

NY44 Health Benefits Plan Trust Board Meeting

Minutes: Number 138, June 20, 2024

Opening of Meeting 3:00 PM

In attendance: Chair Jim Fregelette, Vice Chair Donna Walters, Trustees Wayne Drescher, Debbie Piatek, Candy Reimer, Michelle Okal-Frink, Christa McHale, John Pope, Alicia Savino, Michelle Struzik

Also attending: Fiscal Agent, Lora Schasel, Benefits Specialist, Stacey Porter, Trust Secretary, Abby Maher, Darcie Falsioni, Esq., Representatives from Oswald Companies, Steve Baltas, Gretchen Heil, Jessica Ihrig, John Kertis, Medhat Kaldas and Molly Berry.

Not in Attendance: Liz Freas, Dave Scalzo, Bob Giannicchi, and Maria Massaro

1. Public Comments and Questions:

Jim Fregelette thanked Debbie Piatek for her years of service on the Board.

Jim also announced that Liz Freas will be resigning from the Board of Trustees effective immediately.

A. Presentations/ Informational Items

1. Fiscal Update

Lora Schasel reported the Trust total assets for May were \$69.4M and total equity was \$57.8M. To date, we have received 6.4M in Rx rebates. We should receive our next Rx rebates this month. She indicated that as previously reported, we received the Retiree Drug Subsidy for plan year 2022-23 in the sum of \$748,180 in April. This subsidy was thereafter reduced in May by \$14,964 pursuant to a 2% mandatory payment reduction, bringing the net subsidy received to \$733K.

The July 2024 enrollment shows that we gained 158 enrollees since the beginning of the last plan year, with increases in all coverage tiers. Revenue and Disbursements for the month of May include assets on 5/31 of \$57.5M. The bank and investment accounts currently total \$73.6M.

The Statement of Cash Flow vs. Expenses for Medical/Rx shows that July, August, November, January and May all have had higher than typical medical, and Rx claims due in part to additional funding requirements by IH and MVP. In addition, we didn't receive any rebate revenue in those months. As a result, we are currently running at a \$3.7M deficit through the end of May. Lora anticipates receiving our next rebates later this month which will help offset the year-end deficit as well. She gave a reminder that the Board of Trustees voted last year to spend \$2.41M in reserves for the current plan year.

The dental report indicates that 8 of the 11 months being reported through May saw higher than normal dental claims and as a result, we are currently at a \$102K deficit through the end of May. June Claims will be \$131,082, revenue, \$117,803, Admin Exp \$5,651 = (\$18,930), resulting in (\$120,982) year deficit.

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2. Administrative Report

a. Update on Brook+ and Healthcare Bluebook

Stacey Porter reported Healthcare Bluebook totaled 49 rewards, \$3,555, for April 2024. Total rewards for the last twelve months totaled 29,680. Stacey reports Brook+ has four milestones for members to complete. Members register and commit to the program, then engage for two weeks (at which point they will earn a Fitbit). The third milestone will be engagement for an additional two weeks. The last milestone will be engagement for more than ten weeks and 5 percent weight loss.

Stacey shares that the current completion rate for MVP is 10%, and 14% for IH members. The total weight lost for IH members is 2,420 pounds and the average is 4.5% for the 496 IH members enrolled in Brook+ program. The total weight lost for MVP members is 256 pounds and the average is 4.6% for the 93 MVP members enrolled in Brook+ program. There will be a tele-nutrition model for Brook+ through MVP, with more to come next meeting. Brook+ will also be attending the Erie 1 BOCES Wellness Day on July 25, 2024.

b. New Trustee Orientation

Stacey informs that the Trustee orientation will be held on August 22, 2024, at Resurgence Brewery, 55 Chicago Street Buffalo, NY 14204. The Board meeting/Trustee orientation will begin at 12pm and continue until 4pm. New At Large Trustees are required to attend the orientation.

B. Consultant Report

1. Subcommittee Updates

a. Financial Committee

Medhat Kaldas, Oswald Companies, reported on the Medical and RX plan, noting that the PEPM cost for April was \$1,533. This figure is close to 7.6% lower than the annual average. For the last 12 months, the average PEPM cost has been \$1,659, which is 6.2% higher than last year. The figure is ahead of the trend for the area, which sits at 8-9%.

