

Employee Medical Benefits Board
Regular Meeting
Monday, February 5, 2024
Shared Meeting Room 1 at the Municipal Building, 3 Primrose Street,
Newtown, CT
Meeting called to order at 6:15pm

THESE MINUTES ARE SUBJECT TO APPROVAL BY THE EMPLOYEE MEDICAL BENEFITS BOARD

Present: Jim O’Sullivan, Clinton DePoalo, Donna Van Waalwijk, Jim Loring, Peter Salonia
Also Present: Robert Tait, Joe Spurgeon

Minutes – J. Loring moved to approve the minutes of the 12/11/23 meeting. D. Van Waalwijk seconded, all in favor.

Voter Comments – NONE

NEW BUSINESS

Review claims – J. Spurgeon reviewed the running claim history (att).

Review current status of Self-funded Insurance Reserve Fund and estimate for year end 2023/2024 – B. Tait reviews the 23/24 claims analysis (att).

Vote on Town Contribution to Medical Self-insurance Fund for Budget Year 2024/2025 –
J. Loring moved to recommend to increase the town contribution to the self-insurance fund be increased by 10% and excess budgeted funds from this year and next to be transferred to the self-insurance medical fund. P. Salonia seconded, all in favor.

COMMUNICATIONS - None

ANNOUNCEMENTS – None

Having no further business, the meeting was adjourned at 6:47pm.

Respectfully submitted,
Arlene Miles, Clerk
Attachments: Claims History, Claims Analysis

Newtown: TOWN and BOARD OF EDUCATION

Running Claim History

Net Paid Claims by Month

(1)(2)(3)(4)

	2018 - 2019	2019 -20	2020 -21	2021 -22 ⁽¹⁾⁽⁴⁾	2022 -23 ⁽¹⁾⁽⁴⁾	2023 -24 ⁽¹⁾⁽⁴⁾
July	\$ 930,743	\$ 1,022,721	\$ 782,684	\$ 1,137,821	\$ 765,977	\$ 1,179,253
August	\$ 860,200	\$ 897,093	\$ 1,269,233	\$ 870,723	\$ 965,672	\$ 1,425,159
September	\$ 767,012	\$ 940,257	\$ 928,936	\$ 1,214,073	\$ 801,083	\$ 1,197,256
October	\$ 901,173	\$ 1,164,432	\$ 846,649	\$ 1,116,896	\$ 1,088,420	\$ 1,441,777
November	\$ 859,597	\$ 1,026,411	\$ 1,211,542	\$ 1,370,143	\$ 1,397,503	\$ 1,222,388
December	\$ 941,132	\$ 933,671	\$ 1,290,761	\$ 1,423,539	\$ 1,081,289	\$ 1,279,666
January	\$ 1,002,550	\$ 993,564	\$ 1,236,240	\$ 1,155,222	\$ 1,125,605	\$ -
February	\$ 956,407	\$ 999,907	\$ 968,566	\$ 1,155,972	\$ 1,558,738	\$ -
March	\$ 1,475,607	\$ 1,403,005	\$ 1,169,232	\$ 1,182,946	\$ 1,573,464	\$ -
April	\$ 981,788	\$ 609,701	\$ 991,055	\$ 1,218,328	\$ 1,240,872	\$ -
May	\$ 956,670	\$ 662,064	\$ 1,076,984	\$ 1,198,872	\$ 1,403,327	\$ -
June	\$ 1,093,314	\$ 1,021,419	\$ 1,181,847	\$ 1,169,885	\$ 1,344,717	\$ -
TOTAL	\$11,726,193	\$11,674,246	\$12,953,729	\$14,214,421	\$14,346,666	\$7,745,500
Per Month	\$ 977,183	\$ 972,854	\$ 1,079,477	\$ 1,184,535	\$ 1,195,556	\$ 1,290,917
Average Contracts	744	744	748	737	718	706
Average Members	1,969	1,943	1,943	1,903	1,817	1,788 <i>Annualized</i>
Average Cost/Contract	\$15,770	\$15,691	\$17,312	\$19,300	\$19,993	\$21,932
Average Cost/Member	\$5,956	\$6,008	\$6,668	\$7,469	\$7,897	\$8,664
% Change Cost/Contract		-0.5%	10.3%	11.5%	3.6%	9.7%
% Change Cost/Member		0.9%	11.0%	12.0%	5.7%	9.7%

