

**Employee Medical Benefits Board
Regular Meeting
Monday, November 4, 2019 at 6:15pm
Newtown Municipal Center
Newtown, CT**

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

The Employee Medical Benefits Board held a regular meeting on Monday, November 4, 2019. The meeting was held in Meeting Room 1, Newtown municipal Center, 3 Primrose Street, Newtown, CT. The meeting was called to order at 6:15pm.

Present: Jim Loring, David Stott, Donna Van Waalwijk

Absent: Jim O'Sullivan, Andrew Paley

Also Present: Robert Tait, Joe Spurgeon

Minutes – D. Van Waalwijk moved to approve the minutes from the 9/16/19 meeting. D. Stott seconded, all in favor.

Voter Comments – None

NEW BUSINESS

Review claims – J. Surgeon reviewed the Running Claim History and Projections vs Actuals (Attachment A).

Review current status of Self-funded Insurance Reserve Fund, and estimate for year-end 2019/2020 – R. Tait reviewed the analysis of the Medical Self Insurance Fund (Attachment B).

Review other information board members, partners, insurance consultants make available- None

2020 Meeting Schedule - D. Van Waalwijk moved to approve the 2020 meeting schedule (Attachment C), D. Stott seconded, all in favor.

Having no further business the meeting was adjourned at 6:38pm

Respectfully submitted,
Arlene Miles, Clerk

Attachment A

Newtown:TOWN and BOARD OF EDUCATION

Running Claim History

Net Paid Claims by Month

Excess Claims All Reported in June						
	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020 ⁽¹⁾
July	\$ 936,724	\$ 1,126,543	\$ 1,031,113	\$ 814,547	\$ 930,743	\$ 1,066,925 NO DENTAL
August	\$ 1,040,447	\$ 989,316	\$ 927,231	\$ 880,663	\$ 860,200	\$ 831,281 NO DENTAL
September	\$ 892,841	\$ 952,992	\$ 804,779	\$ 742,950	\$ 767,012	\$ 899,295 NO DENTAL
October	\$ 976,633	\$ 1,224,430	\$ 979,689	\$ 784,993	\$ 901,173	\$ -
November	\$ 948,278	\$ 916,053	\$ 1,171,352	\$ 881,106	\$ 859,597	\$ -
December	\$ 952,562	\$ 1,026,971	\$ 1,058,536	\$ 879,984	\$ 941,132	\$ -
January	\$ 833,027	\$ 944,287	\$ 789,791	\$ 976,437	\$ 1,002,550	\$ -
February	\$ 1,054,648	\$ 965,184	\$ 724,150	\$ 942,337	\$ 956,407	\$ -
March	\$ 1,138,915	\$ 1,344,722	\$ 1,099,505	\$ 817,907	\$ 1,475,607	\$ -
April	\$ 1,100,929	\$ 892,083	\$ 803,288	\$ 1,053,245	\$ 981,788	\$ -
May	\$ 1,179,895	\$ 876,025	\$ 1,049,201	\$ 1,183,464	\$ 956,670	\$ -
June	\$ 899,215	\$ 1,279,465	\$ 1,094,485	\$ 1,007,754	\$ 1,093,314	\$ -
TOTAL	\$11,954,114	\$12,538,071	\$11,533,120	\$10,965,387	\$11,726,193	\$2,797,501
Per Month	\$996,176	\$ 1,044,839	\$ 961,093	\$ 913,782	\$ 977,183	\$ 932,500
Average Contracts	778	770	756	754	744	733
Average Members	2,053	2,011	1,968	1,965	1,969	1,920
Average Cost/Contract	\$15,365	\$16,283	\$15,255	\$14,548	\$15,770	\$15,273
Average Cost/Member	\$5,823	\$6,235	\$5,860	\$5,581	\$5,956	\$5,827
% Change Cost/Contract		6.0%	-6.3%	-4.6%	8.4%	5.0%
% Change Cost/Member		7.1%	-6.0%	-4.8%	6.7%	4.4%