Medhat reports the last twelve months have a running average utilization total of 9.2M for the year, and \$7.2M with rebates. Enrollment was at 5,987 for April 2024, up 71 members from the average since May 2023. The largest claims come from ten people which total about 5.8% of all claims. None of the members have reached the stop loss point yet.

b. Communications Committee

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John Kertis, Oswald Companies, reported on the website analytics. Users by device has remained steady with the desktop being the most used device. The Brook+ page has moved up in views since the newsletter was sent out. The Enrollees page on the NY44 Health Trust website remains the most visited, with HealthCare Bluebook to follow second.

Jon reports we are halfway through the engagement requirements for the year (3/6). In September, we will send out the Fall Newsletter. In October we will send out the HCBB Game Postcard. Then in December we will end the year engagements with a Year End newsletter.

c. Population Health Committee

Molly Berry reported that the monthly wellness tips for June are:

- World Food Safety Day: June 7
- National Men's Health Week: June 10
- Enjoying the outdoors in the summer heat

Molly shares that the next open forum will take place on July 29th at 1pm, and points can be earned for school districts who participate. The 2023/2024 engagement strategy remains in effect for the school districts. The incentive mark will be readjusted so that the total available points that can be earned is 750. Molly will share the final announcement of points earned for each district in the August board meeting. Molly reminds the board of the resources on the Wellness+ page, including summer tips, healthy recipes, etc.

Service Updates

Gretchen Heil, Oswald Companies, reported that Capital Rx has been approved for renewal by the Finance Subcommittee. Capital Rx will entertain specialty drug rebate guarantees if Payer Matrix is terminated. Gretchen shares that Oswald is reviewing current Payer Matrix utilization, drug overrides and future arrangements with NY44.

Gretchen reports we have renewed our contract with Sun Life Stop Loss insurance as well. Our contract with Independent Health has been restructured for the United Healthcare wrap effective 7/1/2024. New ID cards will be mailed to members the week of June 17th.

Oswald is also working through follow-up questions with Spring Health, including Direct Fee for Service pricing arrangement and the guaranteed ROI. Gretchen reports that Capital Rx Pharmacy & Therapeutics Committee is reviewing the FDA label expansion for Wegovy and the necessary utilization management policies that will be required for coverage. They are expecting to have more information to share in early July. Once Capital Rx has determined what their clinical criteria will be for approval on Wegovy to treat cardiovascular diagnoses, Oswald will share those details with NY44.

D. Benefits Committee

Steve Baltas, Oswald Companies, reported that he had no updates for the Board at this time.

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The Subcommittee will meet next in August.

General Trust Business

None

Approval of Minutes

1. Meeting Number 137, May 16, 2024

The motion to approve the minutes from Meeting Number 137 held on 5/16/24, was made by John Pope, seconded by Michelle Okal-Frink, and carried unanimously. **CARRIED (by both Management and Labor Units)**

E. Old Business

None

F. New Business

1. Report on Board of Trustee Approval During Executive Session

- a. Approval of Changes to At Large Trustee

2. Report on Board of Trustee Approval via Email

- a. Approval of Changes to Trustee Requirements
- b. Approval of Stop Loss Renewal

3. Vote on Board Resolutions:

- a. Approval of Addition of NYLAF Investment Fund

The motion to approve the NYLAF Investment Fund was made by Christa McHale, seconded by Michelle Okal-Frank, and carried unanimously. **CARRIED (by both Management and Labor Units)**

- b. Approval Of Capital RX Renewal

The motion to approve the Capital RX contract renewal was made by John Pope, seconded by Deb Piatek, and carried unanimously. **CARRIED (by both Management and Labor Units).**

Jim thanked all At Large Trustees who served on the board this year, Wayne and Michelle from Cheektowaga-Sloan and Alicia and Maria from Niagara Falls.

Adjournment

1. Next Board of Trustees' Meeting will be on August 22, 2024, at 12:00 PM

The motion to adjourn at 4:00 PM was made by Candy Reimer and seconded by Michelle Okal-Frink, and unanimously approved. **CARRIED (by both Management and Labor Units)**

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Respectfully Submitted,

Abigail Maher
Secretary to the Board of Trustees