JUNE 30, 2025 ANNUAL REPORT

IPBC

www.ipbchealth.org

IPBC Intergovernmental Personnel Benefit Cooperative

TABLE OF CONTENTS

2024-2025 FISCAL YEAR

Message from the IPBC Executive Director

The 2024–25 Fiscal Year was a pivotal building year for IPBC. Following the membership's approval of the 2023–27 Strategic Plan in 2023, we made significant progress on several key initiatives.

One of the most transformative developments was the revamping of our governance structure. With the elimination of sub-pools, all member groups are now individual members under IPBC. This streamlined structure enhances our efficiency, responsiveness, and ability to serve our members more effectively.

Despite these advancements, we faced notable challenges. The 2025–26 renewal marked the highest in IPBC's history, driven by rising national medical trends and the rapid growth in utilization of GLP-1 drugs. These factors will continue to influence IPBC finances for the near future.

I want to express my sincere gratitude to the IPBC Executive Board, IPBC staff, and the IPBC Service Team. Their commitment and hard work have been instrumental in navigating this year's complexities and driving our mission forward.

I invite you to review the Annual Report for a comprehensive overview of our progress and challenges. Please feel free to reach out with any questions or if you need additional information.

Thank you for your continued support and engagement with IPBC.

Dave Cook
IPBC Executive Director

Strategic Highlights

During the 2024-25 Plan Year, IPBC continued the implementation of the 2023-27 Strategic Plan. The goal of the Strategic Plan is to provide a plan for IPBC's continued success.

A summary of activities taken under the strategic plan priorities follows:

Representative Governance Model: The 2024-25 Fiscal Year was the first year under the new representative governance model. The new representative model includes greater authority for the Executive Board, an expanded representative Executive Board, and a Board of Directors that now comprises all member groups of the IPBC.

One of the biggest accomplishments under the new governance structure was the first Annual All Member Meeting held on March 20, 2025 at the Hyatt Regency in Lisle. This meeting was an amazing success. The vast majority of IPBC Members attended and learned about the challenges facing the healthcare marketplace and they were able to interact with the IPBC carrier and vendor partners.

While the governance strategic initiative is now considered complete, IPBC Staff will continue to evaluate and recommend governance modifications on an as needed basis.

Centralized Communications Function: IPBC engaged with Vicarious Multimedia on communications. Vicarious Multimedia redesigned the IPBC marketing materials including producing a new marketing video: https://vimeo.com/1066933454. Other communication activities included: redesigning the monthly newsletter, implementing a new IPBC website, and different promotional materials.

Streamlined Plan Designs: Staff collaborated with carriers to compare all current plan designs offered by IPBC members and drafted potential model designs for future adoption. A streamlined administrative structure would simplify benefit management for members; however, maintaining plan design flexibility remains a core IPBC principle. This balance makes the project complex. The objective is to create model designs that offer advantages to members who choose to adopt them, while preserving flexibility for those requiring customized options.

Retention & Strategic Growth: Staff finalized on the development of a marketing plan that focused on a more proactive approach with new members. Service Team staffing is a priority consideration to limit any negative impact on the current membership.

Succession Planning: The succession planning priority included two (2) components: succession plan for the IPBC Executive Director and CFO function and a succession plan for IPBC board members, staff, and vendors. A plan was developed during this fiscal year, and this strategic initiative is considered complete.

Increased Benefit Consulting Value: This project was kicked off in 2024-25 with a survey of the IPBC membership opinions on the benefit consulting function, and a meeting with the IPBC vendor partners. A series of recommendations was made for the initiative based on the survey results and the vendor meeting. In addition, based on the survey results, there was interest from the membership to examine how the benefit consulting function is staffed. A taskforce has been formed, and this will be a key analysis during the 2025-26 Fiscal Year.

Additional information about the Strategic Plan is available on the IPBC website.