(1) As of July 2019 Includes BOE Dental

(2) Anthem Reporting Logic Changed Jan. 20, Overall Claims Consistent with Previous Reports but Will Vary by Month

(3) Beginning March 2020, **Potential** Impact in Health Services Associated with the Coronavirus Stay at Home

Protocols. See Additional 2019-20 Plan Year Potential Coronavirus Claim Impact

(4) Anthem has a Known Reporting Issues in the Most Last Reported Month. RX Claims are Understated and Corrected in the Following Month. But Last Month is Understated.

**Newtown: Town and BOE
Anthem Projections vs Actual**

	July-June 2018 - 2019	July-June 2019 - 2020 ⁽³⁾	July-June 2020 - 2021 ⁽³⁾	July-June 2021 - 2022	July-June 2022 - 2023	Thru Dec July-June 2023 - 2024
I. Carrier Values						
Anthem Expected Claims Expected Plan YTD (July-YTD)	\$12,528,012	\$12,473,724	\$13,542,516	\$14,745,216	\$15,101,909	\$15,369,627 \$7,684,814
Actual Claims						
Gross Claims:	\$12,775,721	\$12,130,249	\$14,449,228	\$16,955,537	\$15,285,916	\$8,898,767
Excess Claims Over Stop Loss:	<u>-\$1,049,528</u>	<u>-\$456,003</u>	<u>-\$1,495,499</u>	<u>-\$2,741,116</u>	<u>-\$939,250</u>	<u>-\$1,153,267</u>
Actual Net Claims:	\$11,726,193	\$11,674,246	\$12,953,729	\$14,214,421	\$14,346,666	\$7,745,500
Plan Year Differential	\$ (801,819)	\$ (799,478)	\$ (588,787)	\$ (530,795)	\$ (755,243)	\$ 60,686
% Differential	-6.40%	-6.41%	-4.35%	-3.60%	-5.00%	0.79%
Stop Loss Premium	\$928,991	\$1,041,599	\$1,325,347	\$1,277,338	\$2,034,051	\$2,320,986
Stop Loss Levels (ISL/ASL)	\$175K/125%	\$175K/125%	\$175K/125%	\$175K/125%	\$175K/125%	\$175K/125%
	ISL MED & RX	ISL MED & RX	ISL MED & RX	ISL MED & RX	ISL MED & RX	ISL MED & RX
II. Non-Catastrophic/Catastrophic Claims						
Total Employer Paid	\$11,726,193	\$11,674,246	\$12,953,729	\$14,214,421	\$14,346,666	\$7,745,500
HDC Employer Paid:	\$3,590,868	\$4,548,594	\$5,103,204	\$5,251,098	\$6,013,142	\$2,844,967
Non-HDC Employer Paid:	\$8,135,325	\$7,125,652	\$7,850,525	\$8,963,323	\$8,333,524	\$4,900,533
Members:						
Average Total Members:	1,969	1,943	1,943	1,903	1,817	1,788
HDC Members:	39	49	49	54	64	26
HDC %:						
\$: 30.62%		38.96%	39.40%	36.94%	41.91%	36.73%
Members: 1.98%		2.52%	2.52%	2.84%	3.52%	1.45%
Non HDC PMPM	\$344.32	\$305.61	\$336.74	\$392.51	\$382.26	\$456.80
Year-Over-Year % Change	4.44%	-11.24%	10.19%	16.56%	-2.61%	19.50%
III. Additional Data						
Med and RX Claims Over \$50K Bucketed ¹						
\$50k-75K	\$1,299,621	\$1,397,038	\$1,159,812	\$1,413,498	\$2,058,357	\$551,164
#	21	23	18	23	33	9
\$75-100K	\$355,390	\$771,407	\$854,436	\$1,021,950	\$869,210	\$343,700
#	4	9	10	12	10	4
\$100-125K	\$751,342	\$694,555	\$629,730	\$757,495	\$420,349	\$344,299
#	7	6	6	7	4	3
\$125-150K	\$0	\$819,206	\$560,439	\$0	\$938,738	\$393,192
#	0	6	4	0	7	3
\$150-175K	\$484,515	\$166,388	\$323,787	\$483,155	\$151,488	\$337,612
#	3	1	2	3	1	2
\$175-200K	\$0	\$0	\$190,121	\$0	\$372,458	\$364,321
#	0	0	1	0	2	2
\$200-300K	\$547,676	\$508,384	\$1,160,721	\$733,189	\$1,262,957	\$463,636
#	2	2	5	3	5	2
\$300-400K	\$301,388	\$647,620	\$393,758	\$638,188	\$318,055	\$0
#	1	2	1	2	1	0
\$400K-500K	\$0	\$0	\$417,940	\$434,764	\$0	\$0
#	0	0	1	1	0	0
\$500K+	\$900,464	\$0	\$907,959	\$2,509,976	\$560,780	\$1,200,310
#	1	0	1	3	1	1
Highest Claimant	\$900,464	\$275,487	\$907,959	\$1,111,131	\$560,780	\$1,200,310
Inactive Members	1	7	2	6	2	3

