



NORTH RISK
PARTNERS®

BAXTER



2027 MEDICAL
RENEWAL

CITY OF BAXTER
October 6, 2026

HEALTH PLAN

Better Health Collective/Sourcwell – BCBS MN

Network	AWARE
Plan	0Q4CF Copay Rx 150V-90-1600 PPO
Deductible	
Single	None
Family	None
Employee Coinsurance	10% Coinsurance / 20% Coinsurance
Out-of-Pocket Maximum	
Single	\$1,600
Family	\$6,000
Preventive Services	No Charge
Preventive Annual Eye Exams	No Charge
Office Visit / Primary and Specialty Care	\$15 Copay
Rehabilitation / Habilitation Services	20% Coinsurance
Occupational/ Physical/ Speech Therapy	
Diagnostic Services / Lab/X-Rays	No Charge
Emergency Room Services	\$60 Copay
Urgent Care	\$15 Copay
Emergency Medical Transportation	20% Coinsurance
Inpatient Hospital	10% Coinsurance
Outpatient Hospital Facility Fees	\$15 Copay OV/20% coinsurance all other services
Outpatient Surgery Professional Fees	10% Coinsurance
Bariatric Surgery	10% coinsurance
Infertility Treatment	20% coinsurance through Progyny
Prescription Drugs	Creditable for Medicare Part D
Preferred Generic	20% to \$10 Copay (min) or \$30 Copay (max)
Preferred Brand	20% to \$10 Copay (min) or \$30 Copay (max)
Non-Preferred Brand	No Coverage
Specialty - Preferred	20% to \$10 Copay (min) and \$30 Copay (max)
Out-of-Network Benefits	
Deductible/Coinsurance	\$200 / \$600 Ded; 30%
Out-of-Pocket Maximum	\$3,000 / \$6,000

This is a brief summary of benefits. The actual contract will prevail.