Financial Highlights

The 2024–25 Fiscal Year presented continued financial challenges for IPBC, reflecting persistent stress from the healthcare marketplace. PPO performance was particularly unfavorable, with a loss ratio of 109.4% and a year-end deficit of $30.3 million, compared to the prior year's 98.8% loss ratio and $3.3 million surplus. Similarly, the HMO plan was unfavorable, with a loss ratio of 102.8% and a $2.7 million deficit, a sharp contrast to the 93.2% ratio and $6.4 million surplus in 2023–24. These results underscore the ongoing upward pressure on claims costs and a financial strain on the overall Cooperative.

Dental ASO performance remained relatively consistent to last year but with a continued deficit. Fiscal Year 2024-25 had a $94,160 deficit and a 100.6% loss ratio, comparable to last year's $71,593 deficit and 100.5% ratio.

Investment earnings remained strong and provided some relief at $14.8 million, slightly above the prior year's $14.78 million, but were insufficient to offset significant underwriting losses. These trends reinforce the need for strategic adjustments to address volatility in the healthcare market.

Despite these challenges, the IPBC pooling model continues to deliver value by stabilizing rates and reducing volatility compared to standalone plans. By spreading risk across a larger population, pooling offers long-term savings and predictability for member groups. IPBC remains committed to monitoring market trends and implementing innovative strategies—such as plan design enhancements, vendor negotiations, and cost-containment programs—to help members manage expenses without compromising quality of care.

Operating Highlights

New IPBC Website

IPBC launched a new website during the 2024-25 Fiscal Year. The new website was designed to make information easier to find for the member groups and includes new dedicated member pages. The new member pages are required to be built from scratch and will take time to be finalized.

Supplemental Health Implementation

A supplemental health benefit offering including Critical Illness, Accident and Hospital Indemnity through Securian was adopted by the IPBC Executive Board and rolled out to the IPBC membership on 1/1/25.

Medicare Continuation Plan Approval

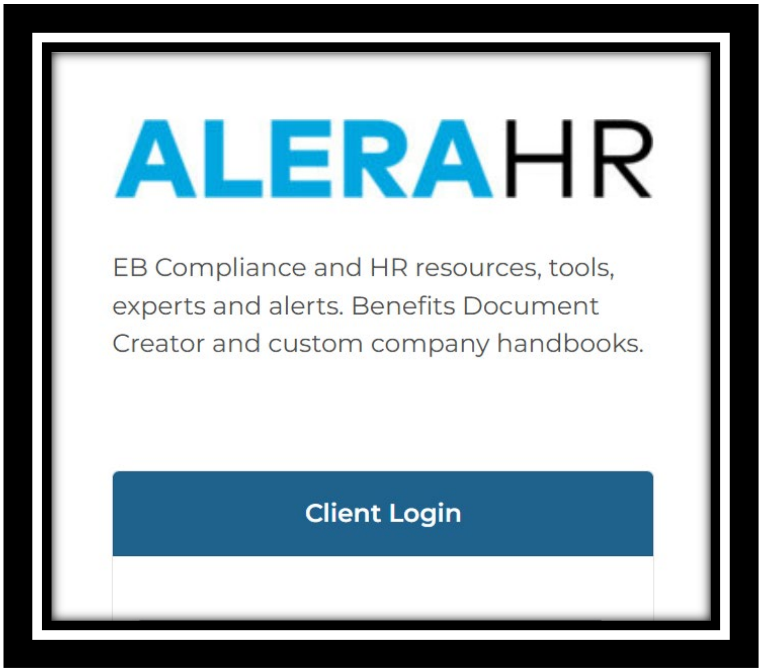
The Board of Directors approved the implementation of Medicare continuation plans for the IPBC membership. The plans will be effective in the 2025-26 IPBC Fiscal Year.

Advocate Medical Group and HMO Illinois

A big challenge for IPBC was the termination of the contract between Advocate Medical Group and BCBS HMO Illinois. IPBC Member Groups were given the option to implement HMO Blue Advantage as Advocate Medical Group remains in Blue Advantage.

