



YOUNGSTOWN STATE UNIVERSITY

# HCAC MEETING

March 17, 2022

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# Agenda

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- Financial Reporting
  - Executive Summary
  - Large Claims
- Preliminary 7.1.22 Cost Projection Review
  - Preliminary Forecast
  - Preliminary Range of change in EE contributions

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# Financials

## YSU Rolling 12 Month Executive Summary (Medical and Pharmacy)

| Experience Period  | 3/1/20-2/28/21 | 3/1/21-2/28/22 | Change |
|--|----------------|----------------|--------|
| Average Enrollment                                       | 968            | 935            | -3.34% |
| Medical Claims   | \$13,428,969   | \$15,308,893   | 14.00% |
| Rx Claims  | \$3,333,076    | \$3,747,898    | 12.45% |
| Subtotal Plan Gross Claim Costs                          | \$16,762,045   | \$19,056,791   | 13.69% |
| Fixed costs (Fees and Stop Loss)                         | \$1,813,105    | \$2,022,472    | 11.55% |
| Total Plan Gross Costs                                   | \$18,575,150   | \$21,079,263   | 13.48% |
| Total Plan Gross Costs (PEPM*)                           | \$1,599.93     | \$1,878.39     |        |
| Gross Cost Increase from Prior Year                      |                | <b>17.40%</b>  |        |
| Stop Loss Reimbursement                                  | (\$2,219,957)  | (\$3,112,569)  | 40.21% |
| Total Plan Net Costs<br>(Gross Costs Less Reimbursement) | \$16,355,193   | \$17,966,694   | 9.85%  |
| Total Plan Net Costs (PEPM*)                             | \$1,408.72     | \$1,601.02     |        |
| Net Cost Increase from Prior Year                        | -              | <b>13.65%</b>  |        |

