

**Employee Medical Benefits Board
Special Meeting
Monday, September 20, 2021
Council Chambers in the Municipal Building, 3 Primrose Street, Newtown, CT
Meeting called to order at 6:20pm**

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

Present: Jim Loring, Peter Salonia

Present via teleconference: Jim O'Sullivan

Absent: Donna Van Waalwijk and Clinton DePoalo

Also Present: Robert Tait, Joe Spurgeon

Minutes - P. Salonia moved to approve the minutes from the 5/3/21 meeting. J. O'Sullivan seconded, all in favor.

Voter Comments – None

NEW BUSINESS

Review claims – J. Spurgeon reviewed Running Claim History and projection vs actual (attached).

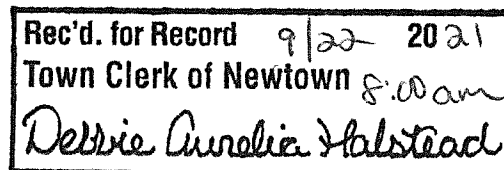
Review current status of Self-funded Insurance Reserve Fund and estimate for year end 21/22- R. Tait reviewed 21/22-22/23 Fiscal year forecast as well as claims analysis (attached). There is only 2 months of data for this fiscal year.

Review of Covid related utilization and costs including vaccinations administered – J. Spurgeon provided Covid data which starts in March 2020. There were 183 confirmed Covid cases, and 3 hospital admissions. Total claims related to Covid was 1307. 47% of membership is high risk. While not directly related to Covid claims, Covid did create increased demand for tele-health. There were 3883 tele-health visits and 787 were behavioral health.

Review other information board members, partners, insurance consultants make available- The next meeting is scheduled for November 1, 2021. It was discussed that meeting will be cancelled and a special meeting will be held in January 2022.

Having no further business, the meeting was adjourned at 6:51pm

Respectfully submitted,
Arlene Miles, Clerk



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Newtown: TOWN and BOARD OF EDUCATION

Running Claim History

Net Paid Claims by Month

Excess Claims All Reported in June

	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019	2019 -20 ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	2020 -21 ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾
July	\$ 1,126,543	\$ 1,031,113	\$ 814,547	\$ 930,743	\$ 1,022,721	\$ 782,684
August	\$ 989,316	\$ 927,231	\$ 880,663	\$ 860,200	\$ 897,093	\$ 1,269,233
September	\$ 952,992	\$ 804,779	\$ 742,950	\$ 767,012	\$ 940,257	\$ 928,936
October	\$ 1,224,430	\$ 979,689	\$ 784,993	\$ 901,173	\$ 1,164,432	\$ 846,649
November	\$ 916,053	\$ 1,171,352	\$ 881,106	\$ 859,597	\$ 1,026,411	\$ 1,211,542
December	\$ 1,026,971	\$ 1,058,536	\$ 879,984	\$ 941,132	\$ 933,671	\$ 1,290,761
January	\$ 944,287	\$ 789,791	\$ 976,437	\$ 1,002,550	\$ 993,564	\$ 1,236,240
February	\$ 965,184	\$ 724,150	\$ 942,337	\$ 956,407	\$ 999,907	\$ 968,566
March	\$ 1,344,722	\$ 1,099,505	\$ 817,907	\$ 1,475,607	\$ 1,403,005	\$ 1,169,232
April	\$ 892,083	\$ 803,288	\$ 1,053,245	\$ 981,788	\$ 609,701	\$ 991,055
May	\$ 876,025	\$ 1,049,201	\$ 1,183,464	\$ 956,670	\$ 662,064	\$ 1,076,984
June	\$ 1,279,465	\$ 1,094,485	\$ 1,007,754	\$ 1,093,314	\$ 1,021,419	\$ 1,181,847
TOTAL	\$12,538,071	\$11,533,120	\$10,965,387	\$11,726,193	\$11,674,246	\$12,953,729
Per Month	\$ 1,044,839	\$ 961,093	\$ 913,782	\$ 977,183	\$ 972,854	\$ 1,079,477
Average Contracts	770	756	754	744	744	748
Average Members	2,011	1,968	1,965	1,969	1,943	1,943
						<i>Annualized</i>
Average Cost/Contract	\$16,283	\$15,255	\$14,548	\$15,770	\$15,691	\$17,312
Average Cost/Member	\$6,235	\$5,860	\$5,581	\$5,956	\$6,008	\$6,668
% Change Cost/Contract		-6.3%	-4.6%	8.4%	-0.5%	10.3%
% Change Cost/Member		-6.0%	-4.8%	6.7%	0.9%	11.0%

