

NY44 Health Benefits Plan Trust Board Meeting

Minutes: Number 120, November 18, 2021

Opening of Meeting 3:06 PM

In attendance: Chair Jim Fregelette, Vice Chair Donna Walters, Trustees John Pope, Candace Reimer, Elizabeth Freas, Christa McHale, Deborah Piatek and David Scalzo. 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: Trustees Michelle Okal-Frink and Bob Giannicchi

1. Public Comments and Questions

None

A. Presentations/ Informational Items

1. Auditor's Report

Laura Napoli of Bahgat & Laurito-Bahgat reported that in 2021, cash is down about 9%, investments are up 72% and receivables are down slightly. Drug subsidies were down 22% and administrative fee revenues declined. Total expenses were down 20% and Trust net assets significantly increased. Medical and Dental claim payments are down, claims administration is down 40% and insurance went down. All expenditures went down. The Trust is currently in a healthy position.

In regard to the Management Letter, no policies were changed but there were some adjustments to the reconciliation process regarding the investment accounts.

The audit report is available on the NY44 website.

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

2. Fiscal Update

Alice Riley reported that from June to October there has been little fluctuation in the equity position as the population didn't change significantly. A Rx rebate was received for the 4th quarter of 2020 in the amount of \$1.6M and a Retiree Drug Subsidy for the 2020 -2021 plan year was received on 9/17/21 in the sum of \$342,416. This year, there was no additional 2% subsidy taken out after reconciliation.

Dental claims showed normal upward fluctuations during August and September due to children being home from school over the summer.

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B. Administrative Report

Alice Riley reported the Superintendent's Report was submitted electronically on November 15th. The report was also submitted electronically last year due to COVID protocols.

C. Consultant Report

1. Subcommittee Updates

a. Financial Committee

Medhat Kaldas, Oswald Companies, reported on utilization. This month the PEPM is 8.5% lower when compared to the fiscal year. \$1500 compared to \$1639. The most recent 3 months PEPM was 2.5% higher than the annual average due to large claimants. There are 4 large claimants who have exceeded \$200K and 4 claimants that are between \$190K and \$200K. The 10 largest claimants averaged \$195K each and all but 2 of these individuals are considered chronic.

In regard to the total prescription costs, the first 9 months indicated were under the old arrangement. There is an approximate 28% trend which is much higher than normal. The prior PEPM was \$510.95 and the after PEPM is \$298.20 (a 41.6% drop).

b. Communications Committee

John Kertis, Oswald Companies, reported on the website analytics. Looking at users by device, the desktop computer is the most used method for website access. The current website is built to be responsive to desktop and mobile usage. The Capital RX page has been popular as there have been many materials posted for member reference. The committee has sent out postcards regarding the Capital Rx formulary changes and has made updates to the website. The next subcommittee meeting is scheduled for 12/9.

c. Population Health Committee

Cindi Morris, Oswald Companies, reported that another school has reached out to request a dashboard. This is a summary report of relevant district population health data such as demographics, top chronic conditions, top prescription drug utilization, etc. If schools are interested in a report for their district, they can send an email to NY44@oswaldcompanies.com to request one.

The subcommittee has been looking at ideas to increase engagement for all Trust subcommittee meetings. More specifics about a new initiative in this regard will be given in December.

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Monthly News Brief wellness topics include:

- What Can One Minute of Mindfulness Do For You?
- 13 Shortcuts to Eat Five Fruits & Veggies Per Day
- SMART Health Newsletter

Cindi also provided a reminder that the following resources are available:

- Oswell for HR which has articles, toolkits, fliers, etc.
- Spark UnPlug for employees which has workouts, recipes, stress reduction, etc. and can be found on the Trust website.

d. Innovation Committee

Janet Lukacs, Oswald Companies, reported on the Quality & Cost Transparency tools that the subcommittee will present to the Trustees at the January Board meeting.

Janet reported on the Capital Rx and Payer Matrix transition. A special Board meeting was held on November 8th and, during that meeting, the Trustees approved pushing the Continuation of Therapy waiver period from December 1st to February 1st. Notification of this change was sent to the Benefit Administrators at all schools on November 12th. All PBM's make formulary changes annually on January 1st and the Trustees also voted that the annual formulary changes be pushed back to February 1st. Finally, for Western New York members, the Trustees approved that those wishing to obtain their 90 day supply of maintenance medication at a local retail Wegman pharmacy, could pick it up rather than do mail order. Capital Rx is exploring options for the North Rockland area.

Rx claims were up approximately 12% in October. In the three months since July, the Payer Matrix program has saved \$1.5M in claims costs for specialty drugs.

e. Benefits Committee

Steve Baltas, Oswald Companies, reported that the subcommittee will have an Open Forum presentation on November 30th which will focus on chiropractic care and the recent visit limitation changes, a dental update and prescription benefits.

General Trust Business

1. Status of Districts

No change

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D. Approval of Minutes

1. Meeting Number 119, October 21, 2021

The motion to approve the minutes from Meeting Number 119, held on 10/21/21, was made by Christa McHale, seconded by Deborah Piatek and carried unanimously. **CARRIED (by both Management and Labor Units)**

E. Old Business

None

F. New Business

1. Vote on Board Resolutions:

- a. Approval in Executive Session of changes to pharmacy benefit – mail order, formulary disruption and formulary changes
- b. Approval via email of Employment Agreement and Job Description for Stacey Porter, Benefits Specialist

Adjournment

1. Next Board of Trustees' Meeting will be on Thursday, 1/20/22, at 3:00 PM

The motion to adjourn at 4:04 PM was made by Liz Freas, seconded by Christa McHale and unanimously approved. **CARRIED (by both Management and Labor Units)**

Respectfully Submitted,

Lora L. Schasel
Secretary to the Board of Trustees

Trustees entered Executive Session at 4:12 p.m. Executive Session adjourned at 5:01 p.m.