(1) Bucketed Large Claims From Updated Anthem Reports (May vary slightly from Section I)

(2) As of July 2019 Includes BOE Dental

(3) See Important Notes Previous Page re: 19-20 Claims

TOWN OF NEWTOWN CLAIMS ANALYSIS

2023 - 24

		FISCAL YEAR 2015 - 2016													
		Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTALS	
TOWN		268,000	291,000	258,000	571,000	288,000	228,000	320,000	268,000	425,000	268,000	332,000	241,000	3,670,000	171,250 h.s.a.
BOE		1,080,000	817,000	737,000	701,000	655,000	848,000	671,000	753,000	1,005,000	690,000	693,000	1,055,000	9,705,000	
TOTAL		1,348,000	1,108,000	995,000	1,272,000	943,000	1,076,000	991,000	1,021,000	1,430,000	958,000	914,000	1,319,000	13,375,000	58% % not incl h.s.a.
		FISCAL YEAR 2016 - 2017												314,000	
		Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	TOTALS	
TOWN		327,000	300,000	242,000	375,000	296,000	295,000	218,000	219,000	310,000	260,000	332,000	241,000	3,415,000	
BOE		891,000	781,000	619,000	643,000	909,000	800,000	626,000	547,000	833,000	587,000	825,000	920,000	8,981,000	
TOTAL		1,218,000	1,081,000	861,000	1,018,000	1,205,000	1,095,000	844,000	766,000	1,143,000	847,000	1,157,000	1,161,000	12,396,000	59% % not incl h.s.a.
		FISCAL YEAR 2017 - 2018												682,000 h.s.a.	
		Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	TOTALS	
TOWN		265,000	221,000	221,000	258,000	260,000	287,000	293,000	314,000	338,000	373,000	345,000	234,000	3,457,000	
BOE		698,000	723,000	588,000	557,000	651,000	637,000	740,000	683,000	539,000	721,000	886,000	855,000	8,278,000	
TOTAL		963,000	992,000	809,000	815,000	911,000	924,000	1,033,000	997,000	877,000	1,094,000	1,231,000	1,089,000	11,735,000	55% % not incl h.s.a.
		FISCAL YEAR 2018 - 2019												749,026 h.s.a.	
		Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	TOTALS	
TOWN														3,000 h.s.a.	
BOE														12,253,429	55% % not incl h.s.a.
TOTAL														12,253,429	
		FISCAL YEAR 2019 - 2020												830,500 h.s.a.	
		Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	TOTALS	
TOWN		321,122	320,551	437,527	299,405	263,470	309,380	314,796	301,487	313,361	169,916	150,548	235,859	3,437,422	
BOE		662,102	718,426	530,377	716,254	719,899	865,425	708,195	735,914	1,071,171	529,875	561,046	820,824	8,639,508	
TOTAL		983,224	1,038,977	967,904	1,015,659	983,369	1,174,805	1,022,991	1,037,401	1,384,532	699,791	711,594	1,056,683	12,076,930	60% % not incl h.s.a.
		FISCAL YEAR 2020 - 2021												576,383 h.s.a.	
		Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	TOTALS	
TOWN														3,672,280	
BOE														9,378,442	
TOTAL														13,050,722	53% % not incl h.s.a.
		FISCAL YEAR 2021 - 2022												706,000 h.s.a.	
		Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	TOTALS	
TOWN														3,769,498	
BOE														10,764,347	
TOTAL														14,533,846	56% % not incl h.s.a.
		FISCAL YEAR 2022 - 2023												865,836 h.s.a.	
		Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	TOTALS	
TOWN														3,354,894	
BOE														11,584,220	
TOTAL														14,939,114	49% % not incl h.s.a.
		FISCAL YEAR 2023 - 2024												420,356 h.s.a.	
		Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	TOTALS	
TOWN														8,654,545	
BOE														16,635,536	
TOTAL														25,290,081	with "h.s.a"
		Estimated Annual												\$ 16,635,536	

