

**Employee Medical Benefits Board
Special Meeting
Monday, September 16, 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 special meeting on Monday, September 16, 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, Jim O'Sullivan, Donna Van Waalwijk

Absent: David Stott, Andrew Paley

Also Present: Robert Tait, Joe Sturgeon

Minutes – D. Van Waalwijk moved to accept the minutes from the 2/4/19 meeting. J. O'Sullivan seconded, motion unanimously approved.

Voter Comments – None

NEW BUSINESS

Review claims – J. Sturgeon reviewed the Running Claim History (Attachment A).

Review 2018/2019 performance - R. Tait reviewed the Statement of Revenues, Expenses and Changes in Fund Balance for the fiscal year ending June 30, 2019 (Attachment B).

Review current status of Self-funded Insurance Reserve Fund, and estimate for year end 2019/2020 – R. Tait reviewed the forecast for this and next year based on July, August and part of September (Attachment C).

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

Having no further business the meeting was adjourned at 6:54pm

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
July	\$ 936,724	\$ 1,126,543	\$ 1,031,113	\$ 814,547	\$ 930,743
August	\$ 1,040,447	\$ 989,316	\$ 927,231	\$ 880,663	\$ 860,200
September	\$ 892,841	\$ 952,992	\$ 804,779	\$ 742,950	\$ 767,012
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
Per Month	\$996,176	\$ 1,044,839	\$ 961,093	\$ 913,782	\$ 977,183
Average Contracts	778	770	756	754	744
Average Members	2,053	2,011	1,968	1,965	1,969
Average Cost/Contract	\$15,365	\$16,283	\$15,255	\$14,548	\$15,770
Average Cost/Member	\$5,823	\$6,235	\$5,860	\$5,581	\$5,956
% Change Cost/Contract		6.0%	-6.3%	-4.6%	8.4%
% Change Cost/Member		7.1%	-6.0%	-4.8%	6.7%

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

	Thru June FYTD July-June				
	July-June 2014 - 2015	July-June 2015 - 2016	July-June 2016 - 2017	July-June 2017 - 2018	July-June 2018 - 2019
I. Carrier Values					
Anthem Expected Claims <i>Expected Plan YTD (July-YTD)</i>	\$13,361,652	\$13,206,912	\$13,109,832	\$12,959,316	\$12,528,012 \$12,528,012
Actual Claims					
Gross Claims:	\$12,355,869	\$12,861,033	\$12,155,291	\$11,046,746	\$12,775,721
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>
Actual Net Claims:	\$11,954,114	\$12,538,071	\$11,533,120	\$10,965,387	\$11,726,193
Plan Year Differential	\$ (1,407,538)	\$ (668,841)	\$ (1,576,712)	\$ (1,993,929)	\$ (801,819)
% Differential	-10.53%	-5.06%	-12.03%	-15.39%	-6.40%
Stop Loss Premium	\$763,898	\$810,113	\$835,662	\$855,006	\$928,991
Stop Loss Levels (ISL/ASL)	\$175K/125%	\$175K/125%	\$175K/125%	\$175K/125%	\$175K/125%
	<i>ISL MED ONLY</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	\$11,954,114	\$12,538,071	\$11,533,120	\$10,965,387	\$11,726,193
HDC Employer Paid:	\$3,969,717	\$3,606,038	\$3,382,230	\$3,192,503	\$3,590,868
Non-HDC Employer Paid:	\$7,984,397	\$8,932,033	\$8,150,890	\$7,772,884	\$8,135,325
Members:					
Average Total Members:	2,053	2,011	1,968	1,965	1,969
HDC Members:	40	41	42	36	39
HDC %:					
\$:	33.21%	28.76%	29.33%	29.11%	30.62%
Members:	1.95%	2.04%	2.13%	1.83%	1.98%
Non HDC PMPM	\$324.09	\$370.13	\$345.14	\$329.69	\$344.32
Year-Over-Year % Change		14.20%	-6.75%	-4.48%	4.44%
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
	# 18	24	23	18	21
\$75-100K	\$ 512,619	\$251,894	\$1,002,837	\$715,440	\$355,390
	# 6	3	12	8	4
\$100-125K	\$ 554,655	\$680,030	\$216,634	\$531,045	\$751,342
	# 5	6	2	5	7
\$125-150K	\$ 546,695	\$567,208	\$275,336	\$153,818	\$0
	# 4	4	2	1	0
\$150-175K	\$ 173,413	\$0	\$0	\$170,383	\$484,515
	# 1	0	0	1	3
\$175-200K	\$ 551,938	\$368,005	\$181,045	\$373,559	\$0
	# 3	2	1	2	0
\$200-300K	\$ 494,821	\$200,382	\$244,323	\$232,800	\$547,676
	# 2	1	1	1	2
\$300-400K	\$ 0	\$0	\$0	\$0	\$301,388
	# 0	0	0	0	1
\$400K-500K	\$ 404,989	\$454,516	\$0	\$0	\$0
	# 1	1	0	0	0
\$500K+	\$ 0	\$0	\$721,835	\$0	\$900,464
	# 0	0	1	0	1
Highest Claimant Inactive Members	\$404,989 4	\$454,516 3	\$721,835 3	\$232,800 0	\$900,464 1

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

Attachment B

TOWN OF NEWTOWN

MEDICAL SELF INSURANCE FUND - STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE FOR THE FISCAL YEAR ENDING JUNE 30, 2019

---UNAUDITED----

FUND BALANCE AT JULY 1, 2018

\$ 5,580,793

REVENUES:

EMPLOYER CONTRIBUTIONS	10,416,650
PLAN MEMBER CONTRIBUTIONS	2,534,488
AGENCY & COBRA CONTRIBUTIONS	384,038
INTEREST ON INVESTMENTS	201,463
OTHER REVENUES	<u>10,000</u>

TOTAL REVENUES

13,546,639

EXPENSES:

MEDICAL CLAIMS	12,690,957
ADMINISTRATION/STOP LOSS FEES	1,218,333
CONSULTING FEES	<u>55,000</u>

TOTAL EXPENSES

13,964,291

FUND BALANCE AT JUNE 30, 2019

5,163,141

41% (% OF CLAIMS)

