

NY44 HEALTH BENEFITS PLAN TRUST

October 22, 2020

Fiscal Report
Meeting #111

Alice B. Riley, Manager of Finance and Enrollment

James Fregelette, Trust Chair
Donna Walters, Trust Vice Chair

Fiscal Summary

Meeting #111

10/22/2020

The following pages of summary and detailed financial activity for the Trust is for the period beginning 07/01/2020 through 09/30/2020.

Details include:

- Explanation of Reports
- Balance Sheet
- Record of Rebates and Subsidy Revenue
- Financial Activity of the NY44 Trust
- Statement of Cash Flow Contribution Rev vs. Medical/RX Expenses

Summary:

Banking figures on Summary Sheet represent adjusted, unadjusted, un-audited numbers.

If you require further detail, please do not hesitate to ask.

Respectfully submitted,

Alice B. Riley

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NY44 Trust Manager in Finance and Enrollment

Explanation of Reports:

1. **NY44 Health Benefits Plan Trust Financial Report (Balance Sheet):** This report is a current snapshot of the financials-the assets and liabilities. Included on the report there is the prior fiscal year ending June 30, 2020. The auditors' adjustments at year end are also reflected in the June 30th figures. The Liability section includes the Estimated Claims Payable or also known as the IBNR (Incurred But Not Recorded). The Equity Position is the difference between the assets and liabilities. As such, the equity position changes depending on the funding requirements during that month. The Independent Health funding occurs bi-weekly on Mondays and the MVP Healthcare funding is weekly on Wednesdays.
2. **NY44 Health Benefits Plan Trust Record of Rx Rebates and Retiree Drug Subsidy:** Includes all Pharmacy Rebates and/or the Retiree Drug Subsidy (RDS) received during the current fiscal year.
3. **Financial Activity for the NY44 Health Benefits Plan Trust (Dashboard Report):** The report shows a quick look at of the entire financials of the Trust, also known as a Dashboard Report. The report includes the Administrative, Operational, and Dental accounts. Working from the top left the report shows the change in enrollment. The bottom left has the Revenue and Disbursements broken out by the same accounts the auditors use for the annual financial statements. The top right side begins with the investment account and includes all other checking and savings accounts.
4. **Statement of Cash Flow Contribution Revenue vs Medical and Pharmacy Expenses:** This is a summary of Claims vs Revenue. Medical claims paid on behalf of the NY44 by from the third-party administrators (IH/Nova and MVP) to the providers (doctors, hospitals, etc) plus Non-Medical claims paid which are the TPA administrative fees, consultant and service vendor payments, and appeal expenses. This report does not include the Administrative revenue or expenses for the Trust operations, nor does it include the Dental revenue or claims associated with it.

NY44 Health Benefits Trust

Financial Report as of September 2020

	Balance at	
	<u>9/30/2020</u>	<u>6/30/2020</u>
Assets:		
Assets of the Trust are comprised of Cash and Investments and amounts due from other parties (e.g. pharmacy rebates, etc.)		
Cash and Investments	\$ 51,817,417	\$ 49,017,267
Less: cash received in advance	(6,167,019)	(4,990,895)
Net cash	45,650,399	44,026,372
Amounts due from others	-	-
Total Assets	45,650,399	44,026,372

Liabilities:

The only significant liability of the Trust is amounts due to medical providers for services provided. Since medical claims are not always received timely this is an estimate of amounts due.

Accounts and claims payable (estimated)	7,834,559	11,050,634
Total Liabilities	7,834,559	11,050,634

Equity Position:

Taking Trust assets and subtracting liabilities provides the equity position, which may also be termed fund balance, net assets or reserves.

