




Health Strategy Initiative

June 5, 2017

City of Joplin

Segal Consulting

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Discussion Objectives

- 2016 and 2017 YTD financial statements
- Projected vs. Actual Income and Expense
  - Twelve-Month Period Ending December 31, 2016
  - Three-Month Period Ending March 31, 2017
- Anthem 2016 and 2017 YTD claims, enrollment and utilization summaries

2016 Financial Statement

	January	February	March	April	May	June	July	August	September	October	November	December	Year to Date
Beginning Balance	$2,046,544[1]	$1,872,919	$1,882,503	$1,788,213	$1,887,918	$2,059,208	$2,019,043	$2,158,037	$2,049,320	$1,930,654	$1,954,332	$2,002,381	$2,046,544
Income													
City Contributions	$356,307	$354,407	$344,725	$356,833	$361,461	$354,767	$352,266	$353,440	$358,818	$351,149	$347,993	$384,510	$4,276,676
Employee Contributions[2]	102,878	99,505	98,628	101,902	99,451	106,154	100,635	102,073	100,403	93,509	104,888	108,565	1,218,592
Interest Income	0	0	0	0	0	1,167	0	0	0	2,068	0	0	3,235
Total	$459,185	$453,912	$443,353	$458,735	$460,912	$462,088	$452,901	$455,513	$459,221	$446,726	$452,881	$493,075	$5,498,503
Expense													
Medical[3]	$362,593	$246,207	$359,957	$158,721	$104,098	$320,557	$110,769	$388,145	$381,288	$233,640	$224,012	$224,320	$3,114,308
Stop Loss Reimbursements	0	0	0	0	0	0	0	0	(3,482)	(12)	(5)	(654)	(4,153)
Prescription Drug[3]	117,907	90,825	80,566	103,634	86,325	82,811	103,510	81,305	97,856	86,396	84,823	99,200	1,115,158
Dental Premium	26,380	26,572	26,234	26,190	26,767	26,830	26,048	25,942	26,310	26,174	25,622	25,710	314,780
Vision Premium	3,371	3,390	3,408	3,388	3,380	3,455	3,385	3,351	3,463	3,423	3,374	3,330	40,718
Life Premium	6,382	6,438	6,370	6,494	6,531	6,543	6,545	6,495	6,504	6,565	6,512	6,361	77,740
Stop-Loss Premium	38,474	38,008	38,205	37,168	38,191	38,394	37,961	37,758	37,378	38,035	37,073	37,493	454,138
Medical Administration	20,904	20,549	20,868	19,910	20,588	20,828	20,668	20,429	20,070	21,107	20,588	20,469	246,978
Special Events & Promotions	391	423	25	690	909	0	0	805	0	489	0	5	3,737
ACA Fees	56,408	0	0	0	0	1	2,771	0	0	0	0	0	59,180
Administration[4]	0	11,917	2,010	2,833	2,833	2,833	2,250	0	8,500	7,231	2,833	2,833	46,074
Total	$632,810	$444,329	$537,643	$359,030	$289,622	$502,253	$313,907	$564,230	$577,887	$423,048	$404,832	$419,067	$5,468,658
Operating Surplus/(Deficit)	($173,625)	$9,584	($94,290)	$99,706	$171,290	($40,165)	$138,994	($108,717)	($118,666)	$23,678	$48,049	$74,008	$29,845
Ending Balance	$1,872,919	$1,882,503	$1,788,213	$1,887,918	$2,059,208	$2,019,043	$2,158,037	$2,049,320	$1,930,654	$1,954,332	$2,002,381	$2,076,389	$2,076,389
Active/COBRA Lives	508	511	506	506	506	505	507	502	510	512	511	506	508
Retiree Lives	8	8	7	8	8	8	8	9	9	8	6	6	8
Total	516	519	513	514	514	513	515	511	519	520	517	512	516

[1] *Adjusted based on reconciliation to audited statements.*

[2] *Employee contributions include Retiree and COBRA contributions.*

[3] *Based on financial statements received from City of Joplin personnel. Reported medical and prescription drug payments are combined on the financial statements received from the City.*

[4] *Administration Expense includes "Equipment Operating" line item from financial statements.*

