

**Employee Medical Benefits Board (EMBB)**  
**Special Meeting**  
**Wednesday, February 19, 2020 at 6:15pm**  
**Newtown Municipal Center, 3 Primrose Street, Newtown, CT**  
**Meeting Room 1**

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

The Employee Medical Benefits Board held a special meeting on Wednesday, February 19, 2020. The meeting was held in Meeting Room 1, Newtown Municipal Center, 3 Primrose Street, Newtown, CT. The meeting was called to order at 6:18pm.

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

**Absent:** Andrew Paley, David Stott

**Also Present:** Robert Tait

**Minutes** – Jim Loring moved to approve the minutes from the November 4, 2019 meeting. Donna Waalwijk seconded. All in favor.

**Voter Comments** – None

**NEW BUSINESS**

**Review claims** – Robert Tait reviewed the Town of Newtown Claims Analysis for 2019-2020 (Attachment A).

Robert Tait also reviewed the Medical Self Insurance Fund Analysis comparing Fiscal Year 2019-2020 versus Fiscal Year 2020-2021 Forecast (Attachment B). He recommends a 3% increase in employer contributions for the 2020-2021 budget.

Robert Tait mentioned that the only other thing that we are doing for wellness is a couple years ago we did Fitbits which involves an annual fee that allows members to check their data online - we pay online and get reimbursed through Anthem. The program has deemed successful and will continue.

**Review other information board members, partners, insurance consultants make available** - On behalf of Joe Spurgeon, Robert Tait reviewed the Running Claims History handout extracted from Anthem Blue Cross Blue Shield (Attachment C). Based on all this data, he summarized that we are under expected and the average contract has remained stable. Jim O'Sullivan commented that the average numbers are pretty consistent. Robert made note that these figures do not contain any dental analysis due to the limits of what can be extracted from Anthem's website.

**Vote on Reserve Fund recommendation for the 2020/2021 budget** – Jim Loring makes a motion to accept the recommendation of a 3% increase in employer contributions to medical self insurance funds for the 2020-2021 budget. Jim O'Sullivan seconded the motion. All in favor.

**COMMUNICATIONS** - None

**ANNOUNCEMENTS** - None

Having no further business the meeting was adjourned at 6:40pm.

*Respectfully submitted,*  
*Rina Quijano, Clerk*

**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	without "hsa"	
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	12,573,000	55%
										NAF fees	179,000	47,000			
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	without "hsa"	
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	13,375,000	58%
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	without "hsa"	
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	12,396,000	59%
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	without "hsa"	
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	55%
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	3,000	h.s.a.
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	without "hsa"	
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	55%
															4%
FISCAL YEAR 2019 - 2020														830,500	h.s.a.
	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						2,266,251	2,000	h.s.a.
BOE	662,102	718,426	530,377	716,254	719,899	865,425	708,195						4,920,678	with "hsa"	
TOTAL	983,224	1,038,977	967,904	1,015,659	983,369	1,174,805	1,022,991	-	-	-	-	-	7,186,929	<b>Estimated Annual</b>	
														\$ 13,594,457	55.0%

Attachment B

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

<b>FUND BALANCE @ JULY 1, 2019</b>		5,163,141	
<b><u>ESTIMATED REVENUES</u></b>			
EMPLOYER CONTRIBUTIONS:			
MUNICIPAL	2,997,940		
EDUCATION	<u>7,909,000</u>	10,906,940	
EMPLOYEE CONTRIBUTIONS:			
MUNICIPAL	465,000		
EDUCATION	<u>2,110,000</u>	2,575,000	
RETIREE/COBRA/AGENCY CONTRIBUTIONS:			
MUNICIPAL	355,000		
EDUCATION	<u>300,000</u>	655,000	
INTEREST EARNED ON INVESTMENTS		<u>200,000</u>	
<b>TOTAL REVENUES</b>		<b>14,336,940</b>	
<b><u>ESTIMATED EXPENSES</u></b>			
CLAIMS/NAF:			
MUNICIPAL	FROM CLAIMS		
EDUCATION	ANALYSIS	13,600,000	
ADMINISTRATIVE FEES:			
MUNICIPAL		1,233,000	
EDUCATION			
CONSULTANT FEES		<u>55,000</u>	
<b>TOTAL EXPENSES</b>		<b>14,888,000</b>	
<b>ESTIMATED FUND BALANCE @ JUNE 30, 2020</b>		<b><u>4,612,081</u></b>	34%
25% OF TOTAL CLAIMS =	3,400,000		