Better Health Collective - Sourcewell

Monthly Detail: City of Baxter

Data Incurred Jul-2024 through Jun-2026; Paid Through Jun-2026

24-Month Detail - by Incurred Month

Incurred Period	Average Duration	Enrolled Employees	Enrolled Members	Total Premiums	TOTAL Incurred & Paid	Incurred But Not Paid	Estimated Incurred Claims	Total Premium PMPM	Estimated Incurred Claims PMPM	Incurred Loss Ratio (ILR) ¹
05/01/2024	269.0	45	81	\$ 81,469	\$ 81,020	\$ -	\$ 81,020	\$ 1,006	\$ 1,000	99.4%
06/01/2024	270.0	46	83	\$ 85,881	\$ 52,443	\$ -	\$ 52,443	\$ 1,035	\$ 632	61.1%
07/01/2024	271.0	46	83	\$ 86,840	\$ 64,489	\$ -	\$ 64,489	\$ 1,046	\$ 777	74.3%
08/01/2024	272.0	47	84	\$ 90,149	\$ 42,572	\$ -	\$ 42,572	\$ 1,073	\$ 507	47.2%
09/01/2024	273.0	48	85	\$ 90,149	\$ 36,932	\$ -	\$ 36,932	\$ 1,061	\$ 434	41.0%
10/01/2024	274.0	48	83	\$ 92,354	\$ 109,290	\$ -	\$ 109,290	\$ 1,113	\$ 1,317	118.3%
11/01/2024	275.0	48	83	\$ 91,251	\$ 108,399	\$ -	\$ 108,399	\$ 1,099	\$ 1,306	118.8%
12/01/2024	276.0	48	83	\$ 91,251	\$ 67,232	\$ -	\$ 67,232	\$ 1,099	\$ 810	73.7%
01/01/2025	277.0	49	77	\$ 87,205	\$ 28,497	\$ 3	\$ 28,500	\$ 1,133	\$ 370	32.7%
02/01/2025	278.0	47	75	\$ 88,629	\$ 45,966	\$ 6	\$ 45,972	\$ 1,182	\$ 613	51.9%
03/01/2025	279.0	47	75	\$ 80,699	\$ 41,626	\$ 8	\$ 41,634	\$ 1,076	\$ 555	51.6%
04/01/2025	280.0	47	75	\$ 85,511	\$ 41,238	\$ 6	\$ 41,244	\$ 1,140	\$ 550	48.2%
05/01/2025	281.0	47	75	\$ 85,511	\$ 36,801	\$ 10	\$ 36,811	\$ 1,140	\$ 491	43.0%
06/01/2025	282.0	47	74	\$ 85,511	\$ 48,664	\$ 22	\$ 48,686	\$ 1,156	\$ 658	56.9%
07/01/2025	283.0	47	74	\$ 85,511	\$ 63,211	\$ 41	\$ 63,253	\$ 1,156	\$ 855	74.0%
08/01/2025	284.0	48	78	\$ 89,611	\$ 55,617	\$ 34	\$ 55,652	\$ 1,149	\$ 713	62.1%
09/01/2025	285.0	49	79	\$ 90,814	\$ 30,959	\$ 46	\$ 31,005	\$ 1,150	\$ 392	34.1%
10/01/2025	286.0	49	79	\$ 90,814	\$ 55,542	\$ 72	\$ 55,614	\$ 1,150	\$ 704	61.2%
11/01/2025	287.0	50	79	\$ 89,120	\$ 43,854	\$ 91	\$ 43,945	\$ 1,128	\$ 556	49.3%
12/01/2025	288.0	48	78	\$ 85,511	\$ 45,321	\$ 91	\$ 45,412	\$ 1,096	\$ 582	53.1%
01/01/2026	289.0	48	76	\$ 84,751	\$ 29,917	\$ 120	\$ 30,037	\$ 1,115	\$ 395	35.4%
02/01/2026	290.0	47	75	\$ 84,751	\$ 33,469	\$ 284	\$ 33,753	\$ 1,130	\$ 450	39.8%
03/01/2026	291.0	47	75	\$ 84,751	\$ 39,098	\$ 771	\$ 39,869	\$ 1,130	\$ 532	47.0%
04/01/2026	292.0	47	75	\$ 84,751	\$ 31,815	\$ 1,408	\$ 33,223	\$ 1,130	\$ 443	39.2%
05/01/2026	293.0	49	81	\$ 88,928	\$ 16,721	\$ 3,414	\$ 20,135	\$ 1,098	\$ 249	22.6%
06/01/2026	294.0	49	81	\$ 98,977	\$ 42,266	\$ 55,238	\$ 97,504	\$ 1,222	\$ 1,204	98.5%
24-MONTH TOTALS	281.5	1,238	2,046	\$ 2,280,700	\$ 1,292,960	\$ 61,666	\$ 1,354,625	\$ 1,115	\$ 662	59.4%

1 Incurred Loss Ratio (incurred claims divided by total premium) includes an actuarial estimate of claims incurred but not yet paid; does not include plan administration fees, broker fees, or reserve contributions.

Subtotal by Rolling 12 Months

Incurred Period	Average Duration	Enrolled Employees	Enrolled Members	Total Premiums	TOTAL Incurred & Paid	Incurred But Not Paid	Estimated Incurred Claims	Total Premium PMPM	Estimated Incurred Claims PMPM	Incurred Loss Ratio (ILR) ¹
Rolling 12 Months - Prior 1	276.5	569	952	\$ 1,055,060	\$ 671,706	\$ 55	\$ 671,760	\$ 1,108	\$ 706	63.7%
Rolling 12 Months - Current	288.5	578	930	\$ 1,058,290	\$ 487,792	\$ 61,611	\$ 549,403	\$ 1,138	\$ 591	51.9%
YOY Variance (Curr vs. Prior 1)		1.6%	-2.3%	0.3%	-27.4%	n/a	-18.2%	2.7%	-16.3%	-11.8%

HEALTH PLAN

PMPM Revenue vs. Claims



*Claims do not include IBNR

2027 HEALTH PLAN MARKETING

HEALTH PLAN

Medical Marketing Summary

BHC Sourcewell Coop/BCBS (incumbent)

+3.6% Initial (+5% including Kavira annual cost)

-1.9% BAFO (-.48% including Kavira annual cost)

- MHC Co-op/Medica: -2.5% (-1.07% including Kavira annual cost)
- BCBS Direct: Client considered small group*
- Medica Direct: Client considered small group*
- HealthPartners: Client considered small group*
- UnitedHealthCare: Client considered small group* (*does not cover Retirees*)
- PEIP; -40.2% decrease over current (With HSA Plan Options) and -13.5% decrease over current (With Traditional Plan Options).

