JOPLIN CITY COUNCIL
INFORMAL MEETING
MONDAY, JUNE 5, 2023
5TH FLOOR COUNCIL CHAMBERS
602 S. MAIN ST.
5:30 PM

This meeting can be livestreamed at http://www.joplinmo.org/182/Video-Multimedia