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

<b>ESTIMATED FUND BALANCE @ JULY 1, 2020</b>		4,612,081	
<b><u>ESTIMATED REVENUES</u></b>			
EMPLOYER CONTRIBUTIONS:			
MUNICIPAL	3,087,878		
EDUCATION	<u>8,146,270</u>	11,234,148	3.0%
EMPLOYEE CONTRIBUTIONS:			
MUNICIPAL	500,000		
EDUCATION	<u>2,110,000</u>	2,610,000	
RETIREE/COBRA/AGENCY CONTRIBUTIONS:			
MUNICIPAL	355,000		
EDUCATION	<u>300,000</u>	655,000	
INTEREST EARNED ON INVESTMENTS		<u>200,000</u>	
<b>TOTAL REVENUES</b>		<b>14,699,148</b>	
<b><u>ESTIMATED EXPENSES</u></b>			
CLAIMS/NAF:			
MUNICIPAL		14,212,000	4.50%
EDUCATION			
ADMINISTRATIVE FEES:			
MUNICIPAL		1,233,000	
EDUCATION			
CONSULTANT FEES		<u>55,000</u>	
<b>TOTAL EXPENSES</b>		<b>15,500,000</b>	
<b>ESTIMATED FUND BALANCE @ JUNE 30, 2021</b>		<b><u>3,811,229</u></b>	27%
25% OF TOTAL CLAIMS =	3,553,000		

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

						<b>Thru Jan</b>
						<b>FYTD</b>
						<b>July-June</b>
						<b>2019 - 2020</b>
<b>I. Carrier Values</b>	July-June 2014 - 2015	July-June 2015 - 2016	July-June 2016 - 2017	July-June 2017 - 2018	July-June 2018 - 2019	
Anthem Expected Claims	\$13,361,652	\$13,206,912	\$13,109,832	\$12,959,316	\$12,528,012	<b>NO DENTAL</b>
Expected Plan YTD (July-YTD)						\$12,473,724
Actual Claims						\$7,276,339
Gross Claims:	\$12,355,869	\$12,861,033	\$12,155,291	\$11,046,746	\$12,775,721	<b>NO DENTAL</b>
Excess Claims Over Stop Loss:	-\$401,755	-\$322,962	-\$622,171	-\$81,359	-\$1,049,528	\$6,752,624
Actual Net Claims:	\$11,954,114	\$12,538,071	\$11,533,120	\$10,965,387	\$11,726,193	-\$157,212
						\$6,595,412
Plan Year Differential	\$ (1,407,538)	\$ (668,841)	\$ (1,576,712)	\$ (1,993,929)	\$ (801,819)	\$ (680,927)
% Differential	-10.53%	-5.06%	-12.03%	-15.39%	-6.40%	-9.36%
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%
	<i>ISL MED ONLY</i>	<i>ISL MED &amp; RX</i>	<i>ISL MED &amp; RX</i>	<i>ISL MED &amp; RX</i>	<i>ISL MED &amp; RX</i>	<i>ISL MED &amp; RX</i>
<b>II. Non-Catastrophic/Catastrophic Claims</b>						
Total Employer Paid	<b>\$11,954,114</b>	<b>\$12,538,071</b>	<b>\$11,533,120</b>	<b>\$10,965,387</b>	<b>\$11,726,193</b>	<b>\$6,595,412</b>
HDC Employer Paid:	\$3,969,717	\$3,606,038	\$3,382,230	\$3,192,503	\$3,590,868	\$2,197,752
Non-HDC Employer Paid:	\$7,984,397	\$8,932,033	\$8,150,890	\$7,772,884	\$8,135,325	\$4,397,660
Members:						
Average Total Members:	2,053	2,011	1,968	1,965	1,969	1,934
HDC Members:	40	41	42	36	39	22
HDC %:						
\$:	33.21%	28.76%	29.33%	29.11%	30.62%	33.32%
Members:	1.95%	2.04%	2.13%	1.83%	1.98%	1.14%
Non HDC PMPM	\$324.09	\$370.13	\$345.14	\$329.69	\$344.32	\$324.89
Year-Over-Year % Change		14.20%	-6.75%	-4.48%	4.44%	-1.46%
<b>III. Additional Data</b>						
<b>Med and RX Claims Over \$50K Bucketed <sup>1</sup></b>						
\$50k-75K	\$ 1,132,335	\$1,406,906	\$1,362,423	\$1,096,817	\$1,299,621	\$519,993
#	18	24	23	18	21	9
\$75-100K	\$ 512,619	\$251,894	\$1,002,837	\$715,440	\$355,390	\$340,932
#	6	3	12	8	4	4
\$100-125K	\$ 554,655	\$680,030	\$216,634	\$531,045	\$751,342	\$233,617
#	5	6	2	5	7	2
\$125-150K	\$ 546,695	\$567,208	\$275,336	\$153,818	\$0	\$403,565
#	4	4	2	1	0	3
\$150-175K	\$ 173,413	\$0	\$0	\$170,383	\$484,515	\$174,645
#	1	0	0	1	3	1
\$175-200K	\$ 551,938	\$368,005	\$181,045	\$373,559	\$0	\$176,592
#	3	2	1	2	0	1
\$200-300K	\$ 494,821	\$200,382	\$244,323	\$232,800	\$547,676	\$505,620
#	2	1	1	1	2	2
\$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
<b>Highest Claimant</b>	<b>\$404,989</b>	<b>\$454,516</b>	<b>\$721,835</b>	<b>\$232,800</b>	<b>\$900,464</b>	<b>\$275,487</b>
<b>Inactive Members</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>3</b>

