

# NEWSLETTER

## Year in Review

NY44 HEALTH BENEFITS PLAN TRUST | November 2020

A Message from the Chair and Vice Chair of the NY44 Health Benefits Plan Trust

Another year is drawing to a close; and we once again find ourselves planning for the future, but also reflecting on the events of 2020. This year has been anything but “normal” for all of us. It’s tested our patience, values and commitments. As we continue to navigate the fluid state of the world, The NY44 Health Benefits Plan Trust (Trust) is fully prepared and committed to responding to the evolving needs of our members with health and safety at the core of our protocols. Our principles will continue to see us through this current pandemic.

With the guidance of our consultant, Oswald Companies, and the formation of the five sub-committees (Communications, Innovation, Benefits, Finance, Population Health) we strive to integrate a clear understanding of the Trust’s unique voice, culture and workforce. With this in mind, our Trust website is your go-to source for all information from the latest COVID-19 updates, detailed benefit descriptions, wellness tips, and more. It’s the safest, easiest way to get our members the information they need 24 hours a day, 7 days a week.

As you will read in this newsletter, we have been busy in 2020. We conducted a formal Request for Proposal process which includes a comprehensive review of all financial and performance related components of the prescription drug plan. It provided valuable insight to the current plan costs and opportunities to improve. We have switched our dental vendor to Guardian effective 1/1/21. This change will offer little to no disruption as the structure of the plan will not change. Additionally, a dental max rollover and college tuition reimbursement offering have been included.

We created a newly designed communications flowchart outlining how information flows and is circulated from Oswald to the Schools’ Human Resource Offices and Union Presidents. 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.

The new decade is upon us. As we enter 2021, we will look at the growth opportunities ahead that contribute to the long-term health of our members and the financial sustainability of the Trust.

We encourage you to reach out to your school liaisons if you have questions and comments. The liaisons can be found on the Trust website under Participating Schools. We will continue to work toward ensuring that you have a voice in how we move forward together.

Stay Safe, Stay Healthy!

*James Fregelette*

James Fregelette, Chair  
jfregelette@e1b.org

*Donna Walters*

Donna Walters, Vice Chair  
dwalters@e1b.org



## I HAVE QUESTIONS! WHO DO I CALL?

Generally, enrollees should contact the benefit administrator at their school. If you don't know who that is, please use the Contacts page on the Trust website: [www.ny44.e1b.org](http://www.ny44.e1b.org).

### FOR GENERAL QUESTIONS:

1. Ask the Benefit Administrator for your school
2. Refer to the Summary of Benefits and Coverage (SBC) or the Summary Plan Description (SPD) on the website for the plan coverage you're enrolled in. Find these documents online at [www.ny44.e1b.org](http://www.ny44.e1b.org) click on Enrollees and follow the headings.

### FOR MEDICAL SERVICE OR MEDICAL PROCEDURE QUESTIONS:

Due to HIPAA confidentiality laws, neither the benefit administrator nor a NY44 Health Benefits Plan Trust employee should answer any questions about specific medical services or procedures provided to individual enrollees. All questions regarding services, procedures or interpretation of the Summary Plan Description related to specific services provided to you need to be directed to the customer service representatives at Nova/Independent Health or MVP.

#### **Nova/Independent Health customer service:**

Monday to Friday, 8 a.m. to 8 p.m.

Phone: (716) 631-2661 or (800) 257-2753

#### **MVP customer service:**

Monday to Friday, 8 a.m. to 11 p.m.

Phone: (716) 635-7880 or (888) 878-9172

### FOR OTHER QUESTIONS ABOUT THE PLAN:

Other questions about the plan benefits not answered by the benefit administrator or Nova/Independent Health or MVP customer service representatives should be referred to your Trustee liaison for your school listed on the [www.ny44.e1b.org](http://www.ny44.e1b.org) website.

### FOR DENTAL CLAIMS OR COVERAGE QUESTIONS:

Please note that not all schools offer the dental coverage. If your school does, pose the question to the benefit administrator for your school. You can also read the dental Summary Grid and dental Summary Plan Description online at [www.ny44.e1b.org](http://www.ny44.e1b.org). Contact information is found on the [www.ny44.e1b.org](http://www.ny44.e1b.org) website.

### NY44 TRUST COVERAGE, OTHER INSURANCE AND COORDINATION OF BENEFITS:

Do you have more than one health insurance plan? If so, the insurance plans need to work together to make sure you are getting the most out of your health insurance benefit. With multiple health plans, one plan becomes your primary payer -- it pays claims first. Then the second or third plan, if you have several plans, pays next. This process is called "Coordination of Benefits" or COB. For coverage through a governmental plan such as Medicare or Medicaid, there is a specific hierarchy, or order in which the benefits are coordinated.