\*Per Employee Per Month

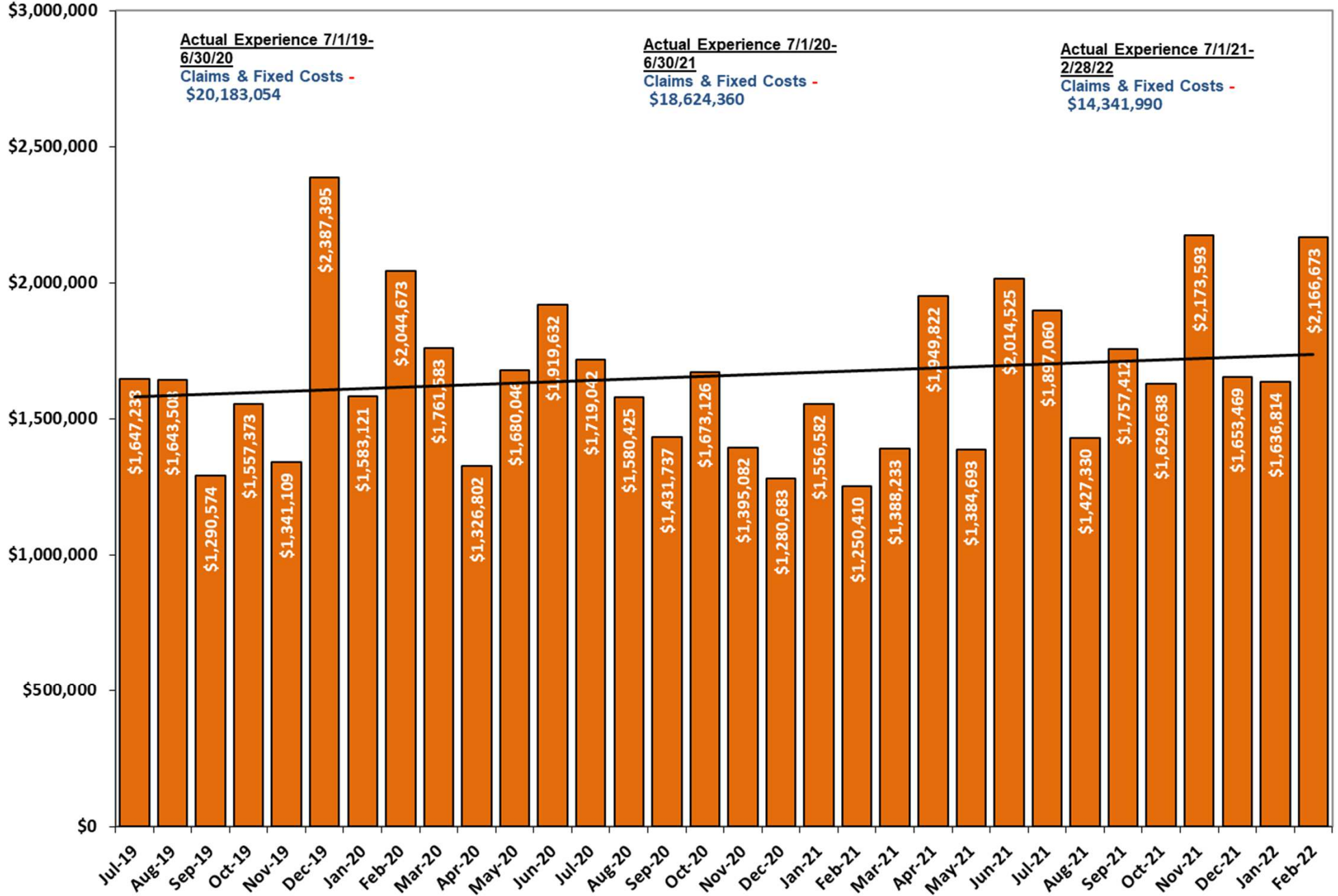
7/1/18 Med/Rx renewal +5.49%

7/1/19 Med/Rx renewal +8.66%

7/1/20 Med/Rx renewal +8.96%

7/1/21 Med/RX renewal +5.76%

## Youngstown State University Gross Medical and Prescription Drug Claims and Fixed Costs



Youngstown State University  
Medical and Prescription Drug Large Claims Summary

| Claimants   | 2021/2022 Plan Year to Date<br>(7/1/21-2/28/22) |        |           |           |           | 2020/2021 Plan Year<br>(7/1/20-6/30/21) |        |           |           |           | 2019/2020 Plan Year<br>(7/1/19-6/30/20) |             |           |             |
|---|---|--------|-----------|-----------|-----------|---|--------|-----------|-----------|-----------|---|-------------|-----------|-------------|
|   | Age   | Status | Medical   | Rx        | Total     | Age                                     | Status | Medical   | Rx        | Total     | Status                                  | Medical     | Rx        | Total       |
| Claimant #1   | 0   | ACTIVE | \$649,752 | \$0       | \$649,752 | 56                                      | CANCEL | \$656,860 | \$5,686   | \$662,547 | Active                                  | \$1,402,702 | \$1,015   | \$1,403,717 |
| Claimant #2   | 55  | ACTIVE | \$399,924 | \$1,774   | \$401,698 | 39                                      | ACTIVE | \$563,296 | \$490     | \$563,785 | Active                                  | \$632,725   | \$7,846   | \$640,571   |
| Claimant #3   | 57  | ACTIVE | \$11,561  | \$388,927 | \$400,487 | 4                                       | ACTIVE | \$548,034 | \$10,291  | \$558,325 | Active                                  | \$498,919   | \$0       | \$498,919   |
| Claimant #4   | 70  | ACTIVE | \$365,473 | \$40      | \$365,513 | 56                                      | ACTIVE | \$12,748  | \$523,436 | \$536,184 | Active                                  | \$497,674   | \$256     | \$497,930   |
| Claimant #5   | 12  | ACTIVE | \$342,773 | \$816     | \$343,589 | 11                                      | ACTIVE | \$522,881 | \$1,754   | \$524,635 | Cancel                                  | \$433,846   | \$25,122  | \$458,968   |
| Claimant #6   | 4   | ACTIVE | \$312,579 | \$5,228   | \$317,807 | 60                                      | ACTIVE | \$443,329 | \$6,647   | \$449,976 | Active                                  | \$36,890    | \$404,217 | \$441,107   |
| Claimant #7   | 63  | ACTIVE | \$310,796 | \$5,772   | \$316,568 | 18                                      | ACTIVE | \$404,736 | \$135     | \$404,871 | Active                                  | \$352,460   | \$6,053   | \$358,513   |
| Claimant #8   | 39  | ACTIVE | \$312,414 | \$233     | \$312,647 | 65                                      | ACTIVE | \$171,004 | \$201,744 | \$372,748 | Active                                  | \$321,438   | \$30,217  | \$351,655   |
| Claimant #9   | 69  | ACTIVE | \$286,543 | \$337     | \$286,880 | 64                                      | ACTIVE | \$331,672 | \$1,517   | \$333,190 | Active                                  | \$212,440   | \$121,891 | \$334,331   |
| Claimant #10  | 66  | ACTIVE | \$92,554  | \$178,727 | \$271,281 | 78                                      | CANCEL | \$292,081 | \$797     | \$292,879 | Active                                  | \$257,530   | \$3,685   | \$261,215   |
| Claimant #11  | 0   | ACTIVE | \$213,603 | \$1       | \$213,604 | 61                                      | ACTIVE | \$246,809 | \$917     | \$247,726 | Active                                  | \$259,897   | \$660     | \$260,557   |
| Claimant #12  | 0   | ACTIVE | \$210,227 | \$0       | \$210,227 | 67                                      | ACTIVE | \$187,740 | \$28,367  | \$216,107 | Active                                  | \$244,883   | \$9,077   | \$253,960   |
| Claimant #13  | 54  | ACTIVE | \$209,188 | \$531     | \$209,719 | 69                                      | ACTIVE | \$214,085 | \$46      | \$214,131 | Active                                  | \$236,689   | \$5,580   | \$242,269   |
| Claimant #14  | 18  | ACTIVE | \$205,197 | \$25      | \$205,222 | 64                                      | ACTIVE | \$196,984 | \$6,178   | \$203,162 | Active                                  | \$210,332   | \$296     | \$210,628   |
| Claimant #15  | 63  | CANCEL | \$200,538 | \$304     | \$200,842 | 37                                      | ACTIVE | \$180,291 | \$165     | \$180,456 | Active                                  | \$38,309    | \$152,029 | \$190,338   |
