

**Employee Medical Benefits Board
Regular Meeting
Monday, September 12, 2022
Newtown Municipal Center, 3 Primrose Street
Meeting Room #1
The meeting was called to order at 6:15pm**

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

Present: Jim Loring, Jim O'Sullivan, Peter Salonia

Absent: Clinton DePaolo, Donna Van Waalwijk

Also Present: Robert Tait, Joe Spurgeon

Minutes: J. O'Sullivan moved to approve the minutes of the May 2, 2022 meeting. P. Salonia seconded. All in favor.

Voter Comments: none.

New Business

Review Claims: J. Spurgeon reviewed the running claim history of the Town and Board of Education (att.). The first two months of claims were less than same time over the last two years. There is significant increase in stop loss; looking at varying levels of stop loss. There is a million dollar claimant. The Town's performance is consistent.

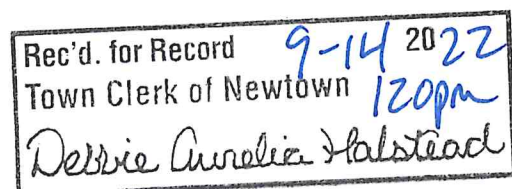
Review current status of Self-funded Insurance Reserve Fund and estimate for year end 2022/2023: R. Tait reviewed the unaudited statements of revenues, expenses and changes in net position, proprietary funds, for the year ending June 30, 2022 (att.) and the unaudited statements of net position, proprietary funds as of June 30, 2022 (att.).

Review other information board members, partners, insurance consultant make available: Pharmacy rebates have been credited back to the appropriate year.

J. Loring announced he wants to resign as Chairman. Elections will be held at the next meeting.

Having no further business the meeting was adjourned at 6:52pm.

Susan Marcinek, clerk pro tem



Newtown: TOWN and BOARD OF EDUCATION

Running Claim History

Net Paid Claims by Month

	<i>Excess Claims All Reported in June</i>			<i>(1)(2)(3)(4)</i>		
	2016 - 2017	2017 - 2018	2018 - 2019	2019 -20	2020 -21	2021 -22 ⁽¹⁾⁽⁴⁾
July	\$ 1,031,113	\$ 814,547	\$ 930,743	\$ 1,022,721	\$ 782,684	\$ 1,137,821
August	\$ 927,231	\$ 880,663	\$ 860,200	\$ 897,093	\$ 1,269,233	\$ 870,723
September	\$ 804,779	\$ 742,950	\$ 767,012	\$ 940,257	\$ 928,936	\$ 1,214,073
October	\$ 979,689	\$ 784,993	\$ 901,173	\$ 1,164,432	\$ 846,649	\$ 1,116,896
November	\$ 1,171,352	\$ 881,106	\$ 859,597	\$ 1,026,411	\$ 1,211,542	\$ 1,370,143
December	\$ 1,058,536	\$ 879,984	\$ 941,132	\$ 933,671	\$ 1,290,761	\$ 1,423,539
January	\$ 789,791	\$ 976,437	\$ 1,002,550	\$ 993,564	\$ 1,236,240	\$ 1,155,222
February	\$ 724,150	\$ 942,337	\$ 956,407	\$ 999,907	\$ 968,566	\$ 1,155,972
March	\$ 1,099,505	\$ 817,907	\$ 1,475,607	\$ 1,403,005	\$ 1,169,232	\$ 1,182,946
April	\$ 803,288	\$ 1,053,245	\$ 981,788	\$ 609,701	\$ 991,055	\$ 1,218,328
May	\$ 1,049,201	\$ 1,183,464	\$ 956,670	\$ 662,064	\$ 1,076,984	\$ 1,198,872
June	\$ 1,094,485	\$ 1,007,754	\$ 1,093,314	\$ 1,021,419	\$ 1,181,847	\$ 1,169,885
TOTAL	\$11,533,120	\$10,965,387	\$11,726,193	\$11,674,246	\$12,953,729	\$14,214,421
Per Month	\$ 961,093	\$ 913,782	\$ 977,183	\$ 972,854	\$ 1,079,477	\$ 1,184,535
Average Contracts	756	754	744	744	748	1,287 ⁷⁵⁰
Average Members	1,968	1,965	1,969	1,943	1,943	1,903
Average Cost/Contract	\$15,255	\$14,548	\$15,770	\$15,691	\$17,312	\$11,049
Average Cost/Member	\$5,860	\$5,581	\$5,956	\$6,008	\$6,668	\$7,469
% Change Cost/	#REF!	-4.6%	8.4%	-0.5%	10.3%	-36.2%
% Change Cost/	#REF!	-4.8%	6.7%	0.9%	11.0%	12.0%