Transition to the Alera Group & AleraHR Implementation

IPBC transitioned to the Alera Group as the IPBC Consultant on 7/1/24. The Alera Group provides expert insurance industry guidance and resources to IPBC. Through the IPBC's engagement with the Alera Group, we were able to roll out AleraHR to the entire membership. AleraHR runs on the Mineral platform and provides an HR and compliance resource for the membership. This resource was provided to the IPBC at no additional cost through the IPBC engagement with the Alera Group.



GLP-1 Usage for Weight Loss

The usage of GLP-1 drugs has skyrocketed and has been a main driver in IPBC rate increases. IPBC worked with ESI to develop options for IPBC member groups that wish to try to control their spend on GLP-1 drugs for weight loss.

Increase in Patients Using GLP-1 Drugs				
Month	Zepbound	Wegovy	Ozempic	Mounjaro
June-24	430	402	214	208
July-24	497	428	243	220
August-24	685	612	382	311
September-24	806	717	464	364
October-24	925	782	495	399
Novemebr 2024	1,012	836	526	436
December-24	1,100	885	545	456
January-25	1,251	938	567	504
February-25	1,380	992	587	543
March-25	1,530	1,057	606	569
April-25	1,655	1,098	624	611
May-25	1,812	1,157	638	648
June-25	1,966	1,202	655	683
# Increase Since June	**1,536**	**800**	**441**	**475**
% Increase Since June	**357.2%**	**199.0%**	**206.1%**	**228.4%**

Wellness Program

Eighty-eight (88) members offered a biometric screening and sixty-one qualified for an incentive.

Plan Year	Intro	Tier A	Tier B	Tier C	Screening	Total
2024-25	1	24	18	18	27	88

Membership Updates

IPBC has experienced significant growth over the years.

Interest in the IPBC remained high during the 2024-25 Fiscal Year. IPBC added nine (9) entities to the membership during 2024-25. The new members for 2024-25 were:

- Village of Bartlett
- St. Charles Library
- City of Dixon
- City of Lake Forest
- City of Charleston
- City of Morrison
- Village of Fox Lake
- Peoria County
- Kendall County

Growth in the 2025-26 Fiscal Year is expected to continue at a pace similar to that of the 2024-25 Fiscal Year.

IPBC is the premier health benefit option for Illinois local governments

CARRIER SUMMARY

Medical

IPBC Members have the option to utilize Blue Cross/Blue Shield (BCBS) or United Healthcare (UHC) for medical coverage.

Blue Cross/Blue Shield Summary

Through membership in IPBC, the IPBC member groups have access to a medical management platform entitled Health Advocacy Solutions (HAS) for the PPO plans. The platform provides concierge experience and access to clinical advocates. IPBCs reachable population is only 53.2% of eligible employees, which is higher than the BCBS book of business but obtaining employees valid email addresses in PlanSource will significantly increase access to the reachable population.

PPO Summary

Membership in the IPBC BCBS PPO plans increased 9.6% during the fiscal year. The trend for the PPO plan was 11.8% higher than the benchmark. Neoplasms was the costliest diagnostic category overall. For high cost claims, .75% of the membership were high cost claimants but accounted for 25.2% of IPBC's overall spend.

The Member Rewards program saw a 53% activation and procedure shop rate. As employees can earn incentives through Member Rewards, this program should be more heavily marketed to employees of IPBC Member Groups.

In addition, IPBC member groups have access to several supplemental programs that are available to their employees: Teledoc Health (diabetes management), Omada Health (diabetes prevention), Wondr Health (online weight loss program) and Hinge Health (digital MSK program).

These programs collectively show a proactive approach to healthcare management, focusing on both prevention and management of chronic conditions (like diabetes), as well as enhancing member engagement through rewards and satisfaction-driven services. These initiatives are well-received and effective in helping employees in meeting their goals of improving health outcomes and reducing healthcare costs for member groups.

