



Youngstown State University

Healthcare Advisory Committee
Meeting

September 19, 2019



Agenda

- **Financial Review**
 - Policy year through 6/30/19
 - Data through 8/31/19
- **Legislative Update**
- **Medical/Pharmacy 2020 RFP**

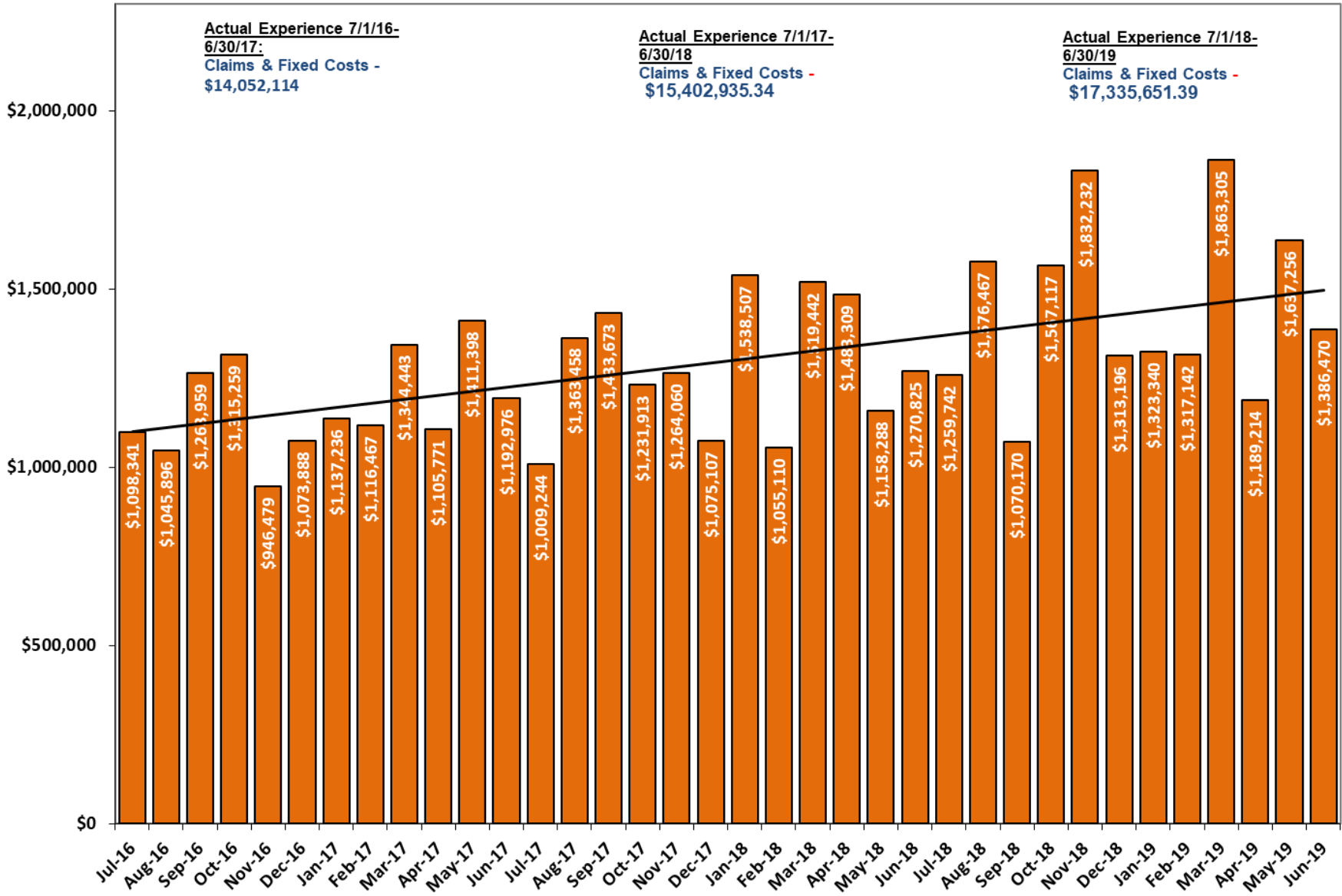
YSU Executive Rolling 12 Month Summary (Medical and Pharmacy)