**Small Group Rates (age-banded) available first week of October*

HEALTH PLAN RENEWAL

2027 Medical Plans - Better Health Collective Sourcewell Co-op (BCBS) (includes Kavira)

Plan Name: Network:		BHC Sourcewell/BCBS (CURRENT) Open Access 004CF-150V-90-1600-Copay/Rx			HDHP - HSA Plan Option Smart Plan 3: \$3,500-0%
		In-Network Benefits			In-Network Benefits
Deductible		Embedded*			Embedded*
Single		None			\$3,500
Family		None			\$7,000
Employee Coinsurance		20% / 10%			0%
Out-of-Pocket Maximum					
Single		\$1,600			\$3,500
Family		\$6,000			\$7,000
Preventive Services		No Charge			100% Coverage
Office Visits		\$15 Copay			Ded; then 0%
Telehealth - Dr on Demand		\$15 Copay			\$40 Copay
KAVIRA (virtual or in-person)		No Cost to Member!			No Cost to Member!
Emergency Room Services		\$60 Copay			Ded; then 0%
Urgent Care		\$15 Copay			Ded; then 0%
Ambulance		20% coinsurance			Ded; then 0%
Inpatient Facility Services		10% coinsurance			Ded; then 0%
Outpatient Facility Services		\$15 Copay OV/20% all other services			Ded; then 0%
Bariatric Surgery Services		10% coinsurance			Ded; then 0%
Infertility Treatment		20% through Progyny			Ded; then 0%
Prescription Drugs (FlexRX Drug List)		Creditable for Med Part D			Creditable for Med Part D
Preventive RX		N/A			Gen: \$0/Brand \$150 copay
Preferred Generic		20% with min/max \$10/\$30 copay			Ded; then 0%
Preferred Brand		20% with min/max \$10/\$30 copay			Ded; then 0%
Non-Formulary		No Coverage			no coverage
Specialty Drugs		20% with min/max \$10/\$30 copay			Ded; then 0%
Out-of-Network Deductible/Coinsurance		\$200/\$600 Ded; 30%			\$7,000/\$14,000 Ded; 20%
Out-of-Network Out-of-Pocket		\$3,000/\$6,000			\$10,500/\$21,000
* Embedded Deductible: One family member stops at single deductible, then 100% coverage for the remainder of the year					
** Non-Embedded Deductible: the family contract requires that the full deductible be met before any family members reach coinsurance level.					
See the Summary of Benefits and Coverage (SBC) for additional details as well as the BCBS Plan document for full plan information.					
Premium Summary - Renewal Rates Effective January 1, 2027					
CURRENT					Smart Plan 3: \$3,500-0% HSA
Contract Type	Lives	Current	Initial Renewal	BEST & FINAL OFFER*	(shown as total replacement)
Single	39	\$1,241.00	\$1,288.00	\$1,221.00	\$856.00
Family	11	\$4,177.00	\$4,320.00	\$4,087.00	\$2,805.00
Monthly Premium	50	\$94,346	\$97,752	\$92,576	\$64,239
Annual Premium		\$1,132,152	\$1,173,024	\$1,110,912	\$770,868
Increase/Decrease to Current Plan			3.6%	-1.9%	-31.9%
Kavira Cost (48 EE x \$27 PEPM, 2 EE x \$10)			\$15,792	\$15,792	\$15,792
TOTAL w/Kavira			\$1,188,816	\$1,126,704	\$786,660
TOTAL Change to Current plan with Kavira*			5.00%	-0.48%	-30.52%
Annual Premium Difference from Current w/Kavira			\$40,872	(\$5,448)	(\$345,492)

*The quoted rates include a discount equal to the estimated annual cost for Kavira, and the proposal assumes the implementation of Kavira on 1/1/27. Should the group elect not to implement Kavira, BHC/Sourcewell reserves the right to adjust proposal.

BHC/Sourcewell Renewal includes 2028 rate cap of 17% if Baxter renews with current plan or 16% if Baxter renews with all Smart Plans



Overview of Company

Kavira Health is a subscription-based primary and urgent care clinic, that delivers all care via telehealth, and in-person home visits. The subscription fee is paid for by an employer, and in turn, employees and their families receive unlimited, on-demand, and completely free* access to our clinic. Kavira is on a mission to provide the most convenient, affordable, and accessible everyday healthcare imaginable. Kavira was founded in Minnesota in 2020, and today covers members across Iowa, Minnesota, Wisconsin and North Dakota.