HMO Summary

Membership in the HMO plan only increased .9% during this fiscal year. The trend for the IPBC HMO plan for fiscal year was 1.9% lower than benchmark. Musculoskeletal was the costliest diagnostic claim overall. For high cost claims, 0.26% of the population were high cost claimants. but accounted for 15.3% of the overall spend.

United Healthcare (UHC) Summary

Through membership in IPBC, IPBC member groups that utilize UHC currently have access to Kaia for musculoskeletal (MSK) support. MSK PMPM is 10% above the norm, and 30% of MSK claimants have a comorbidity of being overweight/obese. UHC also offers Real Appeal, an online weight loss program. 70 members are enrolled and 35% have achieved a 5%+ weight loss. Maternity paid PMPM increased by 35% and is 50% above the norm. UHC members have access to Maven that provides support from fertility to midlife and menopause support.

Pharmacy Benefit Manager

IPBC utilizes Express Scripts (ESI) as its pharmacy benefit manager. Therefore, pharmacy claims run outside of the medical claim. In the 2024-25 Fiscal Year, pharmacy trend increased by 17.7%. Specialty drugs accounted for 5 out of the 10 top drugs and 51.3% of the total pharmacy costs. GLP-1 drugs were responsible for 21.8% of the overall cost in 2024-25 Fiscal Year.

Dental

Delta Dental has ASO and fully insured options for IPBC members. The YTD loss ratio for the ASO groups was 100.7%. During the year, 55% of claims were in the preventative and/or diagnostic claim categories. The breakdown of providers for claim payments is: 23% Delta Dental PPO providers, 50% Delta Dental Premier Providers and 26% Out of Network (OON) providers.

Life & Supplemental Health

Securian is the life and supplemental health provider for IPBC member groups. Through the IPBC relationship with Securian, IPBC member groups have access to an ID Theft product, Lifestyle benefits, and travel assistance.

Vision

IPBC Members have access to 10 voluntary fully insured vision plans through VSP. The majority of IPBC members offer Plan A which is a 12/12/24 plan with $130 towards contacts and/or glasses. According to VSP, IPBC member group employees average $75 out of pocket (OOP) towards frames with Plan A which is high compared to the VSP book of business. The VSP network has 72% of independent providers and VSP also owns VisionWorks.

Employee Assistance Program (EAP)

ComPsych offers three traditional EAP programs along with a specialty first responder program. 124 IPBC Member Groups participated in the IPBC EAP program during the 2024-25 plan year.

VENDOR SUMMARY

Independent Consultant

In the 2024-25 Fiscal Year, IPBC engaged the Alera Group as the IPBC Consultant. Alera was a presenter at the IPBC All Member Meeting in March 2025 and Alera rolled out a benchmarking survey and AleraHR to the membership.

Benefit Consulting – aka the IPBC Service Team

The Benefit Consulting function is provided by Risk Program Administrators (RPA) – a division of Gallagher. IPBC Members are assigned a Benefit Consultant to serve as a liaison between the member and the IPBC coverages they have selected. The team assigned to IPBC during the 2024-25 year was:

Name	Title
John Ashton	Managing Director
Tanya Edwards	Assistant Vice President
Adam Katz	Benefit Consulting Manager
Joyce Janu	Service Team Lead
Dan Parker	Senior Benefit Consultant
Niti Patel	Senior Benefit Consultant
Karen Williams	Senior Benefit Consultant
Jen Lamz	Benefit Consultant
Jenny Warp	Benefit Consultant
Shannon McHugh	Benefit Consultant
Angie Moscato	Benefit Consultant
Aleigha Mitchell	Benefit Consultant
Jake Gordon	Client Representative
Bailey O'Keefe	Client Representative
Will Anderson	Client Representative

Underwriting/Actuarial

Underwriting was performed by Milliman. Milliman has provided new member quotes and performed underwriting analysis for the IPBC membership as well as developing the renewal.

