Employee Medical Benefits Board Special Meeting Monday, September 11, 2023 Council Chambers in the Municipal Building, 3 Primrose Street, Newtown, CT Meeting called to order at 6:15pm

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

Present: Jim Loring, Jim O'Sullivan, Donna Van Waalwijk

Absent: Peter Salonia, Clinton DePoalo **Also Present:** Robert Tait, Joe Spurgeon

Minutes - J. Loring moved to approve the minutes of the February 6, 2023 regular Meeting. D. Van Waalwijk seconded, all in favor.

Voter Comments – None

NEW BUSINESS

Review claims – J. Spurgeon reviewed Running Claim History and projection vs actual as well as Reserve Modeling (Attachment A).

Review 2022-23 year end medical self-insurance fund & 2023-24 up to 8/31/23 - R. Tait reviewed 22/23-23/24 (Attachment B). The medical self-insurance fund has decreased mainly because of large claim claimants. Large claim claimants represent 4% of participants while comprising 40% of the claims.

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

Having no further business, the meeting was adjourned at 6:50pm

Respectfully submitted, Arlene Miles, Clerk

Attachment A

| 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | 171,250 h.s.a | 13,375,000 90% % not incl h s a | | La se e e | 12,396,000 91% % not incl h s a | 682,000 h.s.a | 6 | 11,735,000 91% % not incl h s a | 749,026 h.s.a 3,000 h.s.a | | \$ 12,253,429 93% % not incl h s a | 830,500 h.s.a | 2,000 h.s.a | \$ 12,076,930 91% % not incl h.s. a | 576,383 hs.a | h, s.a. | \$ 13,626,722 88% % not incl h.4.a | 706 000 hea | h.s.a | \$ 15,065,875 87% | 865,836 h.sa | h s.a. with "hsa" Estimated Annual \$ 15,804,950 | | AVG | |
|---------------------------------------|-------------------------|--|-------------|---|---------------------------------|-------------------------|-------------------------------|---------------------------------|---------------------------------------|--------------------|------------------------------------|-------------------------|--------------------------|-------------------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|--------------------------|-------------------------|---|-------|---------------|--|
| * 4 | | TOTALS 3,670,000 9,705,000 13,375,000 | | TOTALS 3,415,000 8,981,000 | 12,396,000 | | 3,457,000 8,278,000 | 11,/35,000 | TOTALS | 3,796,233 | 12,253,429 | | TOTALS 3,437,422 | 8,639,508 12,076,930 | | 10TALS 3 672 280 | 9,378,442 | | TOTALS 3,769,498 | 10,764,347 14,533,846 | | TOTALS 3,354,894 11,584,220 14,939,114 | | 1,433,800 AVG | |
| 1 s 1 2 2 l | | Jun-16 264,000 1,055,000 1,319,000 | | Jun-17 241,000 920,000 | 1,161,000 | | 234,000 855,000 | 1,089,000 | <u>Jun-19</u> | 214,686 695,155 | 909,841 | | <u>Jun-20</u> 235,859 | 820,824 1,056,683 | | Jun-21 366 031 | 751,065 | | Jun-22 347,257 | 1,119,103 | | Jun-22 205,788 1,202,754 1,408,542 | | 27,169,000 | |
| | | May-16 221,000 693,000 914,000 | | May-17 332,000 825,000 | 1,157,000 | | May-18 345,000 886,000 | 1,231,000 | May-19 | 218,565 903,645 | 1,122,210 | | <u>May-20</u> 150,548 | 561,046 711,594 | | May-21 | 801,187 1,024,896 | | May-22 252,318 | 859,390 1,111,708 | | May-22 275,008 990,268 1,265,776 | | | |
| | | Apr-16 268,000 690,000 958,000 | 200/201 | Apr-17 260,000 587,000 | 847,000 | | Apr-18 373,000 721,000 | 1,094,000 | Apr-19 | 284,960 661,497 | 946,457 | | <u>Apr-20</u> 169,916 | 529,875 699,791 | | Apr-21 | 857,202 1,190,045 | | Apr-22 231,280 | 979,638 1,210,918 | estimate | Apr-22 90,000 980,588 1,070,588 | 7 | AVG | |