(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 2016 - 2017	July-June 2017 - 2018	July-June 2018 - 2019	July-June 2019 - 2020 ⁽³⁾	July-June 2020 - 2021 ⁽³⁾	Thru June July-June 2021 - 2022
I. Carrier Values						
Anthem Expected Claims Expected Plan YTD (July-YTD)	\$13,109,832	\$12,959,316	\$12,528,012	\$12,473,724	\$13,542,516	\$14,745,216 \$14,745,216
Actual Claims						
Gross Claims:	\$12,155,291	\$11,046,746	\$12,775,721	\$12,130,249	\$14,449,228	\$16,955,537
Excess Claims Over Stop Loss:	<u>-\$622,171</u>	<u>-\$81,359</u>	<u>-\$1,049,528</u>	<u>-\$456,003</u>	<u>-\$1,495,499</u>	<u>-\$2,741,116</u>
Actual Net Claims:	\$11,533,120	\$10,965,387	\$11,726,193	\$11,674,246	\$12,953,729	\$14,214,421
Plan Year Differential	\$ (1,576,712)	\$ (1,993,929)	\$ (801,819)	\$ (799,478)	\$ (588,787)	\$ (530,795)
% Differential	-12.03%	-15.39%	-6.40%	-6.41%	-4.35%	-3.60%
Stop Loss Premium	\$835,662	\$855,006	\$928,991	\$1,041,599	\$1,325,347	\$1,277,338
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	\$11,533,120	\$10,965,387	\$11,726,193	\$11,674,246	\$12,953,729	\$14,214,421
HDC Employer Paid:	\$3,382,230	\$3,192,503	\$3,590,868	\$4,548,594	\$5,103,204	\$5,251,098
Non-HDC Employer Paid:	\$8,150,890	\$7,772,884	\$8,135,325	\$7,125,652	\$7,850,525	\$8,963,323
Members:						
Average Total Members:	1,968	1,965	1,969	1,943	1,943	1,903
HDC Members:	42	36	39	49	49	54
HDC %:						
\$:	29.33%	29.11%	30.62%	38.96%	39.40%	36.94%
Members:	2.13%	1.83%	1.98%	2.52%	2.52%	2.84%
Non HDC PMPM	\$345.14	\$329.69	\$344.32	\$305.61	\$336.74	\$392.51
Year-Over-Year % Change	-6.75%	-4.48%	4.44%	-11.24%	10.19%	16.56%
III. Additional Data						
Med and RX Claims Over \$50K Bucketed ¹						
\$50k-75K	\$ 1,362,423	\$1,096,817	\$1,299,621	\$1,397,038	\$1,159,812	\$1,413,498
#	23	18	21	23	18	23
\$75-100K	\$ 1,002,837	\$715,440	\$355,390	\$771,407	\$854,436	\$1,021,950
#	12	8	4	9	10	12
\$100-125K	\$ 216,634	\$531,045	\$751,342	\$694,555	\$629,730	\$757,495
#	2	5	7	6	6	7
\$125-150K	\$ 275,336	\$153,818	\$0	\$819,206	\$560,439	\$0
#	2	1	0	6	4	0
\$150-175K	\$ 0	\$170,383	\$484,515	\$166,388	\$323,787	\$483,155
#	0	1	3	1	2	3
\$175-200K	\$ 181,045	\$373,559	\$0	\$0	\$190,121	\$0
#	1	2	0	0	1	0
\$200-300K	\$ 244,323	\$232,800	\$547,676	\$508,384	\$1,160,721	\$733,189
#	1	1	2	2	5	3
\$300-400K	\$ 0	\$0	\$301,388	\$647,620	\$393,758	\$638,188
#	0	0	1	2	1	2
\$400K-500K	\$ 0	\$0	\$0	\$0	\$417,940	\$434,764
#	0	0	0	0	1	1
\$500K+	\$ 721,835	\$0	\$900,464	\$0	\$907,959	\$2,509,976
#	1	0	1	0	1	3
Highest Claimant Inactive Members	\$721,835 3	\$232,800 0	\$900,464 1	\$275,487 7	\$907,959 2	\$1,111,131 6

(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, CONNECTICUT							
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -							
PROPRIETARY FUNDS							
FOR THE YEAR ENDED JUNE 30, 2022							
- UNAUDITED -							
						Governmental	
						Activities	
						Internal	
						Service	
						Fund	
OPERATING REVENUES							
	Charges for services					\$ 15,473,688	
	Intergovernmental					-	
	Employee contributions						
	Other income						
	Interest income - NON OPERATING					-	
	Total operating revenues					15,473,688	
OPERATING EXPENSES							
	Premiums and claims					14,904,702	
	Administrative and other					1,463,802	
	Total operating expenses					16,368,504	
	Operating income (loss)					(894,816)	
NON-OPERATING INCOME (EXPENSE)							
	Interest income					10,513	
	Total non-operating expense, net					10,513	
	Change in net position before						
	capital contributions					(884,303)	
	Capital contributions					-	
						-	
	Change in net position					(884,303)	
	Net position - beginning					4,316,774	
	Net position - ending					\$ 3,432,471	
						23%	

- UNAUDITED -

[illegible]

Self Insurance Fund Continued:

Budgeted contributions to the medical self insurance fund have increased 3% due to claims activity in the medical self-insurance fund. The Employee Medical Benefits Board has reviewed the medical self insurance fund and has recommended a 3% increase in the Town's contribution to the fund along with a recommended contribution from ARP funds of \$350,000 which corresponds to the COVID expenses the fund has paid out since 03/03/2021.