To ensure accurate coordination occurs, from time to time the NY44 Trust's medical carriers, Nova Healthcare and MVP Health Care, will send out coordination of benefits letters. If you receive one of these letters, it is important for you to respond to the questionnaire and update your insurance information. If you are an active enrollee (currently employed with a school and enrolled in the NY44 Trust) and have other insurance, your school's benefit administrator should be informed of your alternative insurance plan(s). **You will need to submit to your school the "Other Insurance Coordination of Benefits" application.** The other insurance information will allow the NY44 Trust to coordinate benefits which will lower your out-of-pocket costs.

### MEDICARE INFORMATION AND RESPONSIBILITIES:

When you are a retiree and over the age of 65 you are entitled to/eligible for Medicare. As a retiree, Medicare is the primary payer and the NY44 Trust coordinates with Medicare meaning the NY44

Trust pays for covered benefits after Medicare's reimbursement. It is important to understand the terms and conditions of the NY44 Trust as found in the Summary Plan Description Section 3; 4(b),

**Persons not entitled to Coverage include: Persons who are eligible for Medicare and whom Medicare would be Primary Payer, but who have not enrolled in both Medicare Part A and Medicare Part B.** Depending on your Medicare eligibility conditions, this may mean you will pay for Medicare Part A and/or Part B. **When Medicare is your primary insurance payer, failure to enroll in Medicare Parts A and B**

**when you become eligible, will result in a loss of medical coverage through the NY44 Health Plan.**

You can enroll in Part A anytime after you're first eligible for Medicare and your coverage will go back (retroactively) 6 months from when you sign up, but no earlier than the first month you're eligible for Medicare. If you do not sign up for Part B when you are first eligible, you may have to pay a late enrollment penalty.

It is important to notify your school benefit administrator promptly when you and/or your covered spouse receive a Medicare claim number.

As an enrollee in the NY44 Health Plan, under what conditions is Medicare the primary payer and Medicare enrollment necessary? The reference table below will answer that question.

IF EMPLOYEE IS...	NY44 Trust requires enrollment in Medicare Part A	NY44 Trust requires enrollment in Medicare Part B
<b>a current school employee enrolled in the NY44 Health Plan and still working:</b>		
Active employee (enrollee) is 65 or older	No*	No
Is your covered spouse 65 or older	No*	No
Is your covered spouse 64 or younger	Not applicable	Not applicable
<b>a school employee enrolled in the NY44 Health Plan and retired:</b>		
Retired employee (enrollee) is 64 or younger and not Medicare disabled	Not applicable	Not applicable
Retired employee (enrollee) is 65 or older	Yes	Yes
Is your covered spouse 64 or younger	Not applicable	Not applicable
Is your covered spouse 64 or younger and Medicare-disabled	Yes	Yes
Is your covered spouse 65 or older and retired	Yes	Yes
Is your covered spouse 65 or older, working, and enrolled in their own employer's health plan	Yes	Yes

**Please be aware that pursuant to the NY44 Summary Plan Description ("SPD"), if an active employee is considering retirement, their spouse, if age 65 or older, must have both Parts A & B effective by the date of the employee's retirement or they will be charged a monthly Medicare Assessment each and every month until either they obtain both Parts A & B, or the end of the plan year (when they will be terminated), whichever occurs first.**

Every employee and/or spouse, should be receiving communication from their school the month prior to their turning age 65 outlining their responsibilities under the SPD relative to Medicare Parts A & B enrollment. This communication should include a letter and a Medicare Fact Sheet. If you do not receive these documents, please contact your school's benefit administrator directly.

For more information on Medicare, please visit "Medicare & You 2021" at [www.medicare.gov/Pubs/pdf/10050-Medicare-and-You.pdf](http://www.medicare.gov/Pubs/pdf/10050-Medicare-and-You.pdf)



## 2020 FINANCIAL UPDATE

**Purpose Statement** | To collect, interpret, and maintain financial information for the management, oversight and direction of insurance and health products to policy makers, departments, and the committee so they can have confidence making informed decisions to achieve superior results using the information provided by Oswald Companies.

The last three months of 2019-20 fiscal year we saw a decrease in surgical elective services due to the COVID-19 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](http://www.ny44.e1b.org) under the heading "About the Trust"

The Patient-Centered Outcomes Research Institute (PCORI) was formed through the 2010 Patient Protection and Affordable Care Act. It funds research that can help patients and caregivers make decisions about healthcare choices. The Federal PCORI fee is calculated on each covered life in the Plan and was to sunset in 2019 but was extended until October 1, 2029. The NY44 Trust pays the fee to the government annually by July 31st.

