

NY44 Health Benefits Plan Trust Board Meeting

Minutes: Number 107, March 9, 2020

A. Opening of Meeting 03:27 PM

In attendance: Chair Jim Fregelette, Vice Chair Donna Walters, Trustees, Elizabeth Freas, Candace Reimer, John Pope, Deborah Piatek, Michelle Okal-Frink, Michael Capuana, Bob Giannicchi. Also attending: Manager of Finance & Enrollment Alice Riley, Darcie Falsioni, Esq. Representatives from Oswald Companies, Steve Baltas, Janet Lukacs, John Kertis, Medhat Kaldas, Cindi Morris and Hollyanne Wetzel

1. Public Comments and Questions

There were no public comments or questions.

B. Presentations/ Informational Items

1. NYS DFS Report on Examination

Finance and Enrollment Manager, Alice Riley, advised that the Report was as of June 30, 2013 and was received by the Trust on January 29, 2020. The examiner's review did not reveal any differences which materially affected the Fund's financial condition as presented in the filed annual statement. In addition, the examiner's review of the Fund's market conduct activities did not reveal significant instance which deviated from the New York State Insurance Law, Department regulations, circular letters and the operating rules of the Fund.

Pursuant to Section 312 of the New York Insurance Law, a copy of the Report on Examination was furnished to each member of the Board of Trustees, and each signed a statement confirming that they have received and read such report.

2. Proposed Operational Administrative Budget

Finance and Enrollment Manager, Alice Riley, advised that the purpose of the Proposed Administrative Budget is to show the operational obligations of the Trust's administrative cost. It is a stand-alone budget entirely made from the Trust Administrative Contribution fees from the districts and is based on anticipated enrollment for July 1, 2020 of 6,000. The estimated revenue of \$864,000 is a 25% decrease from the previous year. It was noted that salaries and benefits include employer taxes and that there was a decrease in the rental of office space and a reduction in technology costs due to the decrease in NY44 staff. The legal portion of the budget is in preparation for litigation. The Misc. Fund includes travel for conferences/presentations, postage and mass mailings of newsletters/creditable coverage letters, etc., and general supplies.

3. Fiscal Update

Finance and Enrollment Manager, Alice Riley, presented the summary balance sheet and provided an update on revenues and expenses. These documents are available on the NY44 Health Trust website. Alice reported that the Incurred But Not Yet Reported "IBNR" stays static throughout the fiscal year until the actuaries complete the next Reserve Report. Alice indicated that for the 2nd quarter, there was a reduction in enrollment but PBD negotiated better discounts and rebates with their vendors, so the Trust received higher than anticipated Rx rebates. The Trust received approximately \$500,000 in Retiree Drug Subsidy in February from CMS and Alice indicated that there are always at least 3 Trust applications for RDS in play at any one

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time. It was pointed out that two small private schools left in February and other fluctuations occur throughout the year due to life events such as marriage, birth, etc. The full book of business indicates that the Trust's financial health is improving with no deficits noted.

C. Consultant Report

Steve Baltas of Oswald Companies indicated that there are five committees made up of NY44 Trustees, NY44 staff and Oswald Company staff as follows: Communications, Finance, Population Health, Benefits and Innovation. Each Committee will have (has had) an open forum Webex meeting wherein districts can participate. The next one of these meetings is the Communications Subcommittee call on March 18th, followed by the Innovation Committee in April and the Population Health Committee in July. Invitations for these meetings will come from NY44@oswaldcompanies.com and notes from these meetings can be found at NY44.e1b.org/about/meeting-minutes

1. Subcommittee Updates

a. Financial Committee

Medhat Kaldas reported on the STAR Executive Summary, advising that the NY44 average subscriber age (51.6) is 14.6% above the industry benchmark of 45, the total net cost per enrollee/per month (\$1,373) is 11% above the benchmark of \$1,236, the number of high claims above \$100,000 (167) is 11.2% below the industry benchmark of 188. The number of enrollees decreased 28.2% and there are 1,845 enrolled members 65 or older. Gross paid claims per enrollee/per year decreased 3.6%. The generic Rx fill rate for NY44 is 81% versus the industry benchmark of 89%.

