

From the Latest Board of Trustees Meeting

Welcome to the NY44 News Brief for August 2020:

Fiscal Update

Finance and Enrollment Manager, Alice Riley, presented the NY44 Health Benefits Plan Trust (Trust) summary balance sheet and provided an update on revenues and expenses during the August 20, 2020 Board meeting. These documents are available on the NY44 Health Trust website.

The balance sheet, which is a snapshot of a specific date in time, showed a continued favorable equity position at the end of July.

During August the Actuaries began their process for the Reserves Report, also known as the IBNR (Incurred But Not yet Reported). Once the report is completed and available the updated IBNR figure will be used throughout the year in Trust reporting.

Besides school contributions the Trust receives revenue from rebates. There are two types of rebates: 1. Pharmacy Benefit Dimensions Rx Rebate from our Pharmacy Benefit Manager (PBM) and 2. Retiree Drug Subsidy (RDS) from Centers for Medicare and Medicaid Services. The Rx Rebate for the 4th Quarter of 2019 was received on July 28, 2020 in the amount of \$1,862,910. The RDS has no current revenue, one closed application, and two active applications. We work closely with the Pharmacy Benefit Manager to complete the RDS applications.

The enrollment from July 1, 2020 to September 1st dropped 349 primary enrollees and should stay stable throughout the 2020-21 plan year. There are life events during the year, however, those do not impact the enrollment enough to make a significant difference.

The Financial Activity report is found on the Trust's website and is organized the same way the Annual Audited Statement is from the auditors. The report compares revenue and disbursements monthly to fiscal year to date obligations and how accounts compare to the prior year.

The analyzation of the claims as presented by Medhat Kaldas is Oswald's Financial Sub Committee reports.

The Morgan Stanley account is an investment account, which has increased a little, and we are still using the ladder approach of investing. Currently the investment account has \$3.8 million.

The M&T bank accounts include a Pass Thru Account which receives school contributions and rebates for revenue. The claims, TPA Admin Fees, and other claims related expenses are paid from this account. There is an account for the Operational Costs associated with the Trust and a Dental Account.

The last report shared is strictly Cash Flow of Revenue received against expenses for Medical/Rx Claims. The report is a quick reference on evaluating the contribution rate charged with the expense obligation to pay the third-party administrators for services and claims. The end of July positioned the Trust with a positive balance of \$2,768,793 for revenue vs. medical claims expenses.

Bahgat & Laurito Bahgat, our auditors, sent all of the customer and vendor confirmations out. Please submit directly to them if you have not already done so. Thank you.

Subcommittee Reports

Benefits Subcommittee

We are happy to report the 2020-21 Summary Plan Descriptions (SPDs) are available on the web site under Resources. To view the documents for Independent Health please click [here](#) and MVP [here](#). (hold control key and click.)



Our WellNow contract has been renewed. Please continue to promote telemedicine in your districts as a cost effective and convenient way to seek care. To access WellNow, follow the instructions listed [here](#).

We have confirmed that Out of Control Provisions are included in both vendors' policy language. Qualifying claims should be appropriately administered automatically. If there is an issue, it will be corrected when brought to the vendor's attention.

The Committee continues to evaluate dental administrators. An open call with districts currently enrolled in dental is being planned. We welcome your feedback.

Monthly benefits sub-committee meetings were held July 15th and August 18th. The focus of these meetings centered around general updates and dental networks and plan feature analysis. The next meeting will be held in mid-September.

Communications Subcommittee

Communication Flow Chart

This chart was created to illustrate how information flows and is circulated from Oswald to Union Presidents, Districts, and Human Resources. This newly created flow chart will help the correct information to be disseminated through the proper channels and will ensure all members have access to information sent out from The Trust. This will be sent out to all school contacts.

Diversity Statement

The Trust released a newly crafted Diversity Statement. It has been posted to the Trust website homepage.

Upcoming Communication Campaign

With our current fluid state of the world, we are putting on hold the next communication piece until we have more clarification on the Trusts' needs.