| | | Mar-16 425,000 1,005,000 1,430,000 | 200/02: /2 | Mar-17 310,000 833,000 | 1,143,000 | | Mar-18 338,000 539,000 | 877,000 | Mar-19 | 382,099 | 1,398,974 | | Mar-20 313,361 | 1,071,171 | | Mar-21 | 817,079 1,106,878 | | Mar-22 197,792 | 922,442 1,120,234 | | Mar-22 412,778 1,469,304 1,882,082 | | 1,110,000 AVG | |
| . / | FISCAL YEAR 2015 - 2016 | Feb-16 268,000 753,000 1,021,000 | 000/170/1 | FISCAL YEAR 2016 - 2017 Jan-17 | 766,000 | FISCAL YEAR 2017 - 2018 | Feb-18 314,000 683,000 | 997,000 | FISCAL YEAR 2018 - 2019 Jan-19 Feb-19 | 378,999 | 1,197,546 | FISCAL YEAR 2019 - 2020 | Feb-20 301,487 | 735,914 | FISCAL YEAR 2020 - 2021 | 701 567 | 1,102,071 1,393,633 | FISCAL VEAR 2021 - 2022 | Feb-22 298,782 | 911,038 | FISCAL YEAR 2022 - 2023 | Feb-22 321,682 1,221,095 1,542,777 | | # .d | |
| 10WN OF NEW 10WN CLAIMS ANALTSIS | FISCAL YEAR | Jan-16 320,000 671,000 991,000 | 000/100 | FISCAL YEAR Jan-17 218,000 626,000 | 844,000 | FISCAL YEAR | Jan-18 293,000 740,000 | 1,033,000 | FISCAL YEAR | 287,957 | 946,987 | FISCAL YEAR | Jan-20 314,796 | 708,195 | FISCAL YEAR | Jan-21 | 527,474 527,474 656,086 | FISCAL VEAK | Jan-22 395,860 | 1,337,099 | FISCAL YEAR | Jan-22 330,137 689,338 1,019,475 | | 000,077,7 | |
| 2022 - 23 | | Dec-15 228,000 848,000 1,076,000 | 7,000 | Dec-16 295,000 800,000 | 1,095,000 | | Dec-17 287,000 637,000 | 924,000 | Dec-18 | 326,327 645,957 | 972,284 | | Dec-19 309,380 | 865,425 1,174,805 | | Dec-20 | 1,016,925 1,332,563 | • | Dec-21 270,854 | 829,462 1,100,316 | | Dec-21 322,153 1,011,862 1,334,015 | | | |
| OWN OF N | | Nov-15 288,000 655,000 943,000 | | Nov-16 296,000 909,000 | 1,205,000 | | Nov-17 260,000 651,000 | 911,000 | Nov-18 | 321,331 | 1,059,091 | | Nov-19 263,470 | 719,899 | | Nov-20 365 559 | 832,794 1,198,352 | | Nov-21 161,176 | 824,038 985,214 | | Nov-21 233,574 1,142,218 1,375,792 | (4 | | |
| , F | | Oct-15 571,000 701,000 1,272,000 | 7,2,4,000 | Oct-16 375,000 643,000 | 1,018,000 | | Oct-17 258,000 557,000 | 815,000 | Oct-18 | 255,141 589,305 | 844,446 | | Oct-19 299,405 | 716,254 | ě III | Oct-20 | 819,355 1,137,593 | | Oct-21 740,513 | 794,735 1,535,248 | | Oct-21 218,202 804,397 1,022,599 | 27 11 | 18 .39 | |
| | | Sep-15 258,000 737,000 995,000 | andere | Sep-16 242,000 619,000 | 861,000 | | Sep-17 221,000 588,000 | 809,000 | <u>Sep-18</u> | 1,126,168 | 2,855,593 | | Sep-19 437,527 | 530,377 967,904 | | Sep-20 | 525,647 525,647 737,882 | | Sep-21 318,191 | 625,557 943,748 | | Sep-21 387,909 668,916 1,056,825 | | H. 35 | |
| | | Aug-15 291,000 817,000 1,108,000 | 7, 100, 100 | <u>Aug-16</u> 300,000 781,000 | 1,081,000 | | Aug-17 269,000 723,000 | 992,000 | Aug-18 | | 1000 | | Aug-19 320,551 | 718,426 1,038,977 | | Aug-20 | 1,327,642 2,155,697 | | Aug-21 555,476 | 1,561,845 | The same | Aug-21 217,061 576,333 793,394 | | 1 | |
| | | Jul-15 268,000 1,080,000 1,348,000 | 7,210,000 | 327,000 891,000 | 1,218,000 | | 265,000 265,000 698,000 | 963,000 | Jul-18 | | - | | Jul-19 321,122 | 662,102 983,224 | | <u>101-20</u> | 1 | | Jul-21 | 21 | | 340,602 827,147 1,167,749 | 3 | | |
| х. | <u> </u> | TOWN | | TOWN | TOTAL | | TOWN | TOTAL | : | TOWN | TOTAL | | TOWN | BOE | - | TOWN I | BOE | | TOWN | BOE | | TOWN BOE TOTAL | | | |

