

NY44 Health Benefits Plan Trust Board Meeting

Minutes: Number 129, February 16, 2023

Opening of Meeting 3:16 PM

In attendance: Chair Jim Fregelette, Vice Chair Donna Walters, Trustees Elizabeth Freas, John Pope, Candace Reimer, Christa McHale, Deborah Piatek, Bob Giannicchi, David Scalzo, Kleo Girandola, Daniel Ratel, Barbara Smith and Debra Brennan. Also attending: Office Coordinator, Lora Schasel, Benefits Specialist, Stacey Porter, Darcie Falsioni, Esq., Representatives from Oswald Companies, Steve Baltas, Janet Lukacs, John Kertis, Medhat Kaldas and Jess Michel.

Not in Attendance: Trustees Michelle Okal-Frink

1. Public Comments and Questions

Trustee Dave Scalzo asked about the chiropractic visit limitation. Visits are only covered if medically necessary, not if deemed maintenance. This is determined by IH/MVP. If it is deemed maintenance and denied, a patient can have their physician intervene on their behalf and submit documentation that it is, in fact, medically necessary.

Trustee Bob Giannicchi asked about the ER co-pay. The Benefits Subcommittee is looking at the current ER co-pay, and this will be discussed at the next Board of Trustees meeting on 3/16/23.

A. Presentations/ Informational Items

1. Fiscal Update

Lora Schasel reported that through January there was little change in the equity position and the population had no significant change. The Balance Sheet indicates that the Trust has a continued favorable equity position through the end of January 2023 with total equity of \$58M.

Rx rebates were received from Capital Rx in December for the 4th Quarter of 2022 for \$1.4M and from PBD on 2/7/23 for the 2nd Quarter of 2022 in the sum of \$101K.

Enrollment increased by 94 from the beginning of the plan year on 7/1/22 with the biggest change being in the single coverage tier. Total cash and investments is currently \$71.8M. Revenue versus Expenses shows the Trust continues to be in good financial health with revenues ahead of expenses.

Dental claims were high in July and September, which is consistent with the normal upward trend during summer break for school/college but returned to average October through January. It is anticipated that claims will again be high in February and March due to spring break. Through January 2023, claims expense is almost 8% higher than the same time last year.

Lora advised that the Trust's annual Superintendent's Report was filed with the Department of Financial Services prior to the November 27th deadline, and the Trust is in compliance.

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2. Auditor's Report

Laura Napoli of Bahgat & Laurito-Bahgat discussed the independent auditor's report advising that overall, it was positive with assets up, investments up, liabilities up, expenses for Program Services and Management and General down, claims administration up and Rx rebates down. Medhat Kaldas of Oswald Companies, in response to a question by the Trustees regarding the Incurred but not yet Report (IBNR), explained that it represents 2 to 3 months of claims data.

Administrative Report

1. Subrogation Report

Stacey Porter, Benefit Specialist, reported that the Trust has settled and reclaimed \$5,264 on the latest subrogation claim.

2. Update on Email Communications

Stacey Porter reported that she continues to work with the districts to obtain enrollee's personal email addresses to facilitate direct communication to enrollees by the Trust, the TPAs and our consultants.

3. J. Graham MVP Audit Report

Stacey Porter reported on John Graham's July 2022 audit of MVP. There is \$208K in agreed recovery with over half as a result of duplicate payments to one provider and another \$50K as a result of claims with missed application of Fair Health pricing. There are \$230K of disputed findings, including \$205k paid to one out-of-network chiropractor for over 200 visits for one member in the year. Implementation of the visit limit in 2022 should control this moving forward.

4. Consolidated Appropriations Act Section 204

Stacey Porter reported that §204 reporting for medical plans was completed and submitted to IHA and MVP on 11/29/22. Consolidated Appropriations Act (CAA) Rx reporting was submitted and reported to CMS on 12/29/22.

B. Consultant Report

1. Subcommittee Updates

a. Financial Committee

Medhat Kaldas, Oswald Companies, reported on utilization. The Per Employee Per Month (PEPM) for November was \$1,455 which was a drop in PEPM of 6.5% below the annual average. This was due to less cost and more enrollees.

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Large claimants are totals from July through November 2022 and the 10 claimants are 5.3% of all claims since July.