| Claimant #16  | 44  | ACTIVE | \$125,683 | \$26,037  | \$151,720 | 58                                      | ACTIVE | \$172,350 | \$2,358   | \$174,708 | Active                                  | \$147,303   | \$43,009  | \$190,312   |
| Claimant #17  | 65  | ACTIVE | \$1,733   | \$134,038 | \$135,771 | 64                                      | ACTIVE | \$3,253   | \$163,863 | \$167,115 | Active                                  | \$6,001     | \$177,579 | \$183,580   |
| Claimant #18  | 57  | CANCEL | \$114,267 | \$0       | \$114,267 | 51                                      | ACTIVE | \$151,626 | \$3,727   | \$155,353 | Active                                  | \$173,534   | \$696     | \$174,230   |
| Claimant #19  | 65  | ACTIVE | \$48,289  | \$64,217  | \$112,506 | 47                                      | ACTIVE | \$146,914 | \$15      | \$146,929 | Active                                  | \$142,970   | \$0       | \$142,970   |
| Claimant #20  | 49  | ACTIVE | \$107,873 | \$958     | \$108,831 | 59                                      | ACTIVE | \$117,930 | \$21,703  | \$139,634 | Active                                  | \$134,758   | \$3,845   | \$138,603   |
| Claimant #21  | 62  | ACTIVE | \$106,114 | \$279     | \$106,393 | 55                                      | ACTIVE | \$125,179 | \$8,612   | \$133,792 | Active                                  | \$135,304   | \$341     | \$135,645   |
| Claimant #22  | 32  | ACTIVE | \$138     | \$100,233 | \$100,370 | 46                                      | ACTIVE | \$121,288 | \$6,747   | \$128,035 | Active                                  | \$107,496   | \$22,494  | \$129,990   |
| Claimant #23  |   |        |           |           |           | 68                                      | ACTIVE | \$111,055 | \$667     | \$111,722 | Active                                  | \$123,955   | \$70      | \$124,025   |
| Claimant #24  |   |        |           |           |           | 66                                      | ACTIVE | \$108,009 | \$3,495   | \$111,504 | Active                                  | \$107,456   | \$10,338  | \$117,794   |
| Claimant #25  |   |        |           |           |           | 0                                       | ACTIVE | \$107,872 | \$0       | \$107,872 | Active                                  | \$107,440   | \$1,207   | \$108,647   |
| Claimant #26  |   |        |           |           |           |   |        |           |           |           | Active                                  | \$104,290   | \$133     | \$104,423   |
| <b>Total Medical and Rx Claims &gt; \$100,000</b>                         | <b>\$5,535,696</b>                              |        |           |           |           | <b>\$7,137,384</b>                      |        |           |           |           | <b>\$7,954,897</b>                      |             |           |             |
| <b>Total Claims in Excess of \$225,000 Specific Stop Loss- eff 7.1.18</b> | <b>(\$1,416,224)</b>                            |        |           |           |           | <b>(\$2,471,865)</b>                    |        |           |           |           | <b>(\$3,078,712)</b>                    |             |           |             |
| <b>Net Large Claims</b>   | <b>\$4,119,472</b>                              |        |           |           |           | <b>\$4,665,519</b>                      |        |           |           |           | <b>\$4,876,185</b>                      |             |           |             |
| <b>Total Medical and Rx Claims</b>  | <b>\$12,924,592</b>                             |        |           |           |           | <b>\$16,792,846</b>                     |        |           |           |           | <b>\$18,418,374</b>                     |             |           |             |
| <b>Average Medical Claims &gt; \$100,000</b>                              | <b>\$251,623</b>                                |        |           |           |           | <b>\$285,495</b>                        |        |           |           |           | <b>\$305,958</b>                        |             |           |             |
| <b>NET Claims &gt; \$100,000 as a % of Total Medical and Rx Claims</b>    | <b>31.87%</b>                                   |        |           |           |           | <b>27.78%</b>                           |        |           |           |           | <b>26.47%</b>                           |             |           |             |

