

From the Latest Board of Trustees Meeting

Welcome to the NY44 News Brief for October 2020:

Fiscal Update

The last three months of 2019-20 fiscal year, we saw a decrease in surgical elective services due to the pandemic. As members begin to reevaluate their health service needs, we expect claims due to elective surgeries to run in a more normal trend.

The equity position of the NY44 Trust had a positive result at the end of the 2019-20 fiscal year, which has continued into the 2020-21 fiscal year. The NY44 Trust Board meeting minutes and financial reports can be found on the website www.ny44.e1b.org under the heading "About the Trust".

In review of the financial reports (attached) the first report in the Treasurer's packet is the *Balance Sheet* and is a quick snapshot of the end of the month. The Equity Position indicates the health of an organization. The IBNR (Incurred but Not Yet Reported) does stay static throughout the fiscal year until the next Reserve Report is completed by our Actuaries. In September, we received the Reserves report and the IBNR figure for this fiscal year. The \$7.8 million figure is a result of fluctuation during the last fiscal quarter due to the pandemic. Realizing the static outcome may not be a completely accurate number, all things considered, it is the lowest possible need of funds.

The *Record of Rx Rebates and Retiree Drug Subsidy* Report shows that the NY44 Trust received a Retiree Drug Subsidy payment of \$403,336. We will receive the next Rx rebate in October 2020.

Next, the *Fiscal Activity Report*:

- Enrollment information- There are only small fluctuations that occur during the year due to Life Events such as marriage, birth of a child, loss of coverage, etc. The Trust follows the IRS 125 acceptable Life Events.
- Revenue and Disbursements- This view is of the Full Book of Business for the Trust and the accounts are organized the same way that the Annual Audited Financial Statements received from the Auditors are. The three columns are Revenue and Disbursements recorded monthly, running fiscal to date total, and the year end of the previous year for comparison. The bottom number shows that the monthly and yearly totals are not in a deficit, improving the financial health of the Trust moving forward. Other Expenses listed in the Year to Date section include the payment for Patient-Centered Outcomes Research Institute (PCORI).
- Status of the Bank and Investment Accounts- Listed is the Morgan Stanley Investment account. Included in this portion of the report are the M&T bank accounts which include a Pass Thru Account that receives school contributions and rebates for revenue and claims and pays TPA Admin Fees and other claims related expenses. There is also an account for the Operational Costs associated with the Trust and a Dental Account.

The *Statement of Cash Flow Contribution Revenue vs. Medical/Rx Expenses*: This report 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.

Financial reports are posted on the www.ny44.e1b.org website following the NY44 Trustees' Board meetings.

Subcommittee Reports

Benefits Subcommittee

An open call with districts was held September 2nd to discuss dental plan evaluation process and another took place on September 17th. We received some helpful feedback from participants to take into consideration as the Committee continues the vendor evaluation process.

The September subcommittee meeting took place on September 16th and the next meeting is slated to take place on October 21st.

Communications Subcommittee

- **Upcoming Communication Campaigns**
 - Dental carrier switch from ProBenefits to Guardian
 - Email to district contacts went out on October 14th
 - Mailer to all plan members with detailed information on benefits will be sent mid-November
 - Communication to non-plan participants details TBD
 - Annual Newsletter
 - Will be mailed to all members in November with all sub-committee updates from 2020
- **Communications Flow Chart**
 - This newly created [flowchart](#) will help ensure that correct information is disseminated through the proper channels and will make sure that all members have access to information sent out from The Trust. We encourage you to follow this flowchart so all necessary, pertinent information is communicated to Trust Plan Members.