Morgan Stanley had several investments that matured in August 2020 and were reinvested under the guidance of our financial advisor John Sartini of Morgan Stanley. Investments are sufficiently liquid to allow funds to be available as needed to meet the obligations of the NY44 Health Benefits Plan Trust. All investments are either obligations of the State of New York or United States Government or obligations for which principal and interest are fully guaranteed by the United States Government.



**Where is the Trust today financially?** We are secure and committed to cost containment of healthcare coverage for the Participating Member Schools! Stop Loss has been provided since July 1, 2019 and was renewed for the 2020-21 plan year. Financial reports following the NY44 Trustees' Board meeting are posted on the [www.ny44.e1b.org](http://www.ny44.e1b.org) website.



## FINANCE SUB-COMMITTEE OVERVIEW

**Purpose Statement** | To collect, interpret, and maintain financial information for the management, oversight and direction of insurance and health products to policy makers, departments, and the committee so they can have confidence making informed decisions to achieve superior results using the information provided by Oswald Companies.

### The Finance Sub-Committee Organizes Claims Information in Two Methods:

- The Trust's claim expenses are managed and reconciled by Alice Riley, Manager of Finance and Enrollment for the Trust and the Trust's Fiscal Agent. These include, but are not limited to, balancing of claims payments from the Trust's accounts for the payment of claim expenses and fees on a weekly, monthly, and annual basis.
- Claims utilization and expenses as managed by Medhat Kaldas, Senior Data Consultant at Oswald Companies on a monthly, quarterly, and annual basis.

Although both methods have some purposeful overlap, they are assembled for varying reasons, one to track expenses and the other to track utilization. The utilization reporting aligns with underwriting time periods. In efforts to expedite utilization reporting and to improve effectiveness and tracking of utilization, the Trust, through the services of Oswald Companies, is streaming claims through a management database.

The Finance Sub-Committee created a financial summary report that measures four different time periods that is easy to read and understand. Organized by expense type (medical, pharmacy, fees, and rebates), you can see above the current position and trend patterns.

## 1 Month

August, 2020

## 3 Months

June 2020 - August 2020

## 12 Months

September 2019 - August 2020

## 2 Month(s)

July 2020 - August 2020

### Month

Average Per  
Employee Per Month:

**\$1,562**

September, 2020

### Quarter

Average Per  
Employee Per Month:

**\$1,609**

July 2020 - September 2020

### Year

Average Per  
Employee Per Month:

**\$1,402**

October 2019 -  
September 2020

### Fiscal Year

Average Per  
Employee Per Month:

**\$1,609**

July 2020 - September 2020

The Finance Sub-Committee opened their general monthly meeting to Participating Member Schools on January 21st. This meeting included a presentation detailing stop loss insurance coverage. This was followed by a Rates & Underwriting presentation which included rate release timing on March 25.

With efforts from the Finance Sub-Committee's partners, BPAS Healthcare Consulting Services and Oswald Companies, the renewed 2020-2021 rates were among the most favorable renewal in recent years.

On a regular basis, the Finance Sub-Committee measures the effects of plan design and utilization on Trust's expenses. Recently, these studies included emergency room copays, covering COVID-19 testing, shifting utilization from in-person office visits to increased use of Tele-visits, negotiation of the stop-loss renewal, in addition to items in routine review listed below:

- Evaluate the impact of exiting Districts/Schools
- Merger and Risk Analysis of Districts/Schools entering the Trust Plan
- Assess the Trust Administrative Fee.
- Evaluate non-claims expenses, including but not limited to TPA ASO Fees, Access Fees, Taxes and State Fees.
- Meet with districts individually to discuss any of their questions or concerns
- Evaluate Wellness Platform Vendors
- Evaluate plan offerings against benchmarks

- Evaluate expansion of plan offerings to include Consumer-Driven HSA or HRA plan(s)
- Complete the annual financial statements
- Complete and submit the NYS Insurance Superintendent's Annual Report

As the Finance Sub-Committee moves forward, they have updated their financial strategies. Their multi-phase approach addresses short-term, mid-term and long-term initiatives on funding, partnerships, benefit package(s), risk management and Participating Member School communication/engagement.





## BENEFITS SUBCOMMITTEE UPDATE

**Purpose Statement** | To provide oversight and direction with the information/work product provided by Oswald related to benefit plan design and the financial impact to the plans cost and membership disruption.