Self Insurance Fund Continued:

Budgeted contributions to the medical self insurance fund have increased 6% 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 9% increase in the Town's contribution to the fund.

Self-Insurance Fund Analysis:

| 12,913,230 | 3,206,390 | 698,340 | 125,000 | 15,330,000 5.00% | 2,000,000 | 55,000 | 2,019,401 |
|---|--|---|--|---|--|---------------------------------|--|
| ESTIMATED REVENUES EMPLOYER CONTRIBUTIONS: MUNICIPAL 5,493,450 EDUCATION 9,419,780 | EMPLOYEE CONTRIBUTIONS: MUNICIPAL EDUCATION 2,588,390 | RETIREE/COBRA/AGENCY CONTRIBUTIONS: MUNICIPAL 251,320 | INTEREST EARNED ON INVESTMENTS TOTAL REVENUES | ESTIMATED EXPENSES CLAINS/NAF: MUNICIPAL EDUCATION | ADMINISTRATIVE FEES: MUNICIPAL EDUCATION | CONSULTANT FEES TOTAL EXPENSES | 17% ESTIMATED FUND BALANCE @ JUNE 30, 2024 25% OF TOTAL CLAIMS = 3,832,500 |
| 11,847,000 | 3,113,000 | 678,000 | 100,000 | 14,600,000 | 1,980,000 | 55,000 | 2,461,441 17 |
| IATED REVENUES LOYER CONTRIBUTIONS: 3,205,000 NICIPAL 8,642,000 | LOYEE CONTRIBUTIONS: 600,000 INICIPAL 2,513,000 | REE/COBRA/AGENCY CONTRIBUTIONS: 434,000 UCATION | EREST EARNED ON INVESTMENTS TOTAL REVENUES | MATED EXPENSES INS/NAF: JUNICIPAL ANALYSIS | MINISTRATIVE FEES: JUNICIPAL UCATION | NSULTANT FEES TOTAL EXPENSES | ESTIMATED FUND BALANCE @ JUNE 30, 2023 25% OF TOTAL CLAIMS = 3,650,000 |
| | ESTIMATED REVENUES EMPLOYER CONTRIBUTIONS: MUNICIPAL EDUCATION | 5: 3,205,000 | ESTIMATED REVENUES 3,205,000 8,642,000 11,847,000 EMPLOYER CONTRIBUTIONS: 600,000 2,513,000 3,113,000 EDUCATION EMPLOYEE CONTRIBUTIONS: MUNICIPAL 2,513,000 3,113,000 EDUCATION EMPLOYEE CONTRIBUTIONS: MUNICIPAL EDUCATION EDUCATION EDUCATION EDUCATION 244,000 EDUCATION | ESTIMATED REVENUES 3,205,000 8,642,000 11,847,000 EMPLOYER CONTRIBUTIONS: 600,000 2,513,000 3,113,000 EMPLOYEE CONTRIBUTIONS: MUNICIPAL EDUCATION EMPLOYEE CONTRIBUTIONS: MUNICIPAL EDUCATION EMPLOYEE CONTRIBUTIONS: MUNICIPAL EDUCATION EMPLOYEE CONTRIBUTIONS: MUNICIPAL EDUCATION EATIREE/COBRA/AGENCY CONTRIBUTIONS: MUNICIPAL EDUCATION 100,000 1,344,000 678,000 678,000 15,738,000 15,738,000 15,738,000 15,738,000 15,738,000 15,738,000 | S: 3,205,000 | S: 3,205,000 | S: 3,205,000 S: 43,000 S: 600,000 CONTRIBUTIONS: 434,000 ESTIMATED REVENUES EMPLOYER CONTRIBUTIONS: 9 EMPLOYER CONTRIBUTIONS: 744,000 ESTIME E/COBRA/AGENCY CONTRIBUTIONS: NULNICIPAL EDUCATION INTEREST EARNED ON INVESTMENTS ESTIMENTS 100,000 ESTIMATED EXPENSES CLAIMS/NAF: MUNICIPAL EDUCATION ADMINISTRATIVE FEES: MUNICIPAL EDUCATION ADMINISTRA |