(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 2015 - 2016	July-June 2016 - 2017	July-June 2017 - 2018	July-June 2018 - 2019	July-June 2019 - 2020 ⁽³⁾	Thru June July-June 2020 - 2021 ⁽³⁾
I. Carrier Values						
Anthem Expected Claims Expected Plan YTD (July-YTD)	\$13,206,912	\$13,109,832	\$12,959,316	\$12,528,012	\$12,473,724	\$13,542,516 \$13,542,516
Actual Claims						
Gross Claims:	\$12,861,033	\$12,155,291	\$11,046,746	\$12,775,721	\$12,130,249	\$14,449,228
Excess Claims Over Stop Loss:	<u>-\$322,962</u>	<u>-\$622,171</u>	<u>-\$81,359</u>	<u>-\$1,049,528</u>	<u>-\$456,003</u>	<u>-\$1,495,499</u>
Actual Net Claims:	\$12,538,071	\$11,533,120	\$10,965,387	\$11,726,193	\$11,674,246	\$12,953,729
Plan Year Differential	\$ (668,841)	\$ (1,576,712)	\$ (1,993,929)	\$ (801,819)	\$ (799,478)	\$ (588,787)
% Differential	-5.06%	-12.03%	-15.39%	-6.40%	-6.41%	-4.35%
Stop Loss Premium	\$810,113	\$835,662	\$855,006	\$928,991	\$1,041,599	\$1,325,347
Stop Loss Levels (ISL/ASL)	\$175K/125%	\$175K/125%	\$175K/125%	\$175K/125%	\$175K/125%	\$175K/125%
	<i>ISL MED & RX</i>	<i>ISL MED & RX</i>	<i>ISL MED & RX</i>	<i>ISL MED & RX</i>	<i>ISL MED & RX</i>	<i>ISL MED & RX</i>
II. Non-Catastrophic/Catastrophic Claims						
Total Employer Paid	\$12,538,071	\$11,533,120	\$10,965,387	\$11,726,193	\$11,674,246	\$12,953,729
HDC Employer Paid:	\$3,606,038	\$3,382,230	\$3,192,503	\$3,590,868	\$4,548,594	\$5,103,204
Non-HDC Employer Paid:	\$8,932,033	\$8,150,890	\$7,772,884	\$8,135,325	\$7,125,652	\$7,850,525
Members:						
Average Total Members:	2,011	1,968	1,965	1,969	1,943	1,943
HDC Members:	41	42	36	39	49	49
HDC %:						
\$:	28.76%	29.33%	29.11%	30.62%	38.96%	39.40%
Members:	2.04%	2.13%	1.83%	1.98%	2.52%	2.52%
Non HDC PMPM	\$370.13	\$345.14	\$329.69	\$344.32	\$305.61	\$336.74
Year-Over-Year % Change	14.20%	-6.75%	-4.48%	4.44%	-11.24%	10.19%
III. Additional Data						
Med and RX Claims Over \$50K Bucketed ¹						
\$50k-75K	\$ 1,406,906	\$1,362,423	\$1,096,817	\$1,299,621	\$1,397,038	\$1,159,812
	# 24	23	18	21	23	18
\$75-100K	\$ 251,894	\$1,002,837	\$715,440	\$355,390	\$771,407	\$854,436
	# 3	12	8	4	9	10
\$100-125K	\$ 680,030	\$216,634	\$531,045	\$751,342	\$694,555	\$629,730
	# 6	2	5	7	6	6
\$125-150K	\$ 567,208	\$275,336	\$153,818	\$0	\$819,206	\$560,439
	# 4	2	1	0	6	4
\$150-175K	\$ 0	\$0	\$170,383	\$484,515	\$166,388	\$323,787
	# 0	0	1	3	1	2
\$175-200K	\$ 368,005	\$181,045	\$373,559	\$0	\$0	\$190,121
	# 2	1	2	0	0	1
\$200-300K	\$ 200,382	\$244,323	\$232,800	\$547,676	\$508,384	\$1,160,721
	# 1	1	1	2	2	5
\$300-400K	\$ 0	\$0	\$0	\$301,388	\$647,620	\$393,758
	# 0	0	0	1	2	1
\$400K-500K	\$ 454,516	\$0	\$0	\$0	\$0	\$417,940
	# 1	0	0	0	0	1
\$500K+	\$ 0	\$721,835	\$0	\$900,464	\$0	\$907,959
	# 0	1	0	1	0	1
Highest Claimant Inactive Members	\$454,516 3	\$721,835 3	\$232,800 0	\$900,464 1	\$275,487 7	\$907,959 2