2017 YTD Financial Statement

	January	February	March	Year to Date
Beginning Balance	$2,076,389	$2,112,430	$2,180,225	$2,076,389
Income				
City Contributions	$382,789	$388,721	$393,140	$1,164,650
Employee Contributions[1]	105,030	105,769	113,827	324,626
Interest Income[2]	1,205	0	0	1,205
Total	$489,024	$494,490	$506,967	$1,490,481
Expense				
Medical[3]	$247,651	$232,680	$291,957	$772,288
Stop Loss Reimbursements	0	0	0	0
Prescription Drug[3]	91,332	91,422	111,429	294,183
Dental Premium	25,355	25,116	25,577	76,048
Vision Premium	3,240	3,276	3,299	9,815
Life Premium	6,446	6,417	6,425	19,288
Stop-Loss Premium	41,314	40,419	41,054	122,787
Medical Administration	20,799	21,125	21,290	63,214
Special Events & Promotions	108	2,832	1,708	4,648
ACA Fees	13,905	0	0	13,905
Administration[4]	2,833	3,408	12,038	18,279
Total	$452,983	$426,695	$514,777	$1,394,455
Operating Surplus/(Deficit)	$36,041	$67,795	($7,810)	$96,026
Ending Balance	$2,112,430	$2,180,225	$2,172,415	$2,172,415
Active/COBRA Lives	504	506	509	506
Retiree Lives	6	8	8	7
Total	510	514	517	513

[1] *Employee contributions include Retiree and COBRA contributions.*

[2] *Interest Income includes "Other Income" line item from financial statements.*

[3] *Based on financial statements received from City of Joplin personnel. Reported medical and prescription drug payments are combined on the financial statements received from the City.*

[4] *Administration Expense includes "Equipment Operating" and "Building Improvements" line item from financial statements.*

Projected vs. Actual Income and Expense
Twelve-Month Period Ending December 31, 2016

	Projected		Actual		% Difference	
Income	**PEPM**	**12 Mo. Total**	**PEPM**	**12 Mo. Total**	***PEPM***	***12 Mo. Total***
City Contributions	$693.92	$4,263,500	$690.68	$4,276,676	*-0.5%*	*0.3%*
Employee Contributions[1]	198.35	1,218,700	196.80	1,218,592	*-0.8%*	*0.0%*
Interest Income	NP	NP	0.52	3,235		
Total Income	$892.27	$5,482,200	$888.00	$5,498,503	*-0.5%*	*0.3%*
Expense						
Medical[2]	$512.49	$3,148,700	$502.29	$3,110,155	*-2.0%*	*-1.2%*
Prescription Drug	188.76	1,159,700	180.10	1,115,158	*-4.6%*	*-3.8%*
Dental Premium	51.43	316,000	50.84	314,780	*-1.2%*	*-0.4%*
Vision Premium	6.57	40,400	6.58	40,718	*0.1%*	*0.8%*
Life Premium	12.64	77,700	12.55	77,740	*-0.7%*	*0.1%*
Stop-Loss Premium	75.14	461,700	73.34	454,138	*-2.4%*	*-1.6%*
Medical Administration	45.40	278,900	39.89	246,978	*-12.1%*	*-11.4%*
ACA Fees[3]	6.07	37,300	9.56	59,180	*57.5%*	*58.7%*
Administration	NP	NP	8.04	49,811		
Total Expense	$898.50	$5,520,400	$883.19	$5,468,658	*-1.7%*	*-0.9%*
Operating Surplus (Deficit)	($6.23)	($38,200)	$4.81	$29,845		
Active	504		508			
Retiree and COBRA	8		8			
Total Employees[4]	**512**		**516**			