Financial Management & Reporting

Accounting services are provided by Risk Program Administrators (RPA). The lead accountant has worked for several years on IPBC.

IPBC STAFF

In the 2024-25 Fiscal Year, IPBC created a new position, Health Program Analyst. This position provides support and analysis with all of the IPBC offerings.

Executive Director
Dave Cook

Member Services Manager
Sandy Mikel

Operations Manager
Kaitie Tiede

Administrative Assistant
Tania Bowler

Health Program Analyst
Ali Alsharifi

2024-25 EXECUTIVE BOARD

The Executive Board is responsible for oversight of IPBC staff and operations. The 2024-25 Executive Board was:

Executive Board Officers (Terms Through 6/30/27)

Chair	Scott Anderson	Village Manager	Village of Barrington
Vice Chair	Tim Sexton	Finance Director	Village of Lombard
Treasurer	Josh Peacock	Finance Director	Village of Streamwood

Executive Board Directors (Terms Through 6/30/27)

1-50 Employees	Matt Fritz	City Administrator	City of Coal City
51-100 Employees	Andy Dylak	Finance Director	MCCD
101-200 Employees	Jennifer Houtz	Human Resources Director	Village of Libertyville
201-300 Employees	Eric Burke	Finance Director	Village of Deerfield
301-400 Employees	Becky Madison	Human Resources Director	City of Des Plaines
401+ Employees	Darcy Adcock	Human Resources Director	Lake County

Executive Board Directors (Terms Through 6/30/26)

At-Large	Tamara Amann	Finance Director	Village of Caseyville
At-Large	Terri Svec	Finance Director	NWCDS
At-Large	Katie Sepe	Human Resources Director	Naperville Park District
At-Large	Jennifer McMahon	Human Resources Director	City of St. Charles
At-Large	Rachel Musiala	Finance Director	Village of Hoffman Estates
At-Large	Sharon Tanner	Assistant HR Director	Village of Schaumburg

IPBC MEMBERSHIP – AS OF 6/30/25

Member	Entry Date
Barrington	07/01/79
Glenview	07/01/79
Rolling Meadows	07/01/79
Streamwood	07/01/79
Westmont Park District	07/01/79
Wheeling	07/01/79
Wood Dale	07/01/81
Countryside	08/01/83
Indian Head Park	08/01/83
LaGrange Park	08/01/83
LaGrange Park - Park District	08/01/83
Lagrange Park Public Library	08/01/83
Carol Stream	10/01/83
Bloomingdale	07/01/84
Clarendon Hills	09/01/84
Darien	09/01/84
Woodridge	09/01/84
Burr Ridge	03/01/85
Mokena	07/01/92
Plainfield	07/01/92
Hinsdale	06/01/97
West Chicago	10/01/97
Mount Prospect	04/01/98
JAWA	01/01/00
Wheaton	04/01/03
Northbrook	05/01/03
Northbrook Library	05/01/03
Des Plaines	06/01/03
Franklin Park	11/01/03
Forest Preserve District of DuPage County	01/01/04
Collinsville	06/01/04
Hoffman Estates	01/01/05
Homewood	01/01/05
Libertyville	05/01/06
Carpentersville	01/01/07
Morton Grove	01/01/07
DeKalb	01/01/08
Hanover Park	01/01/08
Highland Park	01/01/08
Lockport	07/01/08