(1) As of July 2019 Includes BOE Dental

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

2019 - 2020

	July-June 2014 - 2015	July-June 2015 - 2016	July-June 2016 - 2017	July-June 2017 - 2018	July-June 2018 - 2019	Thru Sept FYTD July-June 2018-2019
I. Carrier Values						
Anthem Expected Claims Expected Plan YTD (July-YTD)	\$13,361,652	\$13,206,912	\$13,109,832	\$12,959,316	\$12,528,012	<i>PRELIM Excludes Dental</i> \$13,070,088 \$3,267,522
Actual Claims						<i>PRELIM Excludes Dental</i> \$2,797,501
Gross Claims:	\$12,355,869	\$12,861,033	\$12,155,291	\$11,046,746	\$12,775,721	\$2,797,501
Excess Claims Over Stop Loss:	<u>-\$401,755</u>	<u>-\$322,962</u>	<u>-\$622,171</u>	<u>-\$81,359</u>	<u>-\$1,049,528</u>	\$0
Actual Net Claims:	\$11,954,114	\$12,538,071	\$11,533,120	\$10,965,387	\$11,726,193	\$2,797,501
Plan Year Differential	\$ (1,407,538)	\$ (668,841)	\$ (1,576,712)	\$ (1,993,929)	\$ (801,819)	\$ (470,021)
% Differential	-10.53%	-5.06%	-12.03%	-15.39%	-6.40%	-14.38%
Stop Loss Premium	\$763,898	\$810,113	\$835,662	\$855,006	\$928,991	\$1,041,599
Stop Loss Levels (ISL/ASL)	\$175K/125%	\$175K/125%	\$175K/125%	\$175K/125%	\$175K/125%	\$175K/125%
	ISL MED ONLY	ISL MED & RX	ISL MED & RX	ISL MED & RX	ISL MED & RX	ISL MED & RX
II. Non-Catastrophic/Catastrophic Claims						
Total Employer Paid	\$11,954,114	\$12,538,071	\$11,533,120	\$10,965,387	\$11,726,193	\$2,797,501
HDC Employer Paid:	\$3,969,717	\$3,606,038	\$3,382,230	\$3,192,503	\$3,590,868	\$600,997
Non-HDC Employer Paid:	\$7,984,397	\$8,932,033	\$8,150,890	\$7,772,884	\$8,135,325	\$2,196,504
Members:						
Average Total Members:	2,053	2,011	1,968	1,965	1,969	1,920
HDC Members:	40	41	42	36	39	7
HDC %:						
\$:	33.21%	28.76%	29.33%	29.11%	30.62%	21.48%
Members:	1.95%	2.04%	2.13%	1.83%	1.98%	0.36%
Non HDC PMPM	\$324.09	\$370.13	\$345.14	\$329.69	\$344.32	\$381.27
Year-Over-Year % Change		14.20%	-6.75%	-4.48%	4.44%	15.64%
III. Additional Data						
Med and RX Claims Over \$50K Bucketed ¹						
\$50k-75K	\$ 1,132,335	\$1,406,906	\$1,362,423	\$1,096,817	\$1,299,621	\$197,197
#	18	24	23	18	21	3
\$75-100K	\$ 512,619	\$251,894	\$1,002,837	\$715,440	\$355,390	\$157,387
#	6	3	12	8	4	2
\$100-125K	\$ 554,655	\$680,030	\$216,634	\$531,045	\$751,342	\$100,448
#	5	6	2	5	7	1
\$125-150K	\$ 546,695	\$567,208	\$275,336	\$153,818	\$0	\$145,965
#	4	4	2	1	0	1
\$150-175K	\$ 173,413	\$0	\$0	\$170,383	\$484,515	\$0
#	1	0	0	1	3	0
\$175-200K	\$ 551,938	\$368,005	\$181,045	\$373,559	\$0	\$0
#	3	2	1	2	0	0
\$200-300K	\$ 494,821	\$200,382	\$244,323	\$232,800	\$547,676	\$0
#	2	1	1	1	2	0
\$300-400K	\$ 0	\$0	\$0	\$0	\$301,388	\$0
#	0	0	0	0	1	0
\$400K-500K	\$ 404,989	\$454,516	\$0	\$0	\$0	\$0
#	1	1	0	0	0	0
\$500K+	\$ 0	\$0	\$721,835	\$0	\$900,464	\$0
#	0	0	1	0	1	0
Highest Claimant Inactive Members	\$404,989 4	\$454,516 3	\$721,835 3	\$232,800 0	\$900,464 1	\$137,126 0