[1] *Includes Retiree/COBRA contributions.*

[2] *Net of stop-loss reimbursements.*

[3] *The 2016 ACA Fees were projected on an incurred basis.*

[4] *Total may vary from Anthem data due to rounding.*

NP = Not Projected

Projected vs. Actual Income and Expense
Three-Month Period Ending March 31, 2017

	Projected		Actual		% Difference	
Income	**PEPM**	**3 Mo. Total**	**PEPM**	**3 Mo. Total**	***PEPM***	***3 Mo. Total***
City Contributions	$771.04	$1,184,300	$756.76	$1,164,650	*-1.9%*	*-1.7%*
Employee Contributions[1]	218.06	334,900	210.93	324,626	*-3.3%*	*-3.1%*
Interest Income	NP	NP	0.78	1,205		
Total Income	$989.10	$1,519,200	$968.47	$1,490,481	*-2.1%*	*-1.9%*
Expense						
Medical[2]	$580.28	$891,300	$501.81	$772,288	*-13.5%*	*-13.4%*
Prescription Drug	208.91	320,900	191.15	294,183	*-8.5%*	*-8.3%*
Dental Premium	51.43	79,000	49.41	76,048	*-3.9%*	*-3.7%*
Vision Premium	6.57	10,100	6.38	9,815	*-2.9%*	*-2.8%*
Life Premium	12.64	19,400	12.53	19,288	*-0.9%*	*-0.6%*
Stop-Loss Premium	81.90	125,800	79.78	122,787	*-2.6%*	*-2.4%*
Medical Administration	46.60	71,600	41.07	63,214	*-11.9%*	*-11.7%*
ACA Fees[3]	0.47	700	9.04	13,905	*1823.4%*	*1886.4%*
Administration	NP	NP	14.90	22,927		
Total Expense	$988.80	$1,518,800	$906.07	$1,394,455	*-8.4%*	*-8.2%*
Operating Surplus (Deficit)	$0.30	$400	$62.40	$96,026		
Active	504		506			
Retiree and COBRA	8		7			
Total Employees[4]	**512**		**513**			

[1] *Includes Retiree/COBRA contributions.*

[2] *Net of stop-loss reimbursements.*

[3] *The 2017 ACA Fees were projected on an incurred basis.*

[4] *Total may vary from Anthem data due to rounding.*

NP = Not Projected

2016 & 2017 YTD Enrollment Split

	2016											
	January	**February**	**March**	**April**	**May**	**June**	**July**	**August**	**September**	**October**	**November**	**December**
Members												
Employee	238	243	238	236	237	236	240	237	247	251	249	247
Employee & Spouse/Dependent	88	84	82	86	82	84	84	84	82	80	80	80
Employee & Child/Children	84	89	86	90	91	90	84	84	84	85	84	76
Family	856	847	852	851	853	855	857	852	848	841	841	833
Total	**1,266**	**1,263**	**1,258**	**1,263**	**1,263**	**1,265**	**1,265**	**1,257**	**1,261**	**1,257**	**1,254**	**1,236**
Subscribers												
Employee	238	243	238	236	237	236	240	237	247	251	249	247
Employee & Spouse/Dependent	44	42	41	43	41	42	42	42	41	40	40	40
Employee & Child/Children	29	31	30	32	32	31	29	29	29	29	29	28
Family	205	203	204	203	204	204	204	203	202	200	199	197
Total	**516**	**519**	**513**	**514**	**514**	**513**	**515**	**511**	**519**	**520**	**517**	**512**

	2017											
	January	**February**	**March**	**April**	**May**	**June**	**July**	**August**	**September**	**October**	**November**	**December**
Members												
Employee	245	248	250									
Employee & Spouse/Dependent	90	90	90									
Employee & Child/Children	87	92	96									
Family	806	803	803									
Total	**1,228**	**1,233**	**1,239**									
Subscribers												
Employee	244	247	249									
Employee & Spouse/Dependent	45	45	45									
Employee & Child/Children	31	32	33									
Family	190	190	190									
Total	**510**	**514**	**517**									

2016 & 2017 YTD Medical Claims and Enrollment Summary

Month	Sum of Paid Medical Claims [1]	Number of Lives	Number of Employees	Paid Medical Claims Per Life Per Month	Paid Medical Claims Per Employee Per Month
January – 2016	$437,332	1,266	516	$345.44	$847.54
February	$228,610	1,263	519	$181.01	$440.48
March	$285,859	1,258	513	$227.23	$557.23
April	$150,368	1,263	514	$119.06	$292.54
May	$154,485	1,263	514	$122.32	$300.55
June	$253,523	1,265	513	$200.41	$494.20
July	$219,629	1,265	515	$173.62	$426.46
August	$503,843	1,257	511	$400.83	$985.99
September	$267,099	1,261	519	$211.82	$514.64
October	$175,020	1,257	520	$139.24	$336.58
November	$304,514	1,254	517	$242.83	$589.00
December	$216,827	1,236	512	$175.43	$423.49
Total – 2016	**$3,197,109**	**1,259**	**515**	**$211.62**	**$517.33**
January – 2017	$214,430	1,228	510	$174.62	$420.45
February	$225,141	1,233	514	$182.60	$438.02
March	$272,183	1,239	517	$219.68	$526.47
YTD - 2017	**$711,754**	**1,233**	**514**	**$192.42**	**$461.58**