| 2023 | 1,314,000 | 14,313,230 9.0% | 3,189,910 30% | 682,890 | 125,000 18,311,030 | 16,647,750 5.00% | 2,250,000 | 55,000 | 672,280 4% |
|---|---------------------------------------|---|---|---|---|--|--|--------------------------------|--|
| TOWN ANALYSIS @ JUN 30, 324 FORECAST | | 3,493,450 1,400,000 9,419,780 | 611,820 2,578,090 | 431,570 251,320 | | | | | 4,161,938 |
| TOWN OF NEWTOWN MEDICAL SELF INSURANCE FUND ANALYSIS @ JUN 30, 2023 FISCAL YEAR 2023 - 2024 FORECAST | ESTIMATED FUND BALANCE @ JULY 1, 2023 | ESTIMATED REVENUES EMPLOYER CONTRIBUTIONS: MUNICIPAL ADDITIONAL YEAR END AMOUNT EDUCATION | EMPLOYEE CONTRIBUTIONS: MUNICIPAL EDUCATION | RETIREE/COBRA/AGENCY CONTRIBUTIONS: MUNICIPAL EDUCATION | INTEREST EARNED ON INVESTMENTS TOTAL REVENUES | ESTIMATED EXPENSES CLAIMS/NAF: MUNICIPAL EDUCATION | ADMINISTRATIVE FEES: MUNICIPAL EDUCATION | CONSULTANT FEES TOTAL EXPENSES | ESTIMATED FUND BALANCE @ JUNE 30, 2024 25% OF TOTAL CLAIMS |
| | 3,358,000 | 12,106,000 | 3,097,000 | 000′£99 | 41,000 | 15,855,000 | 2,041,000 | 55,000 | 1,314,000 8% |
| VN LYSIS @ JUN 30, 2023 NAUDITED | | 3,205,000 259,000 8,642,000 | 594,000 | 419,000 | | FROM CLAIMS ANALYSIS | | 2-7 100 | 3.963.750 |
| TOWN OF NEWTOWN MEDICAL SELF INSURANCE FUND ANALYSIS @ JUN 30, 2023 FISCAL YEAR 2022 - 2023 UNAUDITED | FUND BALANCE @ JULY 1, 2022 | ESTIMATED REVENUES EMPLOYER CONTRIBUTIONS: MUNICIPAL ADDITIONAL YEAR END AMOUNT EDUCATION | EMPLOYEE CONTRIBUTIONS: MUNICIPAL EDUCATION | RETIREE/COBRA/AGENCY CONTRIBUTIONS: MUNICIPAL EDUCATION | INTEREST EARNED ON INVESTMENTS TOTAL REVENUES | ESTIMATED EXPENSES CLAIMS/NAF: MUNICIPAL EDUCATION | ADMINISTRATIVE FEES: MUNICIPAL EDUCATION | CONSULTANT FEES TOTAL EXPENSES | ESTIMATED FUND BALANCE @ JUNE 30, 2023 |

Attachment B

Newtown: TOWN and BOARD OF EDUCATION

Running Claim History

Net Paid Claims by Month

(1)(2)(3)(4)