Financial Subcommittee

Utilization performance through June 2020

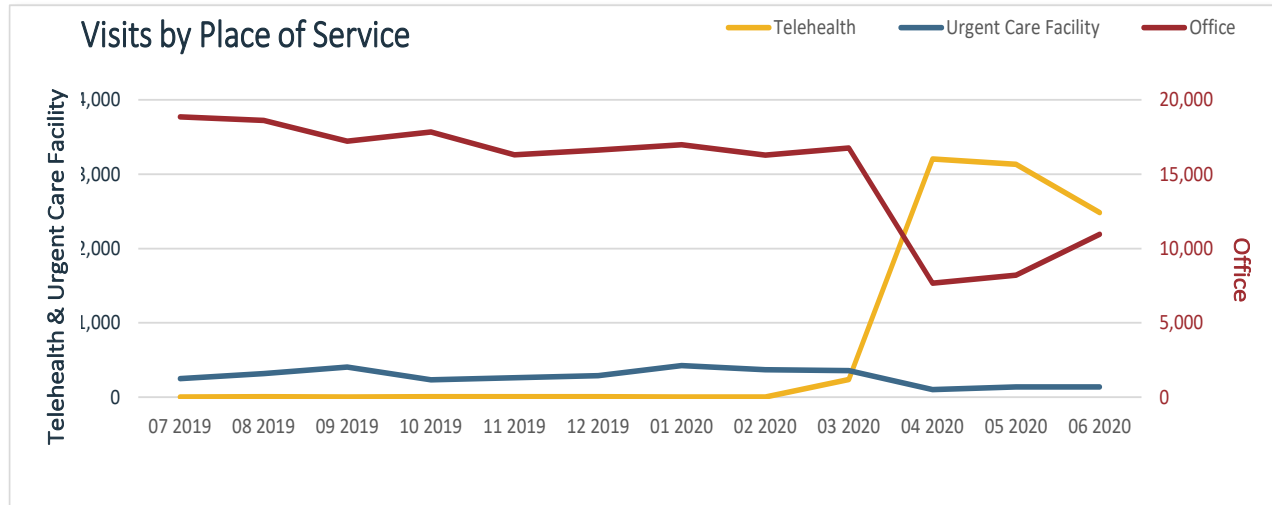
Over the past 12 months, from July 1, 2019 through June 30, 2020, (fiscal calendar) the average cost Per Employee Per Month (PEPM) totaled \$1,393. This total derives from all Medical and Rx expenses, including claims, stop-loss, third-party administrator (TPA) charges, and all carrier rebates. Those expenses are divided by the number of employees on the



plan. Measuring these expenses by membership eliminates fluctuations in enrollment throughout the year.

Comparing the April-June 2020 quarter against the fiscal year, the plan is running 10.5% lower. Corona Virus Disease 2019 (COVID-19) has affected utilization patterns during this reporting quarter.

Telemedicine as a means of alternative access to providers has become a popular choice for many. Virtual visits in February totaled 4 and has increased to 3,200 by May, while in person visits dropped by 50% in that same period. Emergency Room visits also decreased by 68% in that span.



Innovation Subcommittee

The prescription drug Request for Proposal (RFP) was released to the market on June 15th. The RFP was sent to six (6) pharmacy benefit manager (PBM) organizations as well as to the current administrator, Pharmacy Benefit Dimensions. The first round of bidders' responses was completed on July 6th. Based on those results, one PBM was eliminated as their quote was not competitive. An additional PBM was added for the second round of bidding. The second round of bidding was completed on July 31st. A complete review of responses was conducted by the Innovation Subcommittee on August 11th. Our next step is to determine the finalists and conduct finalist presentation to the subcommittee. Upon completion of the finalist presentations, the subcommittee will prepare a report for the Board of Trustees to review.

The Innovation Subcommittee will be meeting again on September 11th.

Population Health Subcommittee

This month's newsletter will continue to focus on the importance of behavioral health, with an emphasis on back to school personal stress, helping with the stress of the children and financial wellness. [SparkUNPLUG](#) is a great resource to share with your staff. Our August newsletter is set to go out at the end of week, August 28th. We had an open NY44 Population Health Subcommittee monthly meeting on July 23rd with 4 people from the districts in attendance. Our subcommittee met on August 21st. It was decided to skip September due to the back to school rush and will meet again October 2nd.

Other Sharing

- Is the NY44 Health Benefits Plan Trust information getting to all enrollees? Do you have a plan in place for notifying Retirees, Unions, and Non-Bargaining Unit enrollees? Emails, Internal Websites, through your HR Department or a combined effort with your Unions? Please let us know so we can share with other schools that are in the early stages of putting into place the best business practice.

Best Regards,

Alice B. Riley, Manager of Finance and Enrollment
NY44 Health Benefits Plan Trust
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Thoughts, comments, feedback? We can be reached at NY44@OswaldCompanies.com

You are receiving the News Brief as an individual who has been identified by your school district as a contact person, either as the Superintendent, Business Official, Union President, or Benefit Administrator.

Periodically email communication will be sent out from the NY44 Trust or from our consultants at Oswald Companies. The communications may include surveys, updates, Board/Annual meetings, or Subcommittee summaries of open forum meetings. We ask that at the district level a process to coordinate the delivery of information to your enrollees is implemented on the best practices you have already developed. Some successful areas used in the past are the internal staff intranet or emailing directly to the enrollee from HR-Benefits, Union Presidents, or depending on the message a mass email to all active and retired employees. The school has available the most current email addresses. We have found that the bswift enrollment system is missing or has not been updated with the current contact information. There will be other communication that will be sent from or on behalf of the NY44 Trust to the enrollees too, such as postcards and newsletters.

The NY44 Health Benefits Plan Trust is a self-funded plan working in partnership with the school districts. As we continue to have the Committee Open forums, we appreciate your participation and ask that you join us. Thank you.