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

(2) As of July 2019 Includes BOE Dental

# Newtown:TOWN and BOARD OF EDUCATION

## Running Claim History

### Net Paid Claims by Month

	2014 - 2015	2015 - 2016	Excess Claims All Reported in June			<b>NO DENTAL</b>
			2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020 <sup>(1)</sup>
July	\$ 936,724	\$ 1,126,543	\$ 1,031,113	\$ 814,547	\$ 930,743	<b>\$ 985,442</b>
August	\$ 1,040,447	\$ 989,316	\$ 927,231	\$ 880,663	\$ 860,200	<b>\$ 843,350</b>
September	\$ 892,841	\$ 952,992	\$ 804,779	\$ 742,950	\$ 767,012	<b>\$ 900,660</b>
October	\$ 976,633	\$ 1,224,430	\$ 979,689	\$ 784,993	\$ 901,173	<b>\$ 1,114,777</b>
November	\$ 948,278	\$ 916,053	\$ 1,171,352	\$ 881,106	\$ 859,597	<b>\$ 962,702</b>
December	\$ 952,562	\$ 1,026,971	\$ 1,058,536	\$ 879,984	\$ 941,132	<b>\$ 890,892</b>
January	\$ 833,027	\$ 944,287	\$ 789,791	\$ 976,437	\$ 1,002,550	<b>\$ 897,588</b>
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	<u>\$ 899,215</u>	<u>\$ 1,279,465</u>	<u>\$ 1,094,485</u>	<u><b>\$ 1,007,754</b></u>	<u>\$ 1,093,314</u>	<u>\$ -</u>
 TOTAL	 \$11,954,114	 \$12,538,071	 \$11,533,120	 \$10,965,387	 \$11,726,193	 \$6,595,412
Per Month	\$996,176	\$ 1,044,839	\$ 961,093	\$ 913,782	\$ 977,183	\$ 942,202
 Average Contracts	 778	 770	 756	 754	 744	 741
 Average Members	 2,053	 2,011	 1,968	 1,965	 1,969	 1,934
 Average Cost/Contract	 \$15,365	 \$16,283	 \$15,255	 \$14,548	 \$15,770	 <b>\$15,264</b>
 Average Cost/Member	 \$5,823	 \$6,235	 \$5,860	 \$5,581	 \$5,956	 <b>\$5,847</b>
 % Change Cost/Contract		6.0%	-6.3%	-4.6%	8.4%	<b>4.9%</b>
 % Change Cost/Member		7.1%	-6.0%	-4.8%	6.7%	<b>4.8%</b>

(1) As of July 2019 Includes BOE Dental