

September 30, 2026

Update on Idaho School Benefit Trust (ISBT) Summer Claims Coverage

Dear Colleagues,

We are writing to provide an update regarding the Idaho School Benefit Trust (ISBT) and the status of your July and August medical claims.

As we have shared previously, the ISBT experienced a severe funding shortfall and asked participating school districts to contribute additional funds to cover the deficit. Our district's share is approximately \$1.8 million.

To protect both our district and your rights, the Board of Trustees voted on September 14 to pay the \$1.8 million in monthly installments without signing ISBT's proposed contract amendment.

The ISBT and Blue Cross recently informed us that choosing the monthly payment option requires the district to sign their contract amendment to ensure payment of our employees' medical claims for services in July and August; a step legal counsel advised against, as it is not in the best interest of our district or employees.

Denied Employee Medical Claims

It has come to our attention that some of our employees and their covered dependents have received claim denials or notices from Blue Cross, or their providers, regarding medical services received in July and August 2026. We understand and share the concern and frustration this may cause.

In response to the claim denials, our Board of Trustees held an emergency meeting on September 29 and unanimously authorized the district to negotiate a modified agreement that allows us to make monthly payments without compromising our legal standing. If a fair resolution cannot be reached quickly, the Board authorized the district to pay the full lump sum to ensure our employees' claims are processed without delay.

What to do if your claim is denied.

If you receive a bill or claim denial related to medical services received from July or August 2026, you can provide your provider a copy of this letter to document that the district is actively engaged with all appropriate parties to resolve the underlying issues.

If your provider is requesting payment, we encourage you to contact their billing office directly and inform them that the State Department of Insurance is investigating the situation and the district is in direct communication with Blue Cross on behalf of our employees and, if possible, ask that they place the claim on hold while the matter is being addressed.

Please rest assured that your July and August claims will be paid.

We are actively reaching out to local healthcare providers to ask for their patience while this administrative process is finalized. As a reminder, this issue only affects July and August claims; our current coverage, which began September 1, is under a completely separate contract and is entirely unaffected.

We deeply appreciate your patience and understanding as we navigate this challenging situation. We will continue to keep you updated as new information becomes available.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dr. Hocker", enclosed within a light blue oval outline.

Dr. Shon Hocker
Superintendent