Overview of Services

Kavira offers an employer-funded, non-voluntary membership service. This membership provides employees (and immediate family members) with unlimited access to Kavira's clinical team - providing primary care, urgent care, free in-home x-rays, 30 free labs, and 300+ free medications, via telehealth and home visits. Kavira's full services list, 30 free labs, and medication formulary can be found here: www.kavirahealth.com/services. Kavira employs a team of NPs (nurse practitioners), PAs (physician's assistants) and RNs (registered nurses) to provide all care - with the ability to diagnose, treat, and prescribe medications for common ailments. Kavira's clinic hours are 8am-7pm weekdays and 10am-2pm weekends (virtual only). Our goal is to provide incredibly responsive care - responding to members within 10 minutes virtually and providing home visits within 4 hours of a member needing in-person care. Kavira will never bill insurance, and will never bill a member directly for care*. Instead, all care is fully paid for by the monthly membership fee, thus fully removing the financial barrier to accessing care for our members.

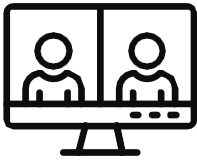
We understand this service is unique - to that end, Kavira works alongside our clients to educate and engage employees, with the goal of driving utilization. Our employee education includes initial onboarding session(s) (either in-person, or through virtual webinars), and distributing marketing materials and educational content directly to members through text, email, or mailed brochures. Kavira will provide the Company with quarterly utilization reports, helping to inform engagement strategies, and allowing the Company to assess ROI.

Our goal is to partner with our clients, and to help our clients provide an incredibly convenient, affordable, and impactful healthcare benefit to their employees.

** Some prescriptions & lab tests may cost extra – in which case the patient will be made aware of the cost ahead of the visit, and will be billed directly following the visit.*



Kavira Membership



Virtual First

On-demand messaging and video chats with expert providers



House Visits

When in-person care is needed, our clinicians come to you – providing in-home tests, bloodwork, x-rays, and exams



Free Care

Employees and their families receive free, on-demand access



Rx Refills & Delivery

Prescription management, *free Rx's, and Rx delivery

**Acute Rx's at a pass-through rate for HSA-eligible members & some labs may cost extra.*

Acute Conditions We Treat:

- Asthma
- Athlete's foot
- Bronchitis
- Bug bites
- Cold sores
- Cough, cold & flu
- Diarrhea
- Ear concerns (pain, drainage, wax)
- Gout
- Hand, foot, mouth
- Insomnia
- Muscle or joint pain
- Nail disorders
- Pink eye
- Rashes, skin conditions, burns
- Sprains and strains
- Sinus infection
- Sore throat
- Stitch removal
- UTI (female)
- Vaginitis (yeast or BV infection)
- Various viral illnesses
- Wart evaluation
- Many more

Chronic Conditions We Treat:

- Acne
- Anemia (mild) evaluation
- Anxiety / Mild-moderate depression
- Asthma
- Constipation
- Diabetes type 2
- Eczema
- Epi-pen refills
- Hair Loss
- Heartburn (GERD)
- High cholesterol
- Hypertension
- Hypothyroidism
- Obesity
- Osteoarthritis
- Seasonal allergies

Imaging (non-emergency):

- X-rays
- EKGs

Additional Services:

- 30 free labs
- 300+ free Rx's
- Care navigation

Preventive:

- Wellness exams
- Contraception
- Sports physicals
- Tobacco / nicotine cessation
- Wellness goals
- Nutrition counseling

Behavioral Health Counseling:

- Anxiety
- Depression
- Stress management
- Burnout
- Grief and loss
- Workplace challenges
- Work-life balance
- Family, relationship, and marital concerns
- Bullying
- Financial stress

Corporate Benefits:

- In-office biometric screens
- Facilitate vaccine clinics

Note: Behavioral Health Counseling services are at an additional cost. This is not a comprehensive list of treatable conditions. Decisions to treat specific medical conditions will be based on patient medical history, complexity, and provider discretion.