Experience Period	7/1/17-6/30/18	7/1/18-6/30/19
Average Enrollment	1,038	1,027
Medical Claims	\$9,846,247	\$11,736,209
Rx Claims	\$3,796,730	\$3,973,669
Subtotal Plan Gross Claim Costs	\$13,642,977	\$15,709,878
Fixed costs (Fees and Stop Loss)	\$1,759,958	\$1,625,773
Total Plan Gross Costs	\$15,402,935	\$17,335,651
Total Plan Gross Costs (PEPM)	\$1,236.29	\$1,406.77
Gross Cost Increase from Prior Year		13.79%
Stop Loss Reimbursement	(\$293,392)	(\$1,207,860)
Total Plan Net Costs (Gross Costs Less Reimbursement)	\$15,109,543	\$16,127,791
Total Plan Net Costs (PEPM)	\$1,212.74	\$1,308.76
Net Cost Increase from Prior Year	-	7.92%

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

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

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



YSU Executive Rolling 12 Month Summary (Medical and Pharmacy)

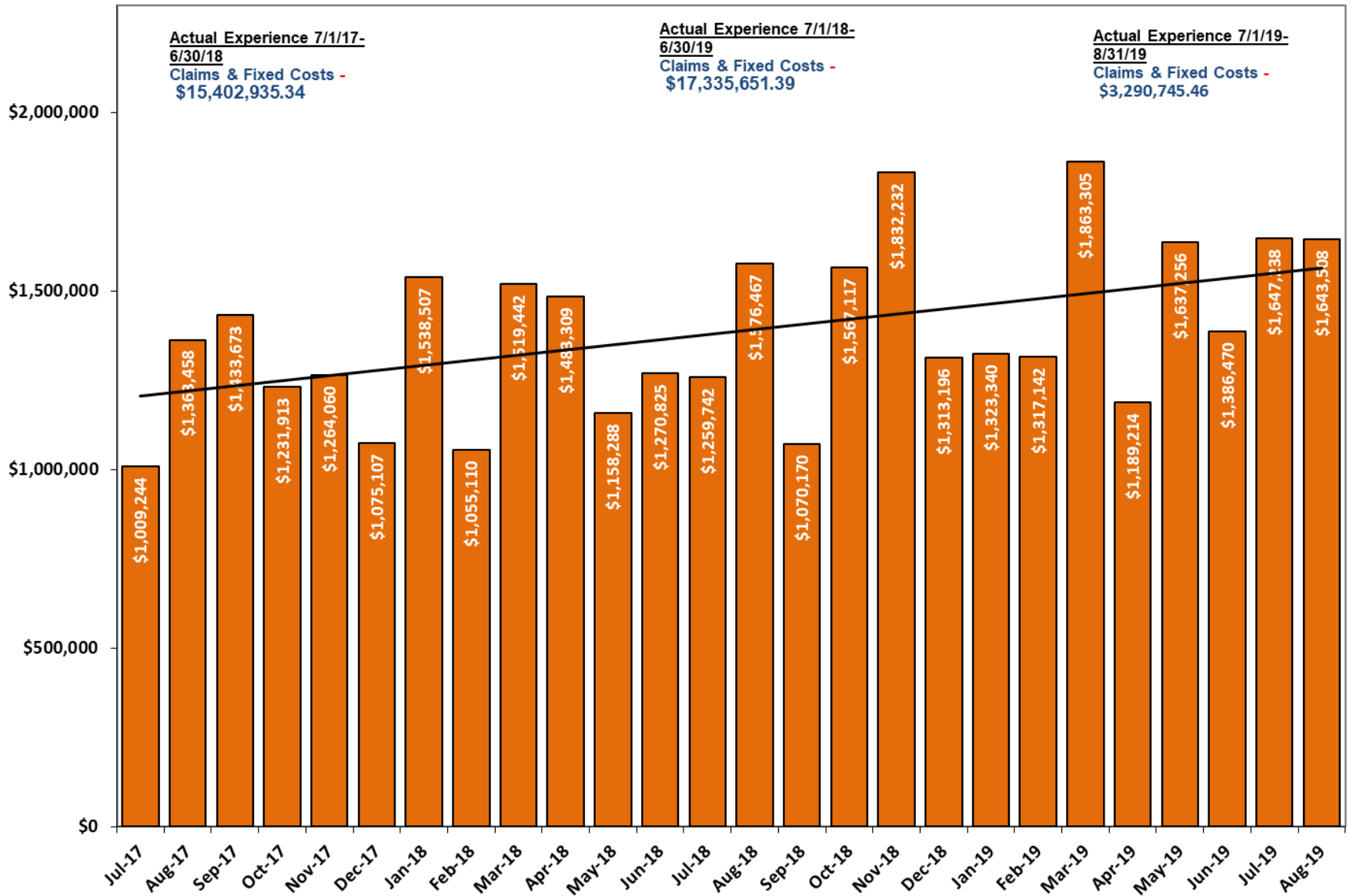
Experience Period	9/1/17-8/31/18	9/1/18-8/31/19
Average Enrollment	1,039	1,022
Medical Claims	\$9,990,219	\$12,291,274
Rx Claims	\$4,134,166	\$3,852,537
Subtotal Plan Gross Claim Costs	\$14,124,385	\$16,143,811
Fixed costs (Fees and Stop Loss)	\$1,742,058	\$1,646,377
Total Plan Gross Costs	\$15,866,443	\$17,790,188
Total Plan Gross Costs (PEPM)	\$1,272.47	\$1,451.19
Gross Cost Increase from Prior Year		14.05%
Stop Loss Reimbursement	(\$393,696)	(\$1,221,977)
Total Plan Net Costs (Gross Costs Less Reimbursement)	\$15,472,747	\$16,568,211
Total Plan Net Costs (PEPM)	\$1,240.90	\$1,351.51
Net Cost Increase from Prior Year	-	8.91%