(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		TOWN OF NEWTOWN	
MEDICAL SELF INSURANCE FUND ANALYSIS @ AUG 31, 2021		MEDICAL SELF INSURANCE FUND ANALYSIS @ AUG 31, 2021	
FISCAL YEAR 2021 - 2022 FORCAST		FISCAL YEAR 2022 - 2023 FORECAST	
FUND BALANCE @ JULY 1, 2021	UNAUDITED	ESTIMATED FUND BALANCE @ JULY 1, 2022	
			4,468,426
<u>ESTIMATED REVENUES</u>		<u>ESTIMATED REVENUES</u>	
EMPLOYER CONTRIBUTIONS:		EMPLOYER CONTRIBUTIONS:	
MUNICIPAL	3,111,712	MUNICIPAL	3,205,063
EDUCATION	8,387,604	EDUCATION	8,639,232
			11,844,295 3.0%
EMPLOYEE CONTRIBUTIONS:		EMPLOYEE CONTRIBUTIONS:	
MUNICIPAL	572,000	MUNICIPAL	589,160
EDUCATION	2,160,000	EDUCATION	2,224,800
			2,813,960 3.0%
RETIREE/COBRA/AGENCY CONTRIBUTIONS:		RETIREE/COBRA/AGENCY CONTRIBUTIONS:	
MUNICIPAL	450,000	MUNICIPAL	463,500
EDUCATION	260,000	EDUCATION	267,800
			731,300
INTEREST EARNED ON INVESTMENTS		INTEREST EARNED ON INVESTMENTS	60,000
<u>TOTAL REVENUES</u>		<u>TOTAL REVENUES</u>	<u>15,449,555</u>
<u>ESTIMATED EXPENSES</u>		<u>ESTIMATED EXPENSES</u>	
CLAIMS/NAF:		CLAIMS/NAF:	
MUNICIPAL		MUNICIPAL	14,463,750 5.00%
EDUCATION		EDUCATION	
ADMINISTRATIVE FEES:		ADMINISTRATIVE FEES:	
MUNICIPAL		MUNICIPAL	1,233,000
EDUCATION		EDUCATION	
CONSULTANT FEES		CONSULTANT FEES	55,000
<u>TOTAL EXPENSES</u>		<u>TOTAL EXPENSES</u>	<u>15,751,750</u>
ESTIMATED FUND BALANCE @ JUNE 30, 2022	25% OF TOTAL CLAIMS = 3,443,750	ESTIMATED FUND BALANCE @ JUNE 30, 2023	25% OF TOTAL CLAIMS = 3,615,938
			29%

TOWN OF NEWTOWN CLAIMS ANALYSIS
2020 - 21

FISCAL YEAR 2015 - 2016													171,250	h.s.a.
	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	221,000	264,000	3,670,000	
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	18% % 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	19% % 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	269,000	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	\$ 11,735,000 17% % 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	-	1,126,168	255,141	321,331	326,327	287,957	378,999	382,099	284,960	218,565	214,686	214,686	3,796,233	
BOE	-	1,729,425	589,305	737,760	645,957	659,030	818,547	1,016,875	661,497	903,645	695,155	695,155	8,457,196	
TOTAL	-	2,855,593	844,446	1,059,091	972,284	946,987	1,197,546	1,398,974	946,457	1,122,210	909,841	909,841	12,253,429	\$ 12,253,429 0% % not incl h.s.a.
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	\$ 12,076,930 17% % 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	828,055	212,234	318,238	365,558	315,638	128,612	291,562	289,799	332,843	223,709	366,031	366,031	3,672,280	
BOE	1,327,642	525,647	819,355	832,794	1,016,925	527,474	1,102,071	817,079	857,202	801,187	751,065	751,065	9,378,442	
TOTAL	-	2,155,697	737,882	1,137,593	1,198,352	1,332,563	656,086	1,393,633	1,106,878	1,190,045	1,024,896	1,117,097	13,050,722	\$ 13,626,722 16%
FISCAL YEAR 2021 - 2022													-	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	-	555,476	-	-	-	-	-	-	-	-	-	-	555,476	with "h.s.a"
BOE	-	1,561,845	-	-	-	-	-	-	-	-	-	-	1,561,845	
TOTAL	-	2,117,321	-	-	-	-	-	-	-	-	-	-	2,117,321	Estimated Annual \$ 2,117,321