| | | (1)(2) | (3)(4) | | (1)(1) | (1)(4) |
|--------------------------|--------------|--------------|--------------|-----------------|-----------------|-------------------|
| | 2018 - 2019 | 2019 -20 | 2020 -21 | 2021 -22 (1)(4) | 2022 -23 (1)(4) | 2023 -24 (1)(4) |
| July | \$ 930,743 | \$ 1,022,721 | \$ 782,684 | \$ 1,137,821 | \$ 765,977 | \$ 1,179,253 |
| August | \$ 860,200 | \$ 897,093 | \$ 1,269,233 | \$ 870,723 | | \$ - |
| September | \$ 767,012 | \$ 940,257 | \$ 928,936 | \$ 1,214,073 | \$ 801,083 | \$ = |
| October | \$ 901,173 | \$ 1,164,432 | \$ 846,649 | \$ 1,116,896 | \$ 1,088,420 | \$ - |
| November | \$ 859,597 | \$ 1,026,411 | \$ 1,211,542 | \$ 1,370,143 | \$ 1,397,503 | \$ - |
| December | \$ 941,132 | \$ 933,671 | \$ 1,290,761 | \$ 1,423,539 | \$ 1,081,289 | \$ - |
| January | \$ 1,002,550 | \$ 993,564 | \$ 1,236,240 | \$ 1,155,222 | \$ 1,125,605 | \$ - |
| February | \$ 956,407 | \$ 999,907 | \$ 968,566 | \$ 1,155,972 | \$ 1,558,738 | \$ |
| March | \$ 1,475,607 | \$ 1,403,005 | \$ 1,169,232 | \$ 1,182,946 | \$ 1,573,464 | \$ |
| April | \$ 981,788 | \$ 609,701 | \$ 991,055 | \$ 1,218,328 | \$ 1,240,872 | \$ |
| May | \$ 956,670 | \$ 662,064 | \$ 1,076,984 | \$ 1,198,872 | \$ 1,403,327 | \$ |
| June | \$ 1,093,314 | \$ 1,021,419 | \$ 1,181,847 | \$ 1,169,885 | \$ 1,344,717 | \$ - |
| TOTAL | \$11,726,193 | \$11,674,246 | \$12,953,729 | \$14,214,421 | \$14,346,666 | \$1,179,253 |
| Per Month | \$ 977,183 | \$ 972,854 | \$ 1,079,477 | \$ 1,184,535 | \$ 1,195,556 | \$ 1,179,253 |
| Average Contracts | 744 | 744 | 748 | 737 | 718 | 698 |
| Average Members | 1,969 | 1,943 | 1,943 | 1,903 | 1,817 | 1,770 Annualized |
| Average Cost/Contract | \$15,770 | \$15,691 | \$17,312 | \$19,300 | \$19,993 | \$20,274 |
| Average Cost/Member | \$5,956 | \$6,008 | \$6,668 | \$7,469 | \$7,897 | \$7,995 |
| % Change Cost | /Contract | -0.5% | 10.3% | 11.5% | 3.6% | 1.4% |
| % Change Cost | /Member | 0.9% | 11.0% | 12.0% | 5.7% | 1.2% |

