

**Employee Medical Benefits Board
Regular Meeting
Monday, May 3, 2021
Via Google Meets
Meeting called to order at 6:18pm**

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

Present via teleconference: Jim Loring, Jim O'Sullivan, Donna Van Waalwijk, Peter Salonia, Clinton DePoalo

Also Present via teleconference: Robert Tait, Joe Spurgeon

Minutes - J. O'Sullivan moved to approve the minutes from the 2/16/21 special meeting. D. Van Waalwijk seconded, all in favor.

Voter Comments – None

NEW BUSINESS

Review claims – J. Spurgeon reviewed attachment A. Average claims per month are higher than last year which was expected. Year to date there is a million over stop loss. It is one large claimant. Year to date we should be at \$10 million year to date, we are running 5% under that. At this point in the year, more people have hit the deductible. J. Salonia asked if they have been making changes to the plan. J. Spurgeon replied that the BOE is the driver and most if not all of the BOE are on HAS. They have tweaked their plan designs over the last couple of contracts.

Review current status of Self-funded Insurance Reserve Fund and estimate for year end 20/21- R. Tait reviewed attachment B. \$13.5 million is the estimate claims in the 21/22 budget. The forecasted estimated fund balance is in line with the forecast made in the budget.

Review other information board members, partners, insurance consultants make available- J. Salonia asked if Covid vaccinations will be required for employees. R. Tait responded that there is no cost the employee to get the vaccination. They are being encouraged but not required. J. Spurgeon also responded that he is not aware of any public sector groups requiring a vaccine. For the September agenda, he will provide a review of Covid related utilization and costs including vaccinations administered.

Having no further business, the meeting was adjourned at 6:33pm

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					
	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	\$ 958,802
March	\$ 1,344,722	\$ 1,099,505	\$ 817,907	\$ 1,475,607	\$ 1,403,005	\$ 1,108,373
April	\$ 892,083	\$ 803,288	\$ 1,053,245	\$ 981,788	\$ 609,701	\$ -
May	\$ 876,025	\$ 1,049,201	\$ 1,183,464	\$ 956,670	\$ 662,064	\$ -
June	\$ 1,279,465	\$ 1,094,485	\$ 1,007,754	\$ 1,093,314	\$ 1,021,419	\$ -
TOTAL	\$12,538,071	\$11,533,120	\$10,965,387	\$11,726,193	\$11,674,246	\$9,633,219
Per Month	\$ 1,044,839	\$ 961,093	\$ 913,782	\$ 977,183	\$ 972,854	\$ 1,070,358
March 21-Dental Claims Under Reported						
Average Contracts	770	756	754	744	744	749
Average Members	2,011	1,968	1,965	1,969	1,943	1,946
Average Cost/Contract	\$16,283	\$15,255	\$14,548	\$15,770	\$15,691	\$17,151
Average Cost/Member	\$6,235	\$5,860	\$5,581	\$5,956	\$6,008	\$6,599
% Change Cost/Contract		-6.3%	-4.6%	8.4%	-0.5%	9.3%
% Change Cost/Member		-6.0%	-4.8%	6.7%	0.9%	9.8%

(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

**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 March July-June 2020 - 2021 ⁽³⁾
Carrier Values						
Anthem Expected Claims <i>Expected Plan YTD (July-YTD)</i>	\$13,206,912	\$13,109,832	\$12,959,316	\$12,528,012	\$12,473,724	\$13,542,516 \$10,156,887
Actual Claims						
Gross Claims:	\$12,861,033	\$12,155,291	\$11,046,746	\$12,775,721	\$12,130,249	\$10,604,334
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>-\$971,115</u>
Actual Net Claims:	\$12,538,071	\$11,533,120	\$10,965,387	\$11,726,193	\$11,674,246	\$9,633,219
Plan Year Differential	\$ (668,841)	\$ (1,576,712)	\$ (1,993,929)	\$ (801,819)	\$ (799,478)	\$ (523,668)
% Differential	-5.06%	-12.03%	-15.39%	-6.40%	-6.41%	-5.16%
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>
I. Non-Catastrophic/Catastrophic Claims						
Total Employer Paid	\$12,538,071	\$11,533,120	\$10,965,387	\$11,726,193	\$11,674,246	\$9,633,219
HDC Employer Paid:	\$3,606,038	\$3,382,230	\$3,192,503	\$3,590,868	\$4,548,594	\$3,673,239
Non-HDC Employer Paid:	\$8,932,033	\$8,150,890	\$7,772,884	\$8,135,325	\$7,125,652	\$5,959,980
Members:						
Average Total Members:	2,011	1,968	1,965	1,969	1,943	1,946
HDC Members:	41	42	36	39	49	36
HDC %:						
\$: 28.76%	28.76%	29.33%	29.11%	30.62%	38.96%	38.13%
Members: 2.04%	2.04%	2.13%	1.83%	1.98%	2.52%	1.85%
Non HDC PMPM	\$370.13	\$345.14	\$329.69	\$344.32	\$305.61	\$340.22
Year-Over-Year % Change	14.20%	-6.75%	-4.48%	4.44%	-11.24%	11.32%
II. 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	\$859,149
#	24	23	18	21	23	14
\$75-100K	\$ 251,894	\$1,002,837	\$715,440	\$355,390	\$771,407	\$784,550
#	3	12	8	4	9	9
\$100-125K	\$ 680,030	\$216,634	\$531,045	\$751,342	\$694,555	\$208,435
#	6	2	5	7	6	2
\$125-150K	\$ 567,208	\$275,336	\$153,818	\$0	\$819,206	\$437,114
#	4	2	1	0	6	3
\$150-175K	\$ 0	\$0	\$170,383	\$484,515	\$166,388	\$158,991
#	0	0	1	3	1	1
\$175-200K	\$ 368,005	\$181,045	\$373,559	\$0	\$0	\$386,878
#	2	1	2	0	0	2
\$200-300K	\$ 200,382	\$244,323	\$232,800	\$547,676	\$508,384	\$624,155
#	1	1	1	2	2	3
\$300-400K	\$ 0	\$0	\$0	\$301,388	\$647,620	\$323,619
#	0	0	0	1	2	1
\$400K-500K	\$ 454,516	\$0	\$0	\$0	\$0	\$0
#	1	0	0	0	0	0
\$500K+	\$ 0	\$721,835	\$0	\$900,464	\$0	\$861,463
#	0	1	0	1	0	1
Highest Claimant	\$454,516	\$721,835	\$232,800	\$900,464	\$275,487	\$861,463
Inactive Members	3	3	0	1	7	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