Equity position or (deficit)	37,815,840	32,975,738
Total equity (deficit)	\$ 37,815,840	\$ 32,975,738

Updated IBNR Rec'd Sept, 2020

RECEIVED REBATE REVENUE:

RX Rebates Received in 2020-21

Q-4 2019 Rx Rebate	\$	1,862,910
	\$	-
	\$	-
	\$	-
	\$	1,862,910

Retiree Drug Subsidy Received in 2020-21

App#367514	09.25.2020	\$	403,337
		\$	-
		\$	403,337

Financial Activity for the NY44 Health Benefits Plan Trust

Through September 30, 2020

Board of Trustee's Meeting:

ENROLLMENT	7/1/2020	10/1/2020	Change*
Family	3,000	2,885	(115)
Single	1,902	1,817	(85)
Employee + Children	341	313	(28)
Two Adults	858	765	(93)
Total	6,101	5,780	(321)
Revenue & Disbursements	Time Period 09/30/2020	Year to Date 7/1/2020 - 09/30/2020	Financial Statement Ending 6/30/2020 (Year before)
Revenues			
District Premium Contributions	\$ 9,902,032	\$ 30,616,562	\$ 162,062,705
Trust Admin Fees	\$ 68,940	\$ 212,688	\$ 1,146,385
Interest Income & change in Investment	\$ 6,498	\$ 19,073	\$ 143,761
Pharmacy Rebates & Subsidies	\$ 403,337	\$ 2,266,246	\$ 6,183,962
COBRA	\$ 6,963	\$ 14,225	\$ 157,737
Dental	\$ 116,536	\$ 349,913	\$ 1,288,061
Misc. Other-TPA Internal Audits	\$ 34,073	\$ 274,667	\$ 276,826
Participants' Assessments	\$ -	\$ -	\$ -
Total Revenues	\$ 10,538,377	\$ 33,753,374	\$ 171,259,437
Disbursements			
Medical Claim Payments	\$ 6,655,690	\$ 21,464,133	\$ 96,468,423
Prescription Drug Claim Payments	\$ 2,523,476	\$ 9,168,807	\$ 42,424,669
Dental Claim Payments	\$ 162,222	\$ 281,796	\$ 1,288,061
Claim Administrative fees-TPA	\$ 232,422	\$ 742,787	\$ 3,812,383
Consultants-inclu Stop Loss	\$ 71,065	\$ 248,589	\$ 1,469,613
Administrative/Operation Expenses	\$ 57,688	\$ 177,770	\$ 712,224
Wellness Health Reimbursement	\$ -	\$ -	\$ 116,401
Annual Physical Claims	\$ -	\$ -	\$ 181,400
Other Expenses	\$ -	\$ 46,569	\$ 77,553
Claims Payable-adj to Actual	\$ -	\$ -	\$ -
Total Expenses	\$ 9,702,563	\$ 32,130,451	\$ 146,550,727
Net Revenues - Disbursements	\$ 835,815	\$ 1,622,924	\$ 24,708,710
NET ASSETS, at beginning of Year		\$ 24,708,710	\$ 7,993,502
NET ASSETS, at end of year		\$ 26,331,634	\$ 32,702,212

Deposits/Investments

Investments	Other: Reinvestment
Morgan Stanley	\$ 3,848,060
Banking	As of 09/30/2020
M&T Checking & Saving Accounts	\$ 44,042,098
Savings Escrow 6976- Restricted	\$ 111,018.59
Total Cash/Investments	\$48,001,177

NOTES:

*Claims information will be provided on Oswald's Claims Analysis Report

Other Expenses:

PPACA-PCORI July 2020

Insurance Bond Liability

Bank lockbox

**NY44 Benefits Plan Trust
Statement of Cash Flow
Contribution Revenue vs. Medical/RX Expenses
Fiscal Year2020-21**

	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	
Revenue	\$ 12,584,564	\$ 10,240,732	\$ 10,346,404				
Medical/RX EX	\$ 9,426,097	\$ 12,027,677	\$ 9,179,166				
NonClaims EX	\$ 389,674	\$ 335,899	\$ 298,800				
Diff (+/-)	\$ 2,768,793	\$ (2,122,844)	\$ 868,438	\$ -	\$ -	\$ -	
	RX Rebate			RX Rebate			

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	TOTAL
Revenue							\$ 33,171,700
Medical/RX EX							\$ 30,632,940
NonClaims EX							\$ 1,024,373
Diff (+/-)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,514,387
	RX Rebate			RX Rebate			

* Highlighted months have additional funding requirements - 5 weeks in the month

This is a Quick view report that shows a direct correlation of Contribution revenue and Rebate income against the Medical/RX and NonClaims (TPA admin fees, service vendors, Stop Loss pmts). The report does not include the Administrative revenue or expenses for the Trust operations, nor does it include the Dental revenue or claims associated with it.