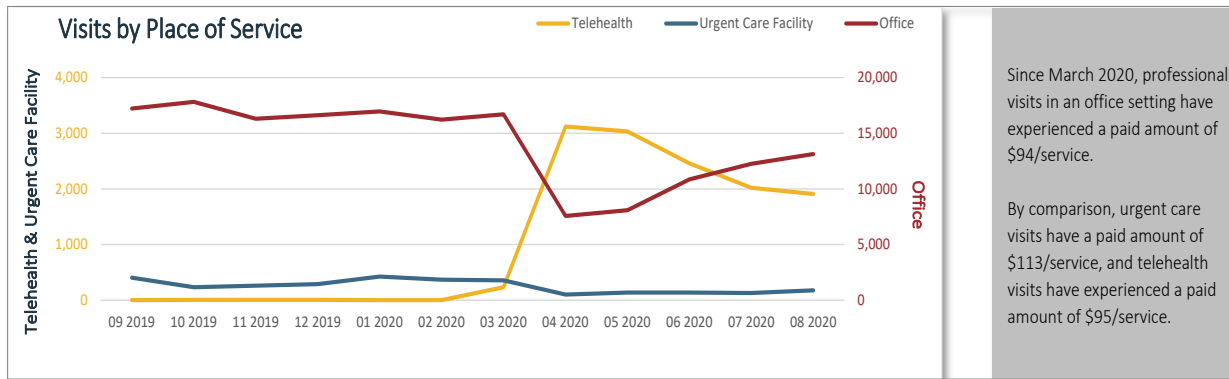
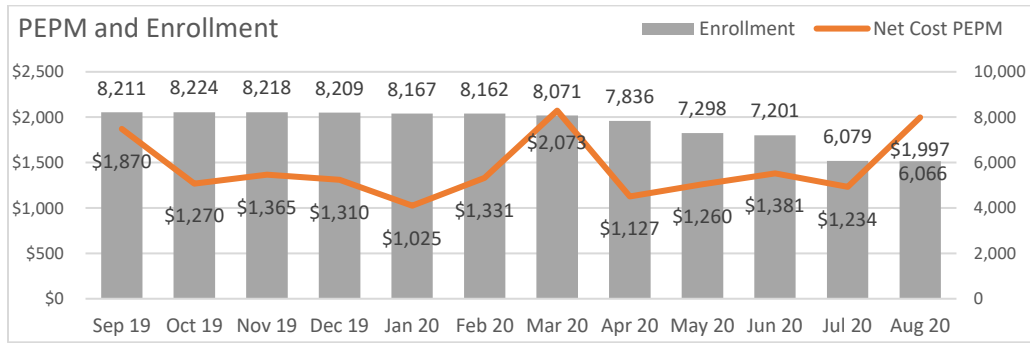
Financial Subcommittee

Utilization performance through Aug 2020

Most Recent	1 Month	3 Months	12 Months	2 Month(s)
	August 2020	June 2020 - August 2020	September 2019 - August 2020	July 2020 - August 2020
	Month	Quarter	Year	Fiscal Year
	Per Employee Per Month: \$1,997 August, 2020	Average Per Employee Per Month: \$1,528 June 2020 - August 2020	Average Per Employee Per Month: \$1,431 September 2019 - August 2020	Average Per Employee Per Month: \$1,616 July 2020 - August 2020

The 2020 fiscal calendar average increased to \$1,616 Per Enrolled Per Month (PEPM). The calculation PEPM is claims paid divided by enrolled. The claim liability for

exiting districts is the responsibility of the trust, referred to as 'Runout' claims. These claims are included in July and August, which is divided into lower enrollment figures, largely attributing to the higher PEPM. Looking back over the past 12 months, the average is \$1,431 PEPM which is 2% higher than this time last year. This figure is normalized to enrollment changes, where we saw a 25% reduction since June 30th. Total costs include all Medical and Rx related charges, specifically: claims, stop-loss premiums, third-Party Administration fees, All Rebates, and Taxes.



Corona Virus Disease 2019 (COVID-19) utilization patterns has shift since April. In-person office visits dropped 19% from February’s count of 16,219 visits to 13,134 in August. Much of the 19% drop In-Person visits shifted to virtual visits where in February there were 4 telehealth visits and 1,907 in August.

Innovation Subcommittee

The subcommittee continues to work through the process on the prescription drug RFP (Request for Proposal). Since our last update, the subcommittee selected two pharmacy benefit manager organizations to present their RFP responses and provide reasons why they should be considered by the NY44 Health Benefits Plan Trust. The subcommittee presented a summary of the Prescription Drug RFP results and key considerations during the executive session of the October 22nd Board meeting. There will be an open forum meeting held in November for the participating school districts to receive an overview of the RFP and an opportunity to provide feedback regarding the Rx program as well as ask any questions. The subcommittee would anticipate another presentation to the Trustees at executive session during the November 19th Board meeting.

Population Health Subcommittee

The October monthly newsletter was sent out October 16th. Articles included information about Breast Cancer Awareness Month, Mindfulness and knowing the difference between the flu, common cold and Covid-19. Please remember, SparkUNPLUG is a great resource to share with your staff: [SparkUNPLUG](#). Our subcommittee regrouped on October 2nd to begin planning 2021 strategy.

We will be having a Population Health Subcommittee Open Forum on October 28th from 3:00 – 4:00 pm. Come see what we have been up to and let us know what you would like to hear from us as we finish up 2020 and head into the new year.

Best Regards,

Alice B. Riley, Manager of Finance and Enrollment
NY44 Health Benefits Plan Trust
NY44.e1b.org

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.