Youngstown State University  
 Medical and Prescription Drug Large Claims Summary (FY Comparison)

| Claimants  | 2021/2022 Plan Year-to-Date<br>(7/1/21-2/28/22) |                      |           |           | 2020/2021 Plan Year-to-Date<br>(7/1/20-2/28/21) |                     |           |           |
|--|---|----------------------|-----------|-----------|---|---------------------|-----------|-----------|
|  | Status  | Medical              | Rx        | Total     | Status  | Medical             | Rx        | Total     |
| Claimant #1  | ACTIVE  | \$649,752            | \$0       | \$649,752 | CANCEL  | \$538,398           | \$4,023   | \$542,421 |
| Claimant #2  | ACTIVE  | \$399,924            | \$1,774   | \$401,698 | ACTIVE  | \$12,458            | \$385,328 | \$397,786 |
| Claimant #3  | ACTIVE  | \$11,561             | \$388,927 | \$400,487 | ACTIVE  | \$381,483           | \$1,358   | \$382,841 |
| Claimant #4  | ACTIVE  | \$365,473            | \$40      | \$365,513 | CANCEL  | \$328,577           | \$1,494   | \$330,071 |
| Claimant #5  | ACTIVE  | \$342,773            | \$816     | \$343,589 | CANCEL  | \$292,979           | \$797     | \$293,776 |
| Claimant #6  | ACTIVE  | \$312,579            | \$5,228   | \$317,807 | ACTIVE  | \$248,464           | \$99      | \$248,563 |
| Claimant #7  | ACTIVE  | \$310,796            | \$5,772   | \$316,568 | ACTIVE  | \$115,054           | \$131,252 | \$246,305 |
| Claimant #8  | ACTIVE  | \$312,414            | \$233     | \$312,647 | ACTIVE  | \$209,043           | \$2,079   | \$211,122 |
| Claimant #9  | ACTIVE  | \$286,543            | \$337     | \$286,880 | CANCEL  | \$159,969           | \$135     | \$160,105 |
| Claimant #10   | ACTIVE  | \$92,554             | \$178,727 | \$271,281 | CANCEL  | \$142,637           | \$15,504  | \$158,142 |
| Claimant #11   | ACTIVE  | \$213,603            | \$1       | \$213,604 | ACTIVE  | \$148,931           | \$23      | \$148,954 |
| Claimant #12   | ACTIVE  | \$210,227            | \$0       | \$210,227 | ACTIVE  | \$141,495           | \$4,483   | \$145,978 |
| Claimant #13   | ACTIVE  | \$209,188            | \$531     | \$209,719 | ACTIVE  | \$126,282           | \$450     | \$126,732 |
| Claimant #14   | ACTIVE  | \$205,197            | \$25      | \$205,222 | CANCEL  | \$116,011           | \$827     | \$116,839 |
| Claimant #15   | CANCEL  | \$200,538            | \$304     | \$200,842 | ACTIVE  | \$107,540           | \$7,365   | \$114,904 |
| Claimant #16   | ACTIVE  | \$125,683            | \$26,037  | \$151,720 | ACTIVE  | \$1,251             | \$112,560 | \$113,811 |
| Claimant #17   | ACTIVE  | \$1,733              | \$134,038 | \$135,771 | CANCEL  | \$107,530           | \$3,395   | \$110,926 |
| Claimant #18   | CANCEL  | \$114,267            | \$0       | \$114,267 |   |                     |           |           |
| Claimant #19   | ACTIVE  | \$48,289             | \$64,217  | \$112,506 |   |                     |           |           |
| Claimant #20   | ACTIVE  | \$107,873            | \$958     | \$108,831 |   |                     |           |           |
| Claimant #21   | ACTIVE  | \$106,114            | \$279     | \$106,393 |   |                     |           |           |
| Claimant #22   | ACTIVE  | \$138                | \$100,233 | \$100,370 |   |                     |           |           |
| Claimant #23   |   |                      |           |           |   |                     |           |           |
| Claimant #24   |   |                      |           |           |   |                     |           |           |
| Claimant #25   |   |                      |           |           |   |                     |           |           |
| Claimant #26   |   |                      |           |           |   |                     |           |           |
| <b>Total Medical and Rx Claims &gt; \$100,000</b>                          |   | <b>\$5,535,696</b>   |           |           |   | <b>\$3,849,275</b>  |           |           |
| <b>Total Claims in Excess of \$225,000 Specific Stop Loss - eff 7.1.18</b> |   | <b>(\$1,416,224)</b> |           |           |   | <b>(\$866,763)</b>  |           |           |
| <b>Net Large Claims</b>  |   | <b>\$4,119,472</b>   |           |           |   | <b>\$2,982,512</b>  |           |           |
| <b>Total Medical and Rx Claims</b>   |   | <b>\$12,924,592</b>  |           |           |   | <b>\$10,660,647</b> |           |           |
| <b>Average Medical Claims &gt; \$100,000</b>                               |   | <b>\$251,623</b>     |           |           |   | <b>\$226,428</b>    |           |           |
| <b>NET Claims &gt; \$100,000 as a % of Total Medical and Rx Claims</b>     |   | <b>31.87%</b>        |           |           |   | <b>27.98%</b>       |           |           |