Attachment B

TOWN OF NEWTOWN CLAIMS ANALYSIS
2020 - 21

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	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
													171,250
FISCAL YEAR 2016 - 2017													
	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
													314,000
FISCAL YEAR 2017 - 2018													
	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
FISCAL YEAR 2018 - 2019													
	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
													\$ 12,253,429
FISCAL YEAR 2019 - 2020													
	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
FISCAL YEAR 2020 - 2021													
	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	280,000			3,029,696
BOE		1,327,642	525,647	819,355	832,794	1,016,925	527,474	1,102,071	817,079	800,000			7,768,988
TOTAL		2,155,697	737,882	1,137,593	1,198,352	1,332,563	656,086	1,393,633	1,106,878	1,080,000			10,798,684
													estimate - last week claims estimated
													with "hsa"
													Estimated Annual
													\$ 13,586,463

4/30/21

TOWN OF NEWTOWN
MEDICAL SELF INSURANCE FUND ANALYSIS @ APR 30, 2021
FISCAL YEAR 2020 - 2021 FORECAST

FUND BALANCE @ JULY 1, 2020

5,163,141

ESTIMATED REVENUES

EMPLOYER CONTRIBUTIONS:

MUNICIPAL 3,087,878
EDUCATION 8,146,270

11,234,148

EMPLOYEE CONTRIBUTIONS:

MUNICIPAL 520,000
EDUCATION 2,140,000

2,660,000

RETIREE/COBRA/AGENCY CONTRIBUTIONS:

MUNICIPAL 450,000
EDUCATION 260,000

710,000

INTEREST EARNED ON INVESTMENTS

200,000

TOTAL REVENUES

14,804,148

ESTIMATED EXPENSES

CLAIMS/NAF:

MUNICIPAL FROM CLAIMS
EDUCATION ANALYSIS

13,600,000

ADMINISTRATIVE FEES:

MUNICIPAL 1,233,000
EDUCATION

1,233,000

CONSULTANT FEES

55,000

TOTAL EXPENSES

14,888,000

ESTIMATED FUND BALANCE @ JUNE 30, 2021

25% OF TOTAL CLAIMS =

3,400,000

5,079,289

37%

TOWN OF NEWTOWN
MEDICAL SELF INSURANCE FUND ANALYSIS @ APR 30, 2021
FISCAL YEAR 2021 - 2022 FORECAST

ESTIMATED FUND BALANCE @ JULY 1, 2021

5,079,289

ESTIMATED REVENUES

EMPLOYER CONTRIBUTIONS:

MUNICIPAL 3,180,514
EDUCATION 8,390,658

11,571,172

EMPLOYEE CONTRIBUTIONS:

MUNICIPAL 525,000
EDUCATION 2,160,000

2,685,000

RETIREE/COBRA/AGENCY CONTRIBUTIONS:

MUNICIPAL 450,000
EDUCATION 260,000

710,000

INTEREST EARNED ON INVESTMENTS

200,000

TOTAL REVENUES

15,166,172

ESTIMATED EXPENSES

CLAIMS/NAF:

MUNICIPAL
EDUCATION

14,280,000

5.00%

ADMINISTRATIVE FEES:

MUNICIPAL 1,233,000
EDUCATION

1,233,000

CONSULTANT FEES

55,000

TOTAL EXPENSES

15,568,000

ESTIMATED FUND BALANCE @ JUNE 30, 2022

25% OF TOTAL CLAIMS =

3,570,000

4,677,461

33%