

# coalition of advocates FOR MONTANA'S PUBLIC SCHOOLS

MASBO | MREA | MTSBA | MQEC | SAM

## FOR IMMEDIATE RELEASE

January 25, 2023

### Contact:

Emily Dean, Director of Advocacy, MTSBA  
(406) 431-7389, [edean@mtsba.org](mailto:edean@mtsba.org)

### **Bipartisan Solution to Address the Montana Teacher Recruitment and Retention Crisis Through Creation of School Health Insurance Trust**

Today, Representative David Bedey (Hamilton), Representative Llew Jones (Conrad), Senator Edie McClafferty (Butte), and Senator Dan Salomon (Ronan) introduced [LC 175](#) to address the teacher recruitment and retention crisis through the creation of and investment in a public school health insurance trust. If adopted, this landmark legislation will deliver some of the most impactful solutions to address teacher recruitment and retention in Montana in nearly two decades.

Legislators were joined in the Montana State Capitol Rotunda by school board trustees, administrators, and staff from across the state and leaders of the public education advocacy organizations including Montana Association of School Business Officials (MASBO) Executive Director Shelley Turner, Montana Quality Education Coalition (MQEC) Executive Director Doug Reisig, Montana Rural Education Association (MREA) Executive Director Dennis Parman, Montana School Boards Association (MTSBA) Executive Director Lance Melton, and School Administrators of Montana (SAM) Executive Director Rob Watson.

"I served as a school board trustee and chair for over a decade, recruitment and retention has remained a top challenge for school districts of all sizes," Senate Education and Cultural Resources Committee Chairman Salomon said, "We need high quality teachers in every classroom and in every school district. This school health insurance trust is an important part of the solution to this crisis."

[LC 175](#) is the result of collaboration over the past three legislative sessions to address the high costs of health insurance for public school employees, school districts, and local taxpayers. Exorbitant health insurance costs for employees and school districts are one of the leading contributing factors to the teacher recruitment and retention crisis.

Senate Education and Cultural Resources Vice Chair McClafferty reflected on the introduction of [LC 175](#), "This bill is the culmination of years of bipartisan work with legislators and collaboration with the public education community. It will have direct impacts for my fellow teachers and school staff across the state by lowering health insurance costs and addressing the challenges of teacher recruitment and retention."

# coalition of advocates FOR MONTANA'S PUBLIC SCHOOLS

MASBO | MREA | MTSBA | MQEC | SAM

The bill specifies the qualifications for the creation of a qualifying school health insurance trust. A qualifying trust must be self-funded, cover a minimum of 12,000 employee lives, include the membership of at least 150 public school districts, and control administrative costs below 12% of total costs, among other qualifications.

[LC 175](#) sponsor and Joint Appropriations Subcommittee on Education Chairman Bedey commented on the impact of [LC 175](#) to school districts, “As a former school board trustee, I know salaries and benefits are a significant portion of school district general funds. Participating in the school health insurance trust will result in the reduction of costs associated with employee benefits and alleviate the financial strain on general fund budgets.”

Participation in a school health insurance trust is incentivized by the one-time appropriation of \$60 million, of which \$20 million may only be accessed if a trust is established and operating by June 30, 2025, and would be allocated on a per employee basis to all members of the trust. The remaining \$40 million will be distributed to capitalize a reserve fund for the school health insurance trust.

“[LC 175](#) addresses two urgent issues: reducing school health insurance costs and reducing the burden to local taxpayers covering those costs,” House Appropriations Chairman Jones said, “This bill incentivizes school districts to create a school health insurance trust to more efficiently and effectively provide healthcare for public school employees.”

The school health insurance trust will give school district members greater control over the health insurance provided and how premiums are invested and ultimately spent. A school health insurance trust owned by Montana school districts and their employees will assist in lowering employee turnover by providing a sense of security and the peace of mind if an employee needs to access medical treatment.

[LC 175](#) delivers solutions for Montana school employees, school districts, and local taxpayers.

Additional comments regarding [LC 175](#):

**MASBO Executive Director Shelley Turner:** *MASBO is grateful to the bipartisan team of Legislators for their dedication in the development of [LC 175](#). This bill addresses the growing problem Montana's public schools face in managing the rising costs of health insurance. Being able to provide stable and affordable coverage is essential to the recruitment and retention of a highly skilled workforce required to educate the students of Montana.*

**MQEC Executive Director Doug Reisig:** *[LC 175](#) will create a school health insurance trust that can deliver real cost savings to both school districts and school employees when compared to traditional private health insurance companies. This will create an environment that will produce*

# coalition of advocates FOR MONTANA'S PUBLIC SCHOOLS

MASBO | MREA | MTSBA | MQEC | SAM

*healthier, happier employees which will translate into lower school staff absenteeism, better school staff productivity, and school staff retention.*

**MREA Executive Director Dennis Parman:** *The educator recruitment crisis continues in rural Montana and helping manage healthcare costs is always a major element in our strategies. We see this bill as essential toward improving our abilities to effectively bring teachers to our community.*

**MTSBA Executive Director Lance Melton:** *Legislators have engaged in a bipartisan collaboration to develop legislation that will improve recruitment and retention of teachers and other school employees with an efficient and accountable solution for taxpayers. [LC 175](#) honors local control by providing a path for elected school boards and school leaders to work together to stabilize insurance rates and control costs. School leaders are excited at the prospect of creating a statewide school health trust and are grateful to sponsor Representative Bedey, Representative Jones, Senator Salomon, Senator McClafferty, and other legislators for developing a locally controlled solution to assist us in efforts to improve recruitment and retention in Montana's public schools.*

**SAM Executive Director Rob Watson:** *We know that having quality health coverage is an important issue for all school employees in our state. We believe that having affordable coverage is an important recruitment and retention issue for teachers and other school staff. In addition, rising costs of health insurance have a direct impact on the bottom line for school district budgets. Our members are hopeful that a statewide health insurance trust will lower costs for all and help to relieve the pressure felt by shortfalls in school budgets.*

###

Shelley Turner  
MASBO  
[sturner@masbo.com](mailto:sturner@masbo.com)

Doug Reisig  
MQEC  
[dreisig@mqec.org](mailto:dreisig@mqec.org)

Dennis Parman  
MREA  
[dparman@mrea-mt.org](mailto:dparman@mrea-mt.org)

Lance Melton  
MTSBA  
[lmelton@mtsba.org](mailto:lmelton@mtsba.org)

Rob Watson  
SAM  
[samrw@sammt.org](mailto:samrw@sammt.org)