b. Communications Committee

John Kertis reported on NY44 website analytics which indicated 2,243 total visitors with the top pageviews being "Enrollees", "Contacts", "Western Region", "Western Region Medical" and "About the Trust". He advised that the Subcommittee open forum meeting notes can be found at NY44.e1b.org/about/meeting-minutes. The Communications Sub-Committee will have an open forum meeting on March 18, 2020 at 3:00 p.m. which will discuss website navigation, open enrollment and the communication flowchart. The annual meeting is planned for April 28, 2020.

c. Population Health Committee

Cindi Morris reported on the recent NY44 survey results. There were 613 responses from 14 districts. The survey indicated that the top communication preference was via e-mail (88%) and the most popular wellness topic listed was "fitness/exercise" (58%). In addition, survey respondents indicated that they would be most interested in Flu immunizations and were most likely to participate during professional development days. There will be a Webex scheduled in July with Districts invited to attend.

d. Innovation Committee

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Janet Lukacs reported that the NY44 will conduct a full Rx marketing to ensure the best price arrangement and is putting together an RFP. Currently, the Rx percent of total plan cost is 30.4%. The committee is looking at solutions to the cost of Specialty Drugs which represent 43% of the total drug plan paid. There will be a Webex scheduled in April with Districts invited to attend.

e. **Benefits Committee**

Steve Baltas reported that the Committee is considering a rewards-based preventative care incentive in regard to the dental maximum which would roll over a portion of unused maximum to the following year if a threshold is met. He indicated that the ER utilization trend from January-June 2019 vs. July-December 2019 has declined. A ‘Common Accident or Injury’ ER Co-pay provision was presented wherein a family’s co-payment for a common event or injury resulting in emergency room treatment at the same time is capped at two times the applicable co-payment. The Committee is discussing ways to educate members on the difference between an observation hold vs. inpatient admission.

D. General Trust Business

1. Status of Districts

No new districts have left since last meeting and there are no new changes.

2. Collection of Trustee Statements to Confirm Receipt of NYS DFS Report on Examination

E. Approval of Minutes

1. Meeting Number 106, December 16, 2019

The motion to approve the minutes from Meeting 106, held December 16, 2019, was made by Bob Giannicchi, seconded by Donna Walters and carried unanimously. **CARRIED (by both Management and Labor Units)**

F. Old Business

None

G. New Business

1. Vote on Board Resolutions

a. Administrative Budget for Fiscal Year 2020/2021 - Motion was made by John Pope, seconded by Bob Giannicchi and carried unanimously by both the Management and Labor Units of the Board of Trustees.

b. Sun-Life Stop-Loss Policy Renewal - Motion was made by Michelle Okal-Frink, seconded by John Pope and carried unanimously by both the Management and Labor Units of the Board of Trustees.

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- c. Great American Insurance Group (Brighton-Pittsford) Fiduciary Liability Insurance Renewal - Motion was made by Elizabeth Freas, seconded by Candace Reimer and carried unanimously by both the Management and Labor Units of the Board of Trustees.
- d. Dental Pay Representative (Pro-Benefits) Dental Administrative Services Agreement Renewal - Motion was made by John Pope, seconded by Michael Capuana and carried unanimously by both the Management and Labor Units of the Board of Trustees.
- e. Truveris, Inc. Master Service Agreement - Motion was made by Deborah Piatek, seconded by John Pope and carried unanimously by both the Management and Labor Units of the Board of Trustees.
- f. "Common Accident or Injury" ER Co-Pay - Motion was made by Elizabeth Freas, seconded by Bob Giannicchi and carried unanimously by both the Management and Labor Units of the Board of Trustees.
- g. Independent Health Telehealth Coverage - Motion was made by Candace Reimer, seconded by Michelle Okal-Frink and carried unanimously by both the Management and Labor Units of the Board of Trustees.

H. Adjournment

1. Next Board of Trustees' Meeting will be on Monday, May 4, 2020, at 3 PM

The motion to adjourn at 4:20 PM was made by Donna Walters, seconded by Bob Giannicchi and unanimously approved. **CARRIED (by both Management and Labor Units)**

Trustees entered Executive Session at 4:25 PM. Executive Session adjourned at 5:23 PM.

Respectfully Submitted,

Lora L. Schasel
Secretary to the Board of Trustees

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