This year we have looked extensively at areas of plan design that will have immediate positive impact to the utilizing members and contain plan design cost. Evidence of this can be demonstrated by the following actions:

- Telemedicine is a cost effective and convenient way to seek care.
- We have switched our dental vendor to Guardian effective 1/1/21. This change will offer little to no disruption as the structure of the plan will not change. Additionally, a dental max rollover and college tuition reimbursement offering have been included.

We continue to explore incentives to all Participating Member Schools for behavior that will contribute to the long-term health of their members and the financial sustainability of the Trust.

- For employees we have SparkUNPLUG: A weekly mindfulness video series focusing on different concepts and strategies to help you be your best you. These practices occur every Monday, 12-12:15 pm and are recorded for later viewing, if you are unable to attend. The platform has over 30 different mindfulness exercises, as well as related articles about mindfulness, health, nutrition and stress relief tools.
- Don't miss our monthly newsletter! This includes topics such as healthy recipes, relaxation, mental health tips, and more. It goes out to Benefit Administrators and they are asked to send to all enrollees. If you have not received this newsletter in the past, please contact your Benefits Administrator directly or sign up at the NY44 website homepage to be added.



## POPULATION HEALTH SUBCOMMITTEE UPDATE

**Purpose Statement** | To provide oversight and direction to the necessary communication efforts targeting the utilization and prevailing health conditions present in our population to drive more cost-effective utilization and condition management.

We are excited about progress and our direction for 2021. The Population Health Committee has had open forum meetings with the Schools where we discussed what we have learned, what we have done and where we are headed for 2021. We also shared 2 wellness resources:

- osWell Resource Center: This platform is available to all HR contacts and wellness representatives for go-to wellness toolkits, monthly newsletters and challenges.



## COMMUNICATIONS SUBCOMMITTEE UPDATE

**Purpose Statement** | To provide oversight and direction to the communication plan for employer-members and plan participants including defining objectives, determining topics and identifying use of digital and print materials that will be developed and implemented by Oswald Companies.

Since the creation of the Communications Subcommittee, we have worked to integrate a clear understanding of NY44's unique voice, culture and workforce. Below are some examples we've accomplished to meet the goal of the Communications Subcommittee within the past year.



## INNOVATIONS SUBCOMMITTEE UPDATE

- Creation of the newly designed Trust Website: [www.ny44.e1b.org](http://www.ny44.e1b.org)
  - » Easier access to all Plan information for each region
  - » Up-to-date with the latest Trust information (especially during these fluid times)
  - » Access to all Trust documents, contact information, and all current participating schools
- WellNow Mailer
- Open Enrollment Mailer
- Digital Annual Newsletter

### Diversity Statement

A diversity statement was created this year for the Trust. It was crafted by the Communications Subcommittee and approved by the Board. It can be found on the Trust website homepage.

### Communication Flowchart

- Creation of how information flows and is circulated from Oswald to Schools' Human Resource Offices and Union Presidents
- 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.
- Information from the Trust email account for Members includes:
  - » Monthly Wellness Newsletters
  - » General Plan Updates & Information



**Purpose Statement** | To provide oversight and direction with the information provided by Oswald to explore, analyze, introduce and implement innovative solutions to effectively and positively impact the overall Trust plan and the members it serves.

The key objective of our subcommittee is to explore, analyze, introduce, and implement innovative solutions to, effectively and positively impact the overall Trust plan and the members it serves. Our initial focus has been exploring the prescription drug plan costs. Over the past year we have been analyzing the costs associated with the prescription drug plan and found that our costs were running just over 30% of the NY44 Trust's total healthcare plan spend.

The subcommittee's approach was to conduct a formal Request for Proposal process which includes a comprehensive review of all financial and performance related components of the prescription drug plan. The process allows us to compare the current pharmacy benefits manager (PBM), which is Pharmacy Benefits Dimensions (PBD) to other pharmacy benefit manager organizations. While the entire process took well over five months, it provided valuable insight to the current plan costs and opportunities to improve. The Innovations Subcommittee will be sharing information with school leaders in the weeks ahead.

Along the same lines, the subcommittee has also explored several other solutions to help reduce the prescription drug costs. These solutions include some value-added benefits for the members. In the months ahead we will be working closely with the Communications Subcommittee to develop member communications regarding the prescription drug plan.



355 Harlem Road  
West Seneca, NY 14224  
716-821-7161



**Find all your benefits  
information online!**

**[www.ny44.e1b.org](http://www.ny44.e1b.org)**