

NY44 Health Benefits Plan Trust Board Meeting

Minutes: Number 110, August 20, 2020

Opening of Meeting 12:05 PM

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

Not in Attendance: Trustee Bob Giannicchi and Trustee Christa McHale

1. Public Comments and Questions

None

A. Presentations/ Informational Items

1. Fiscal Update

Finance and Enrollment Manager, Alice Riley, presented the summary balance sheet and provided an update on revenues and expenses noting that some figures are audited and some are unaudited. 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 in September 2020

Alice advised that the balance sheet is showing a continued favorable equity position for the end of July. The Trust received RX rebate revenue for the 4th quarter of 2019 on 7/28/20 in the amount of \$1.8 M. RDS currently has no revenue, and there are 2 active applications in play.

The difference in enrollment from 7/1/20 to 9/1/20 is 349 which should not change throughout the 2020-21 plan year with the exception of fluctuations due to life events.

The Morgan Stanley investment account had a small gain, and 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. Claims, TPA Admin Fees, and other claims-related expenses are also paid from these accounts. There are also accounts for operational costs of the Trust and Dental.

The last report shared is strictly Cash Flow of Revenue received against expenses for Medical/Rx Claims. The report is a quick reference for evaluating the contribution rate charged against 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.

The motion to approve the Fiscal Updated was made by Donna Walters, seconded by John Pope and carried unanimously. **CARRIED (by both Management and Labor Units)**

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B. Consultant Report

1. Subcommittee Updates

a. Financial Committee

Medhat Kaldas reported that utilization costs for June were 2% lower than the annual PEPM of \$1,393 and that the past 3 months averaged 10.5% lower than the fiscal year PEPM.

In July 2019, there were 8345 enrollees and in June 2020, there were 7206 which is a 13.6% decrease. The most recent quarter (April/May/June) indicates that utilization is normalizing after a large spike in March.

The Pandemic has affected utilization, with 541 individuals being tested, some more than once, for a total cost of \$40,308. Of those tested, there were 98 members who had a positive test and treatment is not covered at 100%.

Enrollees utilized telehealth more in April/May/June and office visits declined. Urgent care visits are \$105 per service and telehealth visits are \$95 which is close to a what a doctor's office visit would cost.

Emergency room usage, on average, is 1/3 of what it was pre-COVID, decreasing 68%. However, the cost per service nearly doubled from \$610 to \$1211 (up 99%)

b. Communications Committee

John Kertis reported on the website analytics indicating that there were 432 users to the website from 6/15/20 to 8/15/20, with 73.4% of those being new users. Page views shows that other than the landing page, the enrollee page is getting the most views, followed by regions and contacts. The Committee is working on a communications flow chart illustrating how information should flow from, and is circulated by, Oswald/NY44 to Union officials, HR, Benefit Administrators, etc. The chart will clarify the responsibilities of the contacts on our email lists in sending out information to enrollees.

The Committee has developed a Diversity Statement which when approved by the Trustees, will be posted to the website.

Upcoming communications campaigns being sent out to the entire membership have temporarily been placed on hold due to the current flux with schools and in an attempt to make any future piece timely and relevant. This will further be discussed at the Committee's September meeting

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c. Population Health Committee

Cindi Morris reported that the July Open Forum had 4 people in attendance and the Committee is hoping for increased engagement in the future.

The Committee started the year with the Employee Interest Survey, the OsWell resource Center, Spark UNPLUG and monthly newsletters. The OsWell Resource Center requires a user name and password to get on and can be furnished upon request. Spark UNPLUG is a free resource for all employees and doesn't require a user name or password. The monthly newsletters will continue and the Committee is working to find a cleaner path for wellness communication, ensuring that the right individuals at the districts are included in the communication.

Looking forward to this plan year, the Committee is interested in learning more about enrollees' benefits needs.

d. Innovation Committee

Janet Lukacs reported that the RFP was released on 6/15/20 and there were six PBM's that received it in addition to the current administrator, Pharmacy Benefit Dimensions. The Committee has conducted two rounds of online bidding wherein the companies were allowed to update their bids in round 2. These were shared with the Committee on 8/11/20 and 8/14/20. Finalists will be selected by 8/26/20 and will be presented to the Trustees at the October 22nd meeting.

e. Benefits Committee

Steve Baltas reported that the Committee is continuing to evaluate dental administrators to bring better value to districts. An open call with existing districts currently enrolled in the dental plan will take place on 8/27/20 where feedback will be welcome.

The Trust has an out of control provision, wherein if an enrollee uses an in-network facility that then uses a provider who is out of network without the enrollee being aware, the service will be covered.

C. General Trust Business

1. Status of Districts

No changes to current district population.

2. Board Approval by Unanimous Written Consent in lieu of a meeting: Approval of WellNow Services Agreement (July 8, 2020)

D. Approval of Minutes

1. Meeting Number 109, June 25, 2020

The motion to approve the minutes from Meeting 109, held June 25, 2020, was made by Liz Freas, seconded by John Pope and carried unanimously. **CARRIED (by both Management and Labor Units)**

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E. Old Business

1. **Scheduled Board Meeting on February 18, 2021 changed to February 25, 2021 at 3PM**

F. New Business

1. **Vote on Board Resolution:**

- a. Approval of Trust Diversity Statement

The motion to approve was made by John Pope, seconded by Liz Freas and carried unanimously.
CARRIED (by both Management and Labor Units)

G. Adjournment

1. **Next Board of Trustees' Meeting will be on Thursday, October 22, 2020, at 3 PM**

The motion to adjourn at 12:45 PM was made by Candy Reimer, seconded by Liz Freas and unanimously approved. **CARRIED (by both Management and Labor Units)**

Trustees entered Executive Session at 12:50 PM. Executive Session adjourned at 1:35.

Respectfully Submitted,

Lora L. Schasel
Secretary to the Board of Trustees