Your All-Inclusive Membership

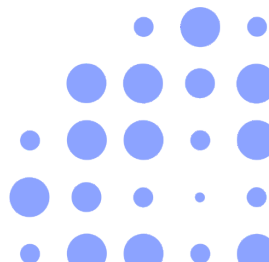
Kavira Pricing for all Employees Enrolled in the Medical Plan

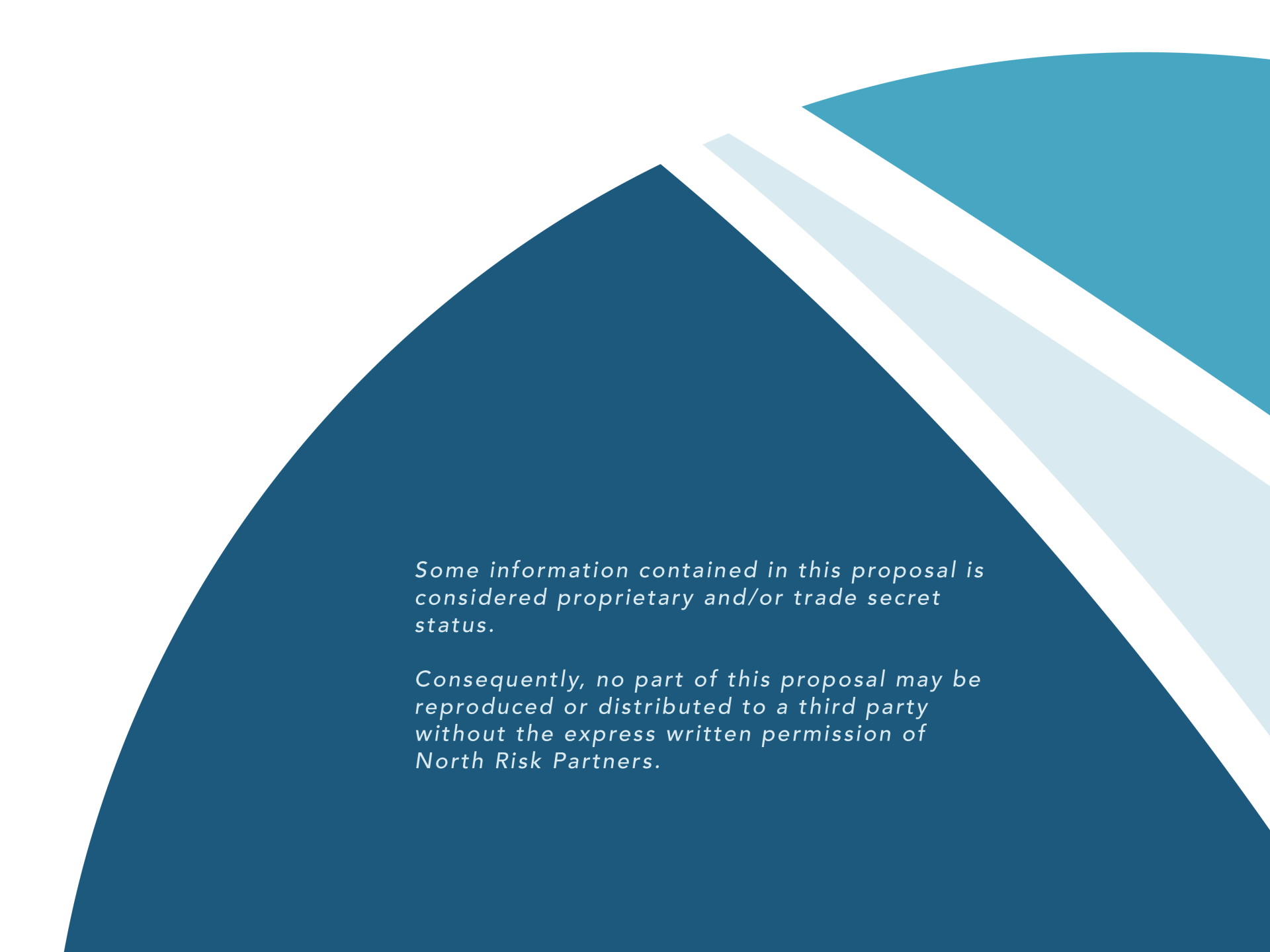
	# of Employees	PEPM	Monthly Cost	Annual Cost
In-Person Care + Telehealth	48	\$27.00	\$1,296	\$15,552
Telehealth Only	2	\$10.00	\$20	\$240
Total	50		\$1,316	\$15,792

Note: Monthly billing will fluctuate as employees are added (hired) / removed (fired, or otherwise leave) the company.

Note: Behavioral Health Services would be an additional cost of \$4 PEPM.

Note: Employees in Oklee (MN) and Grantsburg (WI) would be eligible for telehealth only or in-person care at workplace within home visit area.





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