Glen Ellyn	01/01/09
Homer Glen	07/01/09
North Riverside	10/01/09
Evanston	12/01/09
SWANCC (Buffalo Grove)	12/01/09
Beecher	01/01/10
Monee	01/01/10
Rock Falls	01/01/10
Oswego	07/01/10
Oswegoland Park District	07/01/10
Crest Hill	08/01/10
Crete	11/01/10
Crete Township	11/01/10
Peotone	11/01/10
Steger	11/01/10
SEECOM	01/01/11
Gilberts	04/01/11
Crystal Lake	05/01/11
Deerfield	05/01/11
River Forest	05/01/11
Swansea	05/01/11
Deerfield Park District	05/01/11
Deerfield Public Library	05/01/11
Bensenville	06/01/11
Buffalo Grove	01/01/12
Coal City	01/01/12
Schaumburg	01/01/12
Metropolitan Pier & Exposition Authority	07/01/12
Glen Carbon	07/01/13
New Baden	07/01/13
Algonquin-Lake in the Hills Fire Protection District	01/01/14
Algonquin	01/01/14
Lombard	01/01/14
Oak Park Township	01/01/14
WSCDC	01/01/14
South Chicago Heights	05/01/14
Winfield	07/01/14
Trenton	09/01/14
Cary	01/01/15
Channahon	01/01/15
Glencoe	01/01/15
Oak Park Public Library	01/01/15
Homewood Public Library	07/01/15
Roscoe	07/01/15
Lisle	10/01/15

Forest Preserve District of Kane County	01/01/16
Naperville Park District	01/01/16
Warrenville	01/01/16
Elk Grove Village	05/01/16
Highwood	05/01/16
Park Ridge	05/01/16
Beach Park	07/01/16
Effingham	07/01/16
Huntley	07/01/16
Itasca	07/01/16
Westchester	07/01/16
Washington Township (Beecher)	09/01/16
Batavia	12/01/16
Colona	01/01/17
DU-COMM	01/01/17
East Moline	01/01/17
Lake Zurich	01/01/17
Lisle Park District	01/01/17
Northwest Central Dispatch System	01/01/17
Summit	01/01/17
Wood River	01/01/17
Princeton	03/01/17
Lisle Woodridge Fire District	07/01/17
McHenry County	07/01/17
Monroe County	07/01/17
Spring Grove	07/01/17
Washington	07/01/17
Wauconda	07/01/17
IMET (Plainfield)	07/01/17
Boone County	08/01/17
Municipal Consolidated Dispatch	09/01/17
Palatine Park District	10/01/17
Lee County	11/01/17
Berkeley	01/01/18
FPD Winnebago	01/01/18
Freeport	01/01/18
Justice	01/01/18
McHenry	01/01/18
Montgomery	01/01/18
North Aurora	01/01/18
River Grove	01/01/18
Rochelle	01/01/18
Winnetka	01/01/18
LaGrange	05/01/18
West Dundee	05/01/18

Campton Hills	07/01/18
DeKalb County	01/01/19
Roselle	01/01/19
South Holland	01/01/19
Glenview Park District	01/01/20
Woodridge Public Library	01/01/20
Palatine	01/10/20
Byron Forest Preserve	07/01/20
Byron Park District	07/01/20
Byron Township	07/01/20
Lindenhurst	07/01/20
Batavia Public Library	01/01/21
Cary Fire Protection District	01/01/21
Centralia	01/01/21
McHenry County Conservation District	01/01/21
Northbrook Park District	01/01/21
Caseyville	05/01/21
Grayslake	07/01/21
Bartlett FPD	01/01/22
Lake County Forest Preserve District	01/01/22
Mundelein	01/01/22
Peru	01/01/22
St. Charles	05/01/22
Lake County	07/01/22
Oswego Township	09/01/22
Pekin	01/01/23
Skokie Park District	05/01/23
Lake in the Hills	07/01/23
St. Charles Park District	08/01/23
Edwardsville	01/01/24
Granite City	01/01/24
Round Lake Beach	01/01/24
Pingree Grove	03/01/24
Metro Airport Authority	07/01/24
Bartlett	01/01/25
Charleston	01/01/25
Dixon	01/01/25
Fox Lake	01/01/25
Kendall County	01/01/25
Lake Forest	01/01/25
Peoria County	01/01/25
St. Charles Library	01/01/25
Morrison	05/01/25