⁽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

| i | | Anthem Projection | ns vs Actual | | | |
|---|---|--|---|--|---|--|
| | July-June | July-June | July-June | July-June | July-June | Thru July July-June |
| I. Carrier Values | 2018 - 2019 | 2019 - 2020 ⁽³⁾ | 2020 - 2021 ⁽³⁾ | 2021 - 2022 | 2022 - 2023 | 2023 - 2024 |
| Anthem Expected Claims Expected Plan YTD (July-YTD) | \$12,528,012 | \$12,473,724 | \$13,542,516 | \$14,745,216 | \$15,101,909 | \$15,369,627 \$1,280,802 |
| Actual Claims Gross Claims: Excess Claims Over Stop Loss: Actual Net Claims: | \$12,775,721 <u>-\$1,049,528</u> \$11,726,193 | \$12,130,249 - <u>\$456,003</u> \$11,674,246 | \$14,449,228 <u>-\$1,495,499</u> \$12,953,729 | \$16,955,537 - <u>\$2,741,116</u> \$14,214,421 | \$15,285,916 <u>-\$939,250</u> \$14,346,666 | \$2,041,491 - <u>\$862,238</u> \$1,179,253 |
| Plan Year Differential % Differential | \$ (801,819) -6.40% | \$ (799,478) -6.41% | \$ (588,787) -4.35% | \$ (530,795) -3.60% | \$ (755,243) -5,00% | \$ (101,549) -7.93% |
| Stop Loss Premium Stop Loss Levels (ISL/ASL) | \$928,991 \$175K/125% | \$1,041,599 \$175K/125% | \$1,325,347 \$175K/125% | \$1,277,338 \$175K/125% | \$2,034,051 \$175K/125% | \$2,320,986 \$175K/125% |
| | ISL MED & RX | ISL MED & RX | ISL MED & RX | ISL MED & RX | ISL MED & RX | ISL MED & RX |
| II. Non-Catastrophic/Catastrophic Clai Total Employer Paid HDC Employer Paid: Non-HDC Employer Paid: | \$11,726,193 \$3,590,868 \$8,135,325 | \$11,674,246 \$4,548,594 \$7,125,652 | \$12,953,729 \$5,103,204 \$7,850,525 | \$14,214,421 \$5,251,098 \$8,963,323 | \$14,346,666 \$6,013,142 \$8,333,524 | \$1,179,253 \$297,022 \$882,231 |
| Members: Average Total Members: HDC Members: | 1,969 39 | 1,943 49° | 1,943 49 | 1,903 54 | 1,817 64 | 1,770 3 |
| HDC %: \$: Members: | 30.62% 1.98% | 38.96% 2.52% | 39.40% 2.52% | 36.94% 2.84% | 41.91% 3.5 2 % | 25.19% 0.17% |
| Non HDC PMPM Year-Over-Year % Change | \$344.32 4.44% | \$305.61 -11.24% | \$336.74 10.19% | \$392.51 16.56% | \$382.26 -2.61% | \$498.44 30.39% |
| III. Additional Data | 4 | | | | | |
| Med and RX Claims Over \$50K Bu \$50k-75K \$ | s1,299,621 | \$1,397,038 | \$1,159,812 | \$1,413,498 | \$2,058,357 | \$122,022 |
| \$50k-75K \$ # | 21 | 23 | 18 | 23 | 33 | 2 |
| \$75-100K | \$355,390 4 | \$771,407 9 | \$854,436 10 | \$1,021,950 12 | \$869,210 10 | \$0 0 \$0 |
| \$100-125K \$ # | \$751,342 7 | \$694,555 6 | \$629,730 6 | \$757,495 7 | \$420,349 4 | 0 |
| \$125-150K \$ | \$0 0 | \$819,206 6 | \$560,439 4 | \$0 0 | \$938,738 7 | \$0 0 |
| \$150-175K \$ # | \$484,515 3 | \$166,388 1 | \$323,787 2 | \$483,155 3 | \$151,488 1 | \$0 0 |
| \$175-200K \$ # | \$0 0 | \$0 0 | \$190,121 1 | \$0 0 | \$372,458 2 | \$0 0 |
| \$200-300K \$ # | \$547,676 2 | \$508,384 2 | \$1,160,721 5 | \$733,189 3 | \$1,262,957 5 | \$0 0 |
| \$300-400K \$ # | 1 | \$647,620 2 | | \$638,188 2 | | \$0 0 \$0 |
| \$400K-500K \$ # | | | \$417,940 1 | \$434,764 1 | \$0 0 | 0 |
| \$500K+ \$ # | \$900,464 | \$0 0 | \$907,959 1 | \$2,509,976 3 | 1 | \$1,037,238 1 |
| Highest Claimant Inactive Members | \$900,464 1 | \$275,487 7 | \$907,959 2 | \$1,111,131 6 | \$560,780 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

