = up to 2 plans.
- 10 + enrolled employees = up to 4 plans.

Required Information for quoting:

- Employer Questionnaire
- Census (Including employee zip codes)
- 2 years claims history (if available)
- Current and renewal rates and plans if they have current group health plan

Minnesota PFML

MINNESOTA PFML

- Its Here! Now what?

- ~12,000 applications as of early January

- Who is Eligible?
- What is covered?
- How do you file a claim?
- How can I coordinate other benefits with PFML?

WHAT IS MINNESOTA PFML?

In May 2023, Minnesota passed a bill to create a **state-mandated paid family and medical leave program** that applies to employers with 1 or more employees

Program ensures that **eligible workers have access to paid leave** during certain life events

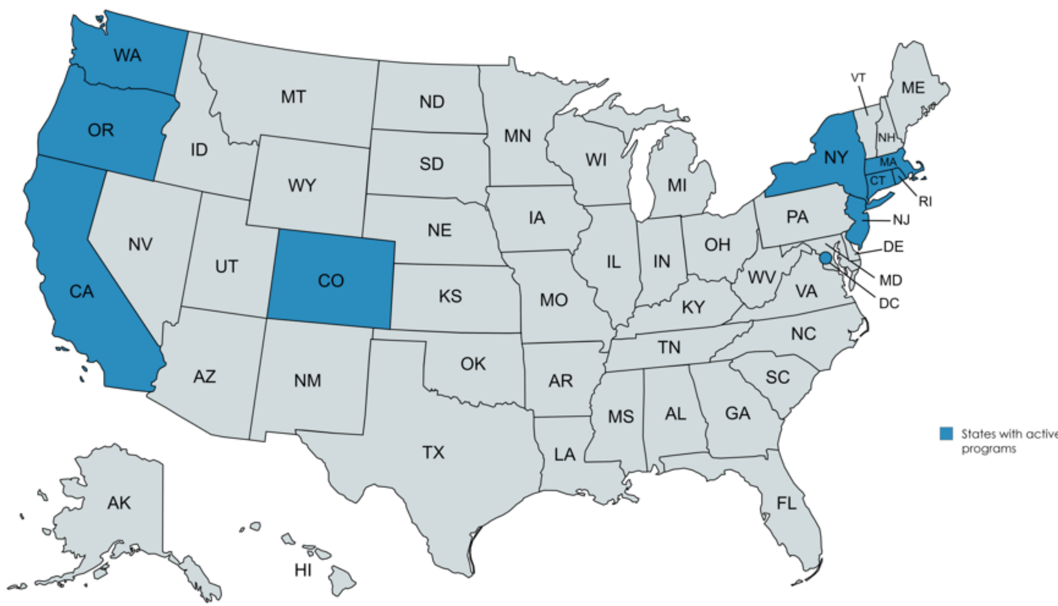
Contributions to the program will begin **January 1, 2026**

Benefits will become available to eligible workers on **January 1, 2026**

STATE OF THE STATES

There are 10 mandated state paid leave programs actively paying benefits as of 2024

California (2004)
New Jersey (2009)
Rhode Island (2014)
New York (2018)
Washington (2020)
Washington D.C. (2020)
Massachusetts (2021)
Connecticut (2022)
Oregon (2023)
Colorado (2024)



MN STATE PFML PLAN FUNDING

Contribution rate: .88 per $100 of covered Payroll

Maximum Employee Contribution: 50/50 split between employer and employee

Payroll premiums per person are capped at the **social security wage limit (MN 2025: $176,100)**

Employers with **less than 30 employees** can invoke a small business wage exclusion to lower premiums (75% of the state rate and employer would be responsible for at least 25%)

Employer example (30+ employees)*

Annual payroll: $1 million

MN PFML contributions: $8,800

Employer portion: $4,400

Employee portion: $4,400

Employer example (1-29 employees)

Annual payroll: $1 million

MN PFML contributions: $6,600

The employer is responsible for at least 25%

*example using rate of 0.88%

MINNESOTA PFML: WHO IS ELIGIBLE?

Covered Workforce:

Employers

Businesses that employ employees at a location in Minnesota, including state and local governments

Employees

Any full and part-time employees working in Minnesota at least 50% of the time or living in Minnesota and not working elsewhere over 50% of the time.

Eligibility for claim benefits: employee must have earned at least 5.3% of the state's average annual wage ($1,423) in the year prior to leave.

MINNESOTA PFML: WHAT IS COVERED?

12 WEEKS

Medical leave for employee's own serious health

12 WEEKS

Family leave

- Bonding during the first 12 months following birth, adoption, or foster care placement
- Care for a family member
- Qualifying military exigency

20* WEEKS

Combined family and medical leave in a benefit

**Employees may elect benefits on a continuous or intermittent basis*

PRIVATE PLAN ADVANTAGES

PRIVATE PLAN

- Benefits are coordinated between PFML and Short-term Disability plans
- Faster claim adjudication
- One-stop shop for administration
- Customizations available
- Dedicated resources to assist with compliance, claims, and account questions
- Online claim reporting for status updates

STATE ADMINISTRATION

- MN Paid Leave claims must be filed separately with the state
- Claim decisions and payment times vary from state to state
- One size fits all model
- Single service center supports the entire state, so employers are unlikely to have designated client managers or support team