[1] *As reported by Anthem*

2016 & 2017 YTD Prescription Drug Claims and Enrollment Summary

Month	Sum of Paid Rx Claims	Number of Lives	Number of Employees	Paid Rx Claims Per Life Per Month	Paid Rx Claims Per Employee Per Month
January – 2016	$117,907	1,266	516	$93.13	$228.50
February	$90,825	1,263	519	$71.91	$175.00
March	$80,566	1,258	513	$64.04	$157.05
April	$103,634	1,263	514	$82.05	$201.62
May	$86,325	1,263	514	$68.35	$167.95
June	$82,811	1,265	513	$65.46	$161.42
July	$103,510	1,265	515	$81.83	$200.99
August	$81,305	1,257	511	$64.68	$159.11
September	$97,856	1,261	519	$77.60	$188.55
October	$86,396	1,257	520	$68.73	$166.15
November	$84,823	1,254	517	$67.64	$164.07
December	$99,200	1,236	512	$80.26	$193.75
Total – 2016	**$1,115,158**	**1,259**	**515**	**$73.81**	**$180.45**
January – 2017	$91,332	1,228	510	$74.37	$179.08
February	$91,422	1,233	514	$74.15	$177.86
March	$111,429	1,239	517	$89.93	$215.53
YTD - 2017	**$294,183**	**1,233**	**514**	**$79.53**	**$190.78**

2016 & 2017 YTD Total Medical and Prescription Drug Claims and Enrollment Summary

Month	Sum of Total Paid Claims[1]	Number of Lives	Number of Employees	Total Paid Claims Per Lives Per Month	Total Paid Claims Per Employee Per Month
January – 2016	$555,239	1,266	516	$438.58	$1,076.04
February	$319,435	1,263	519	$252.92	$615.48
March	$366,425	1,258	513	$291.28	$714.28
April	$254,002	1,263	514	$201.11	$494.17
May	$240,810	1,263	514	$190.67	$468.50
June	$336,334	1,265	513	$265.88	$655.62
July	$323,139	1,265	515	$255.45	$627.45
August	$585,148	1,257	511	$465.51	$1,145.10
September	$364,955	1,261	519	$289.42	$703.19
October	$261,416	1,257	520	$207.97	$502.72
November	$389,337	1,254	517	$310.48	$753.07
December	$316,027	1,236	512	$255.69	$617.24
Total – 2016	**$4,312,267**	**1,259**	**515**	**$285.43**	**$697.78**
January – 2017	$305,762	1,228	510	$248.99	$599.53
February	$316,563	1,233	514	$256.74	$615.88
March	$383,612	1,239	517	$309.61	$742.00
YTD - 2017	**$1,005,937**	**1,233**	**514**	**$271.95**	**$652.36**

[1] *As reported by Anthem*

Anthem Three Year Utilization Summary

	Prior Period (2 years): April 2014 - March 2015	Prior Period (1 year): April 2015 - March 2016	Current Period: April 2016 - March 2017
Admissions/Visits/Services by Provider Type			
Inpatient facility (admissions)	80	94	64
Outpatient facility (visits)	2,060	2,052	1,958
Professional (services)	19,050	19,509	19,662
Paid Claims by Provider Type[1]			
Inpatient facility	$916,848	$1,125,073	$657,378
Outpatient facility	$780,713	$1,047,576	$1,028,694
Professional	$1,590,256	$1,478,835	$1,270,990
Total	**$3,287,817**	**$3,651,484**	**$2,957,062**

[1] Paid claims do not reflect stop-loss reimbursements

Enrollment and Claims

Enrollment and Claims Metrics	Baseline			
Indicator	**2014**	**2015**	**2016**	**YTD 2017 [1]**
Average Enrolled Participants				
Total - Enrolled Subscribers	517	522	515	514
Total - Enrolled Members	1,292	1,289	1,259	1,233
Paid Expenses[2]				
Total Paid Expenses (medical and prescription drug)	$4,232,637	$4,387,404	$4,312,267	$1,005,937
Paid Expenses - Per Subscriber Per Month	$682.24	$700.42	$697.78	$652.36
Paid Expenses - Per Member Per Month	$273.00	$283.64	$285.43	$271.95

[1] Through March 31, 2017

[2] Paid expenses do not reflect stop-loss reimbursements