Newtown: Town and BOE Reserve Modeling

9/11/2023

| Keserve Model: Conservative market State Medical IBNR: ASO Claim Corridor: Budget Stabilization: | 100 | 15.75% Approx 2 25.00% Full Corri 5.00% Margin | Appr Full C | 15.75% Approx 2 Months Medical-1 Month Dental 25,00% Full Corridor to 125% 5.00% Margin | edica % | J-1 Month De | ıntal | | | 726 | | | PROJECTED |
|--|------------------------------------|--|----------------|---|---------------------|--------------------------------------|----------|---|---------------|-----------------------------------|--|---|--|
| Fiscal Year Ending June 30 Total Actual/Expected Claims (1) (2) | 59 | 2017 11,533,120 \$ | €9 | 2018 10,965,387 \$ | 69 | 2019 11,726,193 | 64 | 2019 2020 (3) 11,726,193 \$ 11,674,246 | 50 | 2021 12,953,729 | 2021 2022 2023 2024 12,953,729 \$14,214,421 \$14,346,666 \$15,369,627 | <u>2023</u> \$14,346,666 | \$15,369,627 |
| Claim IBNR: ASO Corridor: Stabilization: | \$4 \$ 4 \$4 | 1,816,466 2,883,280 576,656 | ss ss ss | 1,727,048 2,741,347 548,269 | 50 60 60 | 1,846,875 \$ 2,931,548 \$ 586,310 \$ | ea ea ea | 1,838,694 2,918,562 583,712 | ÷ ÷ ÷ | 2,040,212 3,238,432 647,686 | 2,040,212 \$ 2,238,771 \$ 2,259,600 \$ 2,420,716 3,238,432 \$ 3,553,605 \$ 3,586,667 \$ 3,842,407 647,686 \$ 710,721 \$ 717,333 \$ 768,481 | \$ 2,259,600 \$ 2,420,716 \$ 3,586,667 \$ 3,842,407 \$ 717,333 \$ 768,481 | \$ 2,420,716 \$ 3,842,407 \$ 768,481 |
| Combined Reserve: | S | 5,276,402 | 643 | 5,016,665 | 69 | 5,364,733 | 99 | 5,340,968 S | S | 5,926,331 | S 6,503,098 | \$ 6,563,600 | \$ 7,031,604 |

| Reserve Model: Carrier IBNK 15% ASO Corridor Medical IBNR: 8.1 ASO Claim Corridor: 18, Budget Stabilization: 5.5 | | 8 00% Actual S 18 75% 3/4 Corr 5 00% Margin | Actua 74 C Marg | 8.00% Actual Settlement or Historical Carrier Approximation 8.75% 3/4 Corridor to 125% 5.00% Margin | . His | torical Carrier. | Аррго | ximation | | | | | PROJECTED |
|--|---------------|---|-----------------------|---|--|--------------------------------------|---------------------|--|--------------------|--------------------|---|--|---|
| Fiscal Year End June 30 Total Actual/Expected Claims (1) (2) | \$ | 2017 11,533,120 \$ | ₩. | 2018 10,965,387 | ≤ 9 | 2019 11,726,193 | 8 | 2020 ⁽³⁾ 11,674,246 | 50 | 2021 12,953,729 | 2019 2020 2022 2023 2023 11,726,193 \$ 11,674,246 \$ 12,953,729 \$14,214,421 \$14,346,666 | 2023 \$14,346,666 | <u>2024</u> \$15,369,627 |
| Claim IBNR: ASO Corridor: | ee ee ee | 975,000 \$ 2,162,460 \$ 576,656 \$ | ∞ ↔ ↔ | 918,000 \$ 2,056,010 \$ 548,269 \$ | \$4 \$4 \$4 | 1,027,016 \$ 2,198,661 \$ 586,310 \$ | 69 69 69 | 811,000 \$ 2,188,921 \$ 583,712 \$ | \$4 \$4 | (1 | 859,000 \$ 1,064,384 \$ 909,780 \$ 1,229,570 2,428,824 \$ 2,665,204 \$ 2,690,000 \$ 2,881,805 647,686 \$ 710,721 \$ 717,333 \$ 768,481 | \$ 909,780 \$ 2,690,000 \$ 717,333 | \$ 909,780 \$ 1,229,570 \$ 2,690,000 \$ 2,881,805 \$ 717,333 \$ 768,481 |
| Combined Reserve: | s | 3,714,116 | S | 3,522,279 | S | 3,811,987 | 643 | 3,583,633 | S | 3,935,511 | \$ 4,440,309 | \$ 4,317,113 | \$ 4,879,857 |