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

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



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



Youngstown State University
 Medical and Prescription Drug Large Claims Summary

Claimants	2019/2020 Plan Year (7/1/19-6/30/19)				2018/2019 Plan Year (7/1/18-6/30/19)				2017/2018 Plan Year (7/1/17-6/30/18)				2016/2017 Plan Year (7/1/16-6/30/17)			
	Status	Medical	Rx	Total	Status	Medical	Rx	Total	Status	Medical	Rx	Total	Status	Medical	Rx	Total
Claimant #1	Active	\$147,235	\$4,978	\$152,213	Active	\$202,185	\$419,762	\$621,947	Active	\$373,761	\$112,438	\$486,199	Active	\$317,731	\$86,526	\$404,257
Claimant #2	Active	\$114,504	\$54	\$114,558	Active	\$408,926	\$4,503	\$413,429	Active	\$206,457	\$49,412	\$255,869	Active	\$95,827	\$125,454	\$221,281
Claimant #3					Cancel	\$311,633	\$95,877	\$407,510	Active	\$14,437	\$211,887	\$226,324	Cancel	\$156,496	\$62,512	\$219,008
Claimant #4					Active	\$13,335	\$347,936	\$361,271	Cancel	\$223,525	\$481	\$224,006	Cancel	\$207,874	\$612	\$208,486
Claimant #5					Active	\$345,147	\$8	\$345,155	Active	\$217,006	\$139	\$217,145	Active	\$202,192	\$121	\$202,313
Claimant #6					Cancel	\$319,081	\$6,704	\$325,785	Active	\$63,528	\$152,115	\$215,643	Active	\$15,194	\$179,091	\$194,285
Claimant #7					Active	\$270,810	\$635	\$271,445	Active	\$4,005	\$195,088	\$199,093	Active	\$9,348	\$178,552	\$187,900
Claimant #8					Active	\$249,535	\$11,782	\$261,317	Active	\$16,316	\$178,977	\$195,293	Active	\$165,760	\$1,738	\$167,498
Claimant #9					Active	\$53,538	\$156,179	\$209,717	Active	\$63,581	\$130,301	\$193,882	Cancel	\$155,275	\$571	\$155,846
Claimant #10					Cancel	\$179,455	\$0	\$179,455	Active	\$189,934	\$59	\$189,993	Active	\$70,125	\$55,642	\$125,767
Claimant #11					Active	\$6,165	\$169,822	\$175,987	Active	\$188,890	\$1,026	\$189,916	Active	\$121,732	\$484	\$122,216
Claimant #12					Active	\$163,207	\$217	\$163,424	Active	\$183,836	\$4,668	\$188,504	Active	\$111,416	\$10,696	\$122,112
Claimant #13					Active	\$157,300	\$5,701	\$163,001	Active	\$136,836	\$340	\$137,176	Active	\$118,555	\$528	\$119,083
Claimant #14					Cancel	\$138,578	\$9,632	\$148,210	Active	\$105,907	\$25,465	\$131,372	Active	\$107,508	\$2,055	\$109,563
Claimant #15					Active	\$117,911	\$29,703	\$147,614	Active	\$125,999	\$56	\$126,055	Active	\$7,183	\$94,025	\$101,208