Self-Insurance Fund Analysis:

TOWN OF NEWTOWN		TOWN OF NEWTOWN	
MEDICAL SELF INSURANCE FUND ANALYSIS @ DEC 31, 2021		MEDICAL SELF INSURANCE FUND ANALYSIS @ DEC 31, 2021	
FISCAL YEAR 2021 - 2022 FORECAST		FISCAL YEAR 2022 - 2023 FORECAST	
FUND BALANCE @ JULY 1, 2021	AUDITED	ESTIMATED FUND BALANCE @ JULY 1, 2022	
3,688,090		3,688,090	
ESTIMATED REVENUES			
EMPLOYER CONTRIBUTIONS:			
MUNICIPAL	3,111,712		3,205,063
EDUCATION	8,387,604	11,499,316	8,639,232
			11,844,295 3.0%
EMPLOYEE CONTRIBUTIONS:			
MUNICIPAL	572,000		589,160
EDUCATION	2,160,000	2,732,000	2,224,800
			2,813,960 3.0%
RETIREE/COBRA/AGENCY CONTRIBUTIONS:			
MUNICIPAL	450,000		463,500
EDUCATION	260,000	710,000	267,800
			731,300
INTEREST EARNED ON INVESTMENTS			
		60,000	60,000
TOTAL REVENUES	15,001,316		15,449,555
ESTIMATED EXPENSES			
CLAIMS/NAF:			
MUNICIPAL			15,015,000 5.00%
EDUCATION	14,300,000		
ADMINISTRATIVE FEES:			
MUNICIPAL			1,233,000
EDUCATION	1,275,000		
	55,000		55,000
CONSULTANT FEES	15,630,000		16,303,000
TOTAL EXPENSES	3,688,090 26%		2,834,645 19%
ESTIMATED FUND BALANCE @ JUNE 30, 2022	25% OF TOTAL CLAIMS = 3,575,000	ESTIMATED FUND BALANCE @ JUNE 30, 2023	25% OF TOTAL CLAIMS = 3,753,750



Group Health Plan of:
Newtown Town
Patrice Fahey
3 Primrose Street
Newtown, CT 06470

Invoice

Customer Number: CT000273
Account ID: 1315766752
Invoice Number: 131577586312
Invoice Date: 07/26/2022
Due Date: 07/29/2022
Amount Due: (\$37,352.35)

Your Payment will be withdrawn from your account on the Invoice Due Date.

For billing questions, please contact Carol DeWitt at or carol.dewitt@anthem.com

Summary of Charges

Retention Fees

	Coverage Period	Amount
Administrative Fees - Dental	07/01/2022 - 07/31/2022	\$528.05
Administrative Fees - Medical	07/01/2022 - 07/31/2022	\$7,537.69
Aggregate Stop Loss Premium - Medical	07/01/2022 - 07/31/2022	\$1,571.62
Pharmacy Rebates Offset	07/01/2022 - 07/31/2022	(\$7,537.69)
Rx Clinical Care Gap Outreach Program	07/19/2022 - 07/25/2022	\$37.75
Rx Quantity Limits	07/19/2022 - 07/25/2022	\$83.05
Rx Step Therapy	07/19/2022 - 07/25/2022	\$45.30
Specific Stop Loss Premium - Medical	07/01/2022 - 07/31/2022	\$38,991.57
Total Retention Fees		\$41,257.34

Claim Charges/Credits

	Coverage Period	Amount
Claims - Dental	07/19/2022 - 07/25/2022	\$8,287.24
Claims - Medical	07/19/2022 - 07/25/2022	\$255,631.26
Claims - Pharmacy	07/19/2022 - 07/25/2022	\$62,322.72
Claims - Vision	07/19/2022 - 07/25/2022	\$500.00
Discount/Network Access Fees	07/19/2022 - 07/25/2022	\$5,402.38
SSL - Discount/Network Access Fees	07/19/2022 - 07/25/2022	(\$271.56)
Credit		
State Surcharges and Fees	07/01/2022 - 07/31/2022	\$5.16
State Surcharges and Fees	07/01/2022 - 07/31/2022	(\$2,869.02)
CT Vacc Assessment July 1, 2021		
Total Claim Charges/Credits		\$329,008.18

Other Charges/Credits

	Coverage Period	Amount
Pharmacy Rebates	07/01/2022 - 07/31/2022	(\$404,443.69)
4Q21 Rebate Credit		
SSL - Shared Savings Prevention Fees credit	07/19/2022 - 07/25/2022	(\$2,348.91)
SSL - Shared Savings Recovery/Vendor Recovery Fee Credit	07/19/2022 - 07/25/2022	(\$825.27)
Total Other Charges/Credits		(\$407,617.87)

Amount Due for Current Invoice

$(A) \times 24\% = 97066.69$
 $(A) \times 76\% = 307377$
(\$37,352.35)