from 5 months prior year:
TOWN 12%
BOE 38%
TOTAL 31%

TOWN OF NEWTOWN

MEDICAL SELF INSURANCE FUND ANALYSIS @ JAN 31, 2024

FISCAL YEAR 2023 - 2024 FORECAST

FUND BALANCE @ JULY 1, 2023

Audited

ESTIMATED REVENUES

EMPLOYER CONTRIBUTIONS:

MUNICIPAL

3,492,000

EDUCATION

9,420,000

BUDGET CONTRIBUTION FROM FUND BAL

12,912,000

EMPLOYEE CONTRIBUTIONS:

MUNICIPAL

645,000

EDUCATION

2,630,000

RETIREE/COBRA/AGENCY CONTRIBUTIONS:

MUNICIPAL

420,000

EDUCATION

245,000

INTEREST EARNED ON INVESTMENTS

60,000

TOTAL REVENUES

17,912,000

ESTIMATED EXPENSES

CLAIMS/NAF:

MUNICIPAL

FROM CLAIMS

EDUCATION

ANALYSIS

16,600,000

ADMINISTRATIVE FEES:

MUNICIPAL

2,100,000

EDUCATION

55,000

CONSULTANT FEES

18,755,000

TOTAL EXPENSES

520,000

ESTIMATED FUND BALANCE @ JUNE 30, 2024

4,150,000

25% OF TOTAL CLAIMS =

3%

ESTIMATED FUND BALANCE @ JUNE 30, 2025

4,357,500

25% OF TOTAL CLAIMS =

TOWN OF NEWTOWN

MEDICAL SELF INSURANCE FUND ANALYSIS @ JAN 31, 2024

FISCAL YEAR 2024 - 2025 FORECAST

ESTIMATED FUND BALANCE @ JULY 1, 2024

520,000

ESTIMATED REVENUES

EMPLOYER CONTRIBUTIONS:

MUNICIPAL

3,841,200

EDUCATION

10,362,000

BUDGET CONTRIBUTION FROM FUND BAL

14,203,200

10.0%

EMPLOYEE CONTRIBUTIONS:

MUNICIPAL

683,700

EDUCATION

2,787,800

3,471,500

6.0%

RETIREE/COBRA/AGENCY CONTRIBUTIONS:

MUNICIPAL

457,800

EDUCATION

267,050

724,850

9.0%

INTEREST EARNED ON INVESTMENTS

19,399,550

TOTAL REVENUESESTIMATED EXPENSES

CLAIMS/NAF:

MUNICIPAL

17,430,000

5.00%

EDUCATION

ADMINISTRATIVE FEES:

MUNICIPAL

2,100,000

EDUCATION

55,000

CONSULTANT FEES

19,585,000

TOTAL EXPENSES

334,550

2%