| Reserve Model: Carrier IBNK 50% A Medical IBNR: | ASO C | Sorridor 8.00% A | ctual | 88.00% Actual Settlement or Historical Carrier Approximation | Hist | orical Carrier | Appr | oximation | | | | | |
|---|----------------|---------------------|----------------|--|------------------|----------------|---------------|---------------|----|------------|--------------|--|--------------|
| ASO Claim Corridor: Budget Stabilization: | | 5 00% Margin | /z C. fargi | 12,50% 1/2 Coffigor to 125.78 5,00% Margin | ٥ | | | | | | | | PROJECTED |
| Fiscal Vear End June 30 | | 2017 | | 2018 | | 2019 | | 2020(3) | | 2021 | 2022 | 2023 | 2024 |
| Total Actual/Expected Claims (1) (2) | 6/3 | 11,533,120 | 69 | 10,965,387 | 50 | 11,726,193 \$ | 6-7 | 11,674,246 \$ | | 12,953,729 | \$14,214,421 | 12,953,729 \$14,214,421 \$14,346,666 | \$15,369,627 |
| ALCE TOWN. | 4 | \$ 000 \$26 | S | 918,000 | 69 | 1.027.016 \$ | 69 | \$ 11,000 \$ | € | 859,000 | \$ 1,064,384 | 859,000 \$ 1,064,384 \$ 909,780 \$ 1,229,570 | \$ 1,229,570 |
| A SO Corridor | 9 649 | 1,441,640 | · 69 | 1,370,673 | · \$4 | 1,465,774 | 59 | 1,459,281 \$ | 69 | 1,619,216 | \$ 1,776,803 | ,619,216 \$ 1,776,803 \$ 1,793,333 | ر. جو ر |
| Stabilization: | 5 9 | 576,656 | 64 | 548,269 | ↔ | 586,310 | ₩ | 583,712 | 8 | 647,686 | \$ 710,721 | \$ 717,333 | \$ 768,481 |
| Combined Deserve | S | 2,993,296 | 69 | 2,836,943 | 69 | 3,079,100 | S | 2,853,993 | S | 3,125,903 | \$ 3,551,908 | \$ 3,420,447 | \$ 3,919,255 |

| Reserve Model: Carrier IBNR/ 50% ASO Corridor-NO BUDGET STABILIZATION 8.00% Actual Settlement or Historical | ASO (| Corridor-NC 8.00% | Actu | DGET STABI al Settlement o | LIZ or His | or-NO BUDGET STABILIZATION 8.00% Actual Settlement or Historical Carrier Approximation | Аррг | oximation | | | | | |
|--|-------|---------------------------------|-------------------------------|--|---------------|--|-------|-------------------------|-------|---------------------------|------------------------------|---|---------------------|
| ASO Claim Corridor: Budget Stabilization: | | 12,50% 1/2 Corr 0,00% Margin | 1/2 (Mar§ | 12,50% 1/2 Corndor to 1,25% 0,00% Margin | % | | | | | | | | PROJECTED |
| Fiscal Year End June 30 | ↔ | 2017 11,533,120 \$ | 69 | 2018 10,965,387 | 59 | 2019 11,726,193 | 69 | 2020 (3) | 8 | 2021 12,953,729 | \$14,214,421 | 2019 2020 2021 2022 2023 2024 11,726,193 \$ 11,674,246 \$ 12,953,729 \$14,214,421 \$14,346,666 \$15,369,627 | 2024 \$15,369,62 |
| Total Actual Expected Craims Claim IBNR: ASO Corridor | | 975,000 \$ | \$9 \$9 | 918,000 \$ | €9 €9 | 1,027,016 \$ 1,465,774 \$ | ↔ ↔ | 811,000 \$ 1,459,281 \$ | | 859,000 1,619,216 | \$ 1,064,384 \$ 1,776,803 | 859,000 \$ 1,064,384 \$ 909,780 \$ 1,229,570 1,619,216 \$ 1,776,803 \$ 1,793,333 \$ 1,921,203 | \$ 1,229,570 |
| Stabilization: Combined Reserve: | s s | 2,416,640 S | e⇔ № | 2,288,673 \$ | es es | 2,492,790 \$ | so so | 2,270,281 | es es | 2,478,216 | S 2,841,187 | 2,270,281 \$ 2,478,216 \$ 2,841,187 \$ 2,703,113 \$ 3,150,774 | \$ 3,150,77 |

Fiscal Years Ending 2014-2023 Actual, 2024 From Final Anthem Projection
 BOE Dental Claims Added as of Fiscal Year End 2020, Not Included in Prior Fiscal Years
 Fiscal Year 19-20 Values Are Likely Lower than Otherwise Expected Due to COVID-19 Reduction of Elective Procedures Related to Government Stay at Home Protocols. It is Expected Many Deferred Services Will be Made Up in Future Periods. This May Reflect in Lower Projected Reserve Values When Compared to Previous or Subsequent Fiscal Years.