The compound annual growth rate for medical claims shows that the PEPM in 2018 compared to 2022 is a difference of 8.2% which is an annual trend rate of 1.9%. The marketplace for medical is 8.3%.

The compound annual growth rate for Rx claims shows that the PEPM in 2018 compared to 2020 had a 12.6% compounded growth rate. The cost increased by 27% in this period. After the change of PBM, the PEPM was 22.5% less than the prior period. The PEPM today is 6% higher than 2018. Without intervention, the PEPM would be 61% higher than it was in 2018. The marketplace for Rx is 11.5%.

Gross costs before rebates for the fiscal year (quarter) totaled \$26.9M. The net with rebates and expenses totaled \$25.5M. Based on the quarter, PEPY Run Rate was \$17,403. Based on the year, the PEPY Run Rate was \$18,609, this is a 6% improvement

b. Communications Committee

John Kertis, Oswald Companies, reported on the website analytics.

John indicated that the Communications Subcommittee held an Open Forum on November 30, 2022 and discussion was had regarding the email direct to members project which involves collecting personal emails to mitigate delivery issues.

An overview of Healthcare Bluebook was also provided.

The Committee provided communication to schools and directly to members regarding Walmart service issues, finalized a Spring Newsletter to be sent to all enrollees, and continues work on Healthcare Bluebook communications.

c. Population Health Committee

Jess Michel reported that monthly wellness topics include:

- Mental Health Awareness Month
- American Heart Month
- Random Acts of Kindness Week

Jess reviewed the 2023 engagement strategy which includes 25%, 50% and 75% attendance tiers for participation in Trust activities to allow schools to earn an incentive to use for wellness-related activities. Jess congratulated the four districts that earned incentives in 2022. Trust Chair, James Fregelette, pointed out that points should be added for attendance at the Trust's Annual Meeting.

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A reminder was given that the Performance dashboard 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.

There are “On demand” wellness resources on the website under the participating schools tab which includes:

- Monthly Wellness Tips & Information
- On-demand Health/Wellness Articles & Videos
- Mindfulness Accessibility
- Tracking: Nutrition & Exercise

d. Innovation Committee

Janet Lukacs, Oswald Companies, reported on the progress of implementation of Healthcare Bluebook, the new Quality & Cost Transparency program. The new launch date is 4/1/23. An informational session regarding Healthcare Bluebook was included in the Communications Subcommittee Open Forum and additional information is included in the Newsletter which is currently being mailed out to enrollees. There will be additional future communications as well.

A reminder was given that Healthcare Bluebook is a voluntary program that helps members compare healthcare costs and earn financial rewards for selecting a lower cost/high quality provider.

Members will use the mobile app or the website to search for the procedure, review the price range shown on the color bar, then scroll down the page and review the list of facility options by quality and cost. The color codes make it easy to identify those providers by cost and quality. There are over 400 procedures that can earn rewards based on the procedure and rewards range from \$100 up to \$1,500

e. Benefits Committee

Steve Baltas, Oswald Companies, reported that the Sub Committee continues to review:

- Walmart mail order issues.
- Due diligence regarding use of external benefits claims auditors.
- Medicare process and recommendation for changes to the Trust’s Medicare Policy.

The Subcommittee’s next meeting will be in March.

General Trust Business

None

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Approval of Minutes

1. Meeting Number 128, November 17, 2022

The motion to approve the minutes from Meeting Number 128 held on 11/17/22, was made by Bob Giannicchi, seconded by Christa McHale and carried unanimously. **CARRIED (by both Management and Labor Units)**

C. Old Business

None

D. New Business

1. Report on Board of Trustee Approval in Lieu of a Meeting:

- a. Approval via email – confirmation of Healthcare Bluebook approval

2. Vote on Board Resolutions:

- a. Approval of Changes to Medicare Policy
The motion to approve changes to the Medicare Policy was made by Dave Scalzo, seconded by Deborah Piatek and carried unanimously. **CARRIED (by both Management and Labor Units)**

Adjournment

1. Next Board of Trustees' Meeting will be on March 16, 2023 at 3:00 PM

The motion to adjourn at 4:14 PM was made by Elizabeth 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