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## 7.1.22 Cost Projection



# 7/1/22 Preliminary Funding Discussion

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- Recall, 7/1 Projections are finalized using 24 months of claims data, ending March 31 of each year
- 7/1/18 Renewal Action: +5.49%
- 7/1/19 Renewal Action: +8.66%
- 7/1/20 Renewal: +8.96%
- 7/1/21 Renewal: +5.76%

# 7/1/22 Preliminary Funding Discussion

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- Actuarial Evaluation
  - 24 months of claims from 4/1/20-3/31/22
  - 24 months of large claims
  - Apply any plan design changes (-5% for 7.1.22 plan change)
  - Apply Trend Factors – Health care inflation
  - Apply 3.75% claims fluctuation corridor
  - Add in ASO administrative fees and other fixed expenses
  - Estimated Stop Loss renewal
  - Compare to current funding (rates set as of 7/1/21)
  - Early Estimates (M/Rx): 7-9% (data through February of 2022)
  - This excludes any impact related to Autism Treatment

# 7/1/22 Preliminary Change in EE Contributions

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- PRELIMINARY RANGE of Change of Contributions for employees migrating from Current PPO 1 Plan (Main PPO with 95% + enrollment)
- Range Below is based on the 24 pay period frequency
- From PPO Plan 1 to NEW PPO, estimates:
  - Single: + \$20-\$23 per pay
  - EE + 1: + \$40-\$44 per pay
  - Family: + \$55-\$60 per pay
- At April HCAC, final rates and contributions will be presented for both plan options, effective 7.1.22
- At April HCAC, the complete grid of change in contributions from old plans to new plans will be presented

# Preliminary 7/1/22 Rate Timeline

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- Review preliminary projections with HCAC in February and March
- USI will finalize rate projection with March data once available
- Renewal from MMO not released yet
- Once MMO renewal is in hand, USI to evaluate and negotiate and provide final cost projection/underwriting to YSU and Present to HCAC at the April meeting.