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

(2) As of July 2019 Includes BOE Dental

Attachment B

TOWN OF NEWTOWN
MEDICAL SELF INSURANCE FUND ANALYSIS @ OCT 31, 2019
FISCAL YEAR 2019 - 2020 FORECAST

FUND BALANCE @ JULY 1, 2019	5,163,141
<u>ESTIMATED REVENUES</u>	
EMPLOYER CONTRIBUTIONS:	
MUNICIPAL	2,938,000
EDUCATION	7,909,000
EMPLOYEE CONTRIBUTIONS:	
MUNICIPAL	465,000
EDUCATION	2,110,000
RETIREE/COBRA/AGENCY CONTRIBUTIONS:	
MUNICIPAL	355,000
EDUCATION	300,000
INTEREST EARNED ON INVESTMENTS	200,000
TOTAL REVENUES	14,277,000
<u>ESTIMATED EXPENSES</u>	
CLAIMS/NAF:	
MUNICIPAL	13,750,000
EDUCATION	
ADMINISTRATIVE FEES:	
MUNICIPAL	1,233,000
EDUCATION	
CONSULTANT FEES	55,000
TOTAL EXPENSES	15,038,000
ESTIMATED FUND BALANCE @ JUNE 30, 2020	4,402,141
25% OF TOTAL CLAIMS =	3,437,500
	37%

TOWN OF NEWTOWN
MEDICAL SELF INSURANCE FUND ANALYSIS @ OCT 31, 2019
FISCAL YEAR 2020 - 2021 FORECAST

ESTIMATED FUND BALANCE @ JULY 1, 2020	4,402,141
<u>ESTIMATED REVENUES</u>	
EMPLOYER CONTRIBUTIONS:	
MUNICIPAL	3,026,140
EDUCATION	8,146,270
EMPLOYEE CONTRIBUTIONS:	
MUNICIPAL	500,000
EDUCATION	2,110,000
RETIREE/COBRA/AGENCY CONTRIBUTIONS:	
MUNICIPAL	355,000
EDUCATION	300,000
INTEREST EARNED ON INVESTMENTS	200,000
TOTAL REVENUES	14,637,410
<u>ESTIMATED EXPENSES</u>	
CLAIMS/NAF:	
MUNICIPAL	14,368,750
EDUCATION	4,50%
ADMINISTRATIVE FEES:	
MUNICIPAL	1,233,000
EDUCATION	
CONSULTANT FEES	55,000
TOTAL EXPENSES	15,656,750
ESTIMATED FUND BALANCE @ JUNE 30, 2021	3,382,801
25% OF TOTAL CLAIMS =	3,592,188
	24%

TOWN OF NEWTOWN CLAIMS ANALYSIS
2019 - 20

FISCAL YEAR 2014 - 2015														135,583	h.s.a.
	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	TOTALS		
TOWN	331,000	221,000	352,000	475,000	307,000	304,000	234,000	365,000	361,000	304,000	340,000	202,000	3,843,000		
BOE	834,000	821,000	543,000	599,000	644,000	652,000	603,000	728,000	782,000	801,000	843,000	701,000	8,730,000		
TOTAL	1,165,000	1,042,000	895,000	1,074,000	951,000	956,000	837,000	1,093,000	1,143,000	1,105,000	1,183,000	903,000	12,573,000	33%	12,573,000
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	35%	13,375,000
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	34%	12,396,000
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	30%	\$ 11,735,000
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	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	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	12,253,429	30%	\$ 12,253,429
FISCAL YEAR 2019 - 2020														4%	
	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	-	-	-	-	-	-	-	-	1,378,605		
BOE	662,102	718,426	530,377	716,254	-	-	-	-	-	-	-	-	2,627,159		
TOTAL	983,224	1,038,977	967,904	1,015,659	-	-	-	-	-	-	-	-	4,005,764		
													Estimated Annual	\$	13,754,319
														\$	31.0%

11/4/2019

Attachment C

EMPLOYEE MEDICAL BENEFITS BOARD

The following is a list of meetings of the Employee Medical Benefits Board for 2020. Meetings are held at the Newtown Municipal Center, Meeting Room #1, 3 Primrose Street, Newtown, CT at 6:15 p.m.

February 3, 2020

May 4, 2020

September 14, 2020

November 2, 2020