Claimant #16					Active	\$137,992	\$954	\$138,946	Active	\$116,930	\$1,971	\$118,901	Active	\$100,288	\$13	\$100,301
Claimant #17					Active	\$51,245	\$72,307	\$123,552	Active	\$114,423	\$450	\$114,873				
Claimant #18					Active	\$119,089	\$330	\$119,419	Active	\$29,447	\$78,586	\$108,033				
Claimant #19					Cancel	\$117,984	\$0	\$117,984	Active	\$74,143	\$33,806	\$107,949				
Claimant #20					Active	\$80,532	\$29,769	\$110,301	Active	\$5,979	\$94,996	\$100,975				
Claimant #21					Active	\$3,285	\$99,157	\$102,442								
Claimant #22					Active	\$77,713	\$22,644	\$100,357								
Total Medical and Rx Claims > \$100,000		\$266,771				\$5,008,268				\$3,727,201				\$2,761,124		
Total Claims in Excess of \$225,000 Specific Stop Loss- eff 7.1.18		\$0				(\$1,207,859)				(\$425,186)				(\$255,345)		
Net Large Claims		\$266,771				\$3,800,409				\$3,302,015				\$2,505,779		
Total Medical and Rx Claims		\$2,997,047				\$15,709,878				\$13,642,977				\$12,498,210		
Average Medical Claims > \$100,000		\$133,386				\$227,649				\$186,360				\$172,570		
NET Claims > \$100,000 as a % of Total Medical and Rx Claims		8.90%				24.19%				24.20%				20.05%		



Youngstown State University

Medical and Prescription Drug Large Claims Summary (FY Comparison)

Claimants	2019/2020 Plan Year-To-Date (7/1/19 - 8/31/19)				2018/2019 Plan Year-To-Date (7/1/18 - 8/31/18)			
	Status	Medical	Rx	Total	Status	Medical	Rx	Total
Claimant #1	Active	\$147,235	\$4,978	\$152,213	Cancel	\$84,866	\$43,044	\$127,910
Claimant #2	Active	\$114,504	\$54	\$114,558	Cancel	\$115,808	\$0	\$115,808
Claimant #3								
Claimant #4								
Claimant #5								
Claimant #6								
Claimant #7								
Claimant #8								
Claimant #9								
Claimant #10								
Claimant #11								
Claimant #12								
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Claimant #14								
Claimant #15								
Claimant #16								
Claimant #17								
Claimant #18								
Claimant #19								
Claimant #20								
Claimant #21								
Claimant #22								
Total Medical and Rx Claims > \$100,000		\$266,771				\$243,718		
Total Claims in Excess of \$225,000 Specific Stop Loss - eff 7.1.18		\$0				\$0		
Net Large Claims		\$266,771				\$243,718		
Total Medical and Rx Claims		\$2,997,047				\$2,563,114		
Average Medical Claims > \$100,000		\$133,386				\$121,859		
NET Claims > \$100,000 as a % of Total Medical and Rx Claims		8.90%				9.51%		



Youngstown State University Demographic Information

Month-Year	Number of Subscribers	Number of Members	Members Per Contract	Average Age of Subscribers	Average Age of Members	Number of Employee Cancels	Number of Employee Adds
Sep-17	1,034	2,452	2.37	49.60	38.00	17	28
Oct-17	1,036	2,445	2.36	49.50	38.00	8	10
Nov-17	1,033	2,440	2.36	49.50	38.00	8	5
Dec-17	1,030	2,427	2.36	49.50	38.00	5	2
Jan-18	1,029	2,426	2.36	49.50	37.90	11	10
Feb-18	1,031	2,429	2.36	49.50	38.00	7	9
Mar-18	1,032	2,434	2.36	49.50	38.00	2	3
Apr-18	1,035	2,431	2.35	49.60	38.10	4	7
May-18	1,035	2,432	2.35	49.70	38.20	3	3
Jun-18	1,023	2,407	2.35	49.70	38.20	17	5
Jul-18	1,026	2,422	2.36	49.60	38.10	7	10
Aug-18	1,025	2,418	2.36	49.50	38.10	9	8
Average :	1,031	2,430	2.36	49.56	38.05	8	8
Sep-18	1,032	2,421	2.35	49.50	38.10	24	31
Oct-18	1,023	2,403	2.35	49.70	38.20	16	7
Nov-18	1,026	2,397	2.34	49.70	38.30	5	8
Dec-18	1,019	2,379	2.33	49.80	38.40	7	0
Jan-19	1,016	2,369	2.33	49.90	38.40	9	6
Feb-19	1,028	2,394	2.33	49.80	38.30	3	15
Mar-19	1,026	2,392	2.33	49.80	38.40	4	2
Apr-19	1,025	2,389	2.33	49.80	38.40	9	8
May-19	1,020	2,381	2.33	49.90	38.40	8	3
Jun-19	1,007	2,361	2.34	50.00	38.40	19	6
Jul-19	1,001	2,350	2.35	50.00	38.40	15	9
Aug-19	1,004	2,352	2.34	49.90	38.30	7	10
Average :	1,019	2,382	2.34	49.82	38.33	11	9



Legislative Update

- Cadillac Tax
 - What is it?
 - A 40% tax on the most generous employer-provided health insurance plans
 - \$11,200 per year for an individual policy in 2022
 - \$30,150 per year for family coverage in 2022
 - Supposed to be effective in 2018 but has since been delayed twice and currently stands to be in effect in 2022
 - U.S. House voted on 7/16 to repeal the Cadillac Tax–Passed (419-6)!
 - As of 8/14/19 – A Senate Companion Bill had bipartisan support and now has 61 co-sponsors – more than enough to ensure passage.
 - Speculation is if the Cadillac Tax is repealed then some other form of tax or revenue will have to be generated.



YSU Cadillac Tax Forecast

- When is YSU forecasted to hit the Cadillac Tax assuming it is NOT repealed:
 - Assuming annual trend or cost increases of 8-9%, YSU would be projected to be over the thresholds in 2022.
 - Assumes NO plan changes or Plan Migration (to HDHP or PPO 2)
 - Estimated Tax range of \$150,000- \$200,000

YSU 2020 Medical/Pharmacy RFP

- A RFP will be issued in collaboration with Findley and YSU Procurement by Mid October, 2019, to evaluate vendors for YSU, effective 7/1/2020
- Targeted Vendors
 - Medical: MMO, Aetna, Anthem, Cigna, UHC
 - Pharmacy: MMO, Aetna, Anthem, Cigna, UHC, CVS, Health Action Council, Employers Health Coalition, Mercy PBM

RFP Process

- Collaborative Process with YSU to determine goals, needs and strategy
 - Carrier Selection
 - Procurement Involvement
- Data Collection from all vendors
- Analysis - Our process uses both a qualitative and quantitative analysis
 - Qualitative
 - Online Questionnaire (service, account management, clinical tools, ease of administration, etc.)
 - Disruption analysis of medical network and pharmacy formulary
 - Performance Guarantees
 - Quantitative
 - Pharmacy and Medical Claim repricing – to determine best unit costs
 - Administrative Fees
 - Pharmacy Contract and Rebates
 - Total Net Cost Summary