



# News Brief

January 2020

**The following is information from the Financial Subcommittee Monthly Meeting (Open to all Participating Districts) held on January 21, 2020:**

Subcommittee members, Alice Riley, James Fregelette, Donna Walters, Medhat Kaldas

## **Presentation:**

### Consultant Report

Medhat Kaldas opened the meeting reminding the attendees that the purpose is to provide participating districts a detailed update from the sponsored NY44 Subcommittee. There are five subcommittees Financial, Benefits, Communications, Innovations and Population Health. Today's sponsored subcommittee is Financial.

Mr. Kaldas shared financial information through December 2019 and walked through the report in detail. The 12-month total claims for the year ending December 2019 were \$148,547,893. The fiscal year (July -December 2019) six-month claims were \$69,240,178. This does not include fixed costs for administrative fees and stop loss premiums, totaling \$4,706,781 and \$2,251,686 for the same two periods respectively. Mr. Kaldas illustrated the figures about using Per Employee Per Month (PEPM) to normalize for fluctuations in enrollment, which were \$1,347 for the year ending December 2019 and \$1,374 for the fiscal year. The PEPM for the year ending December 2018 was \$1,470 and for the fiscal year July -December 2018 (six months) was \$1,513 in comparison.

At this point, Mr. Kaldas provided detailed explanation of stop loss insurance, how it works and what stop loss coverage is applicable to the NY44 Health Benefits Plan Trust. The presentation included a description or definition of:

- What is Stop Loss insurance?
- Who is Insured?
- What Stop Loss coverage is available?
- When are Stop Loss claims paid?
- What happens when a Member or District leave the self-funded plan?
- What Stop Loss coverage is applicable to NY44?

During the presentation attendees (callers) were able to ask questions regarding the materials shared on the webinar and in the presentation.



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## Update of Financial Statements

The current status of the Trust's finances was presented by Alice B. Riley, Fiscal Manager of the Trust. The balance sheet and statement of cash flow were presented as of December 31, 2019. The rebates received for the current year is \$3.68 million. Ms. Riley noted the trust liability to be around \$11 million.

The financial activity report showed enrollment has decreased slightly, by 237 contracts throughout the first 6 months. Reviewing the annual audited numbers against the current and to date numbers shows a continued positive in assets to near \$8 million.

Ms. Riley went on to explain the Statement of Cash Flow, how this report is a good example of monthly fluctuation of cash flow. Explained the negative months are due to the biweekly and weekly funding requirements. In some months there are three biweekly or five weekly funding obligations for the third-party administrators. (Nova/IH & MVP)

The Claims Revenue vs Expense report does not include the whole book of business and reflects the positive funds of \$8.4 million year to date.

Presentation and Financial Information from the January 21<sup>st</sup> webinar can be viewed at: [www.ny44.e1b.org](http://www.ny44.e1b.org)

## Committee Meeting:

The next subcommittee update will be from the Benefits subcommittee which will be held in February. Please watch for a future email notification and invite to the webinar. The calendar of the monthly subcommittee meetings can also be found at: [www.ny44.e1b.org](http://www.ny44.e1b.org)

## Other Sharing Points:

- Coming soon to our website Frequently Asked Questions from our carriers' Customer Service Department [www.ny44.e1b.org](http://www.ny44.e1b.org)
- You should have received you WellNOW mailing. Register now, before you need the service of Telemed. Services are for New York State enrollees only.
- Video instructions on "How to Register" and use your specific CODE for WellNOW on our website. Receive convenient, quality virtual care from your home, office or any location in New York State — with no consultation fee.
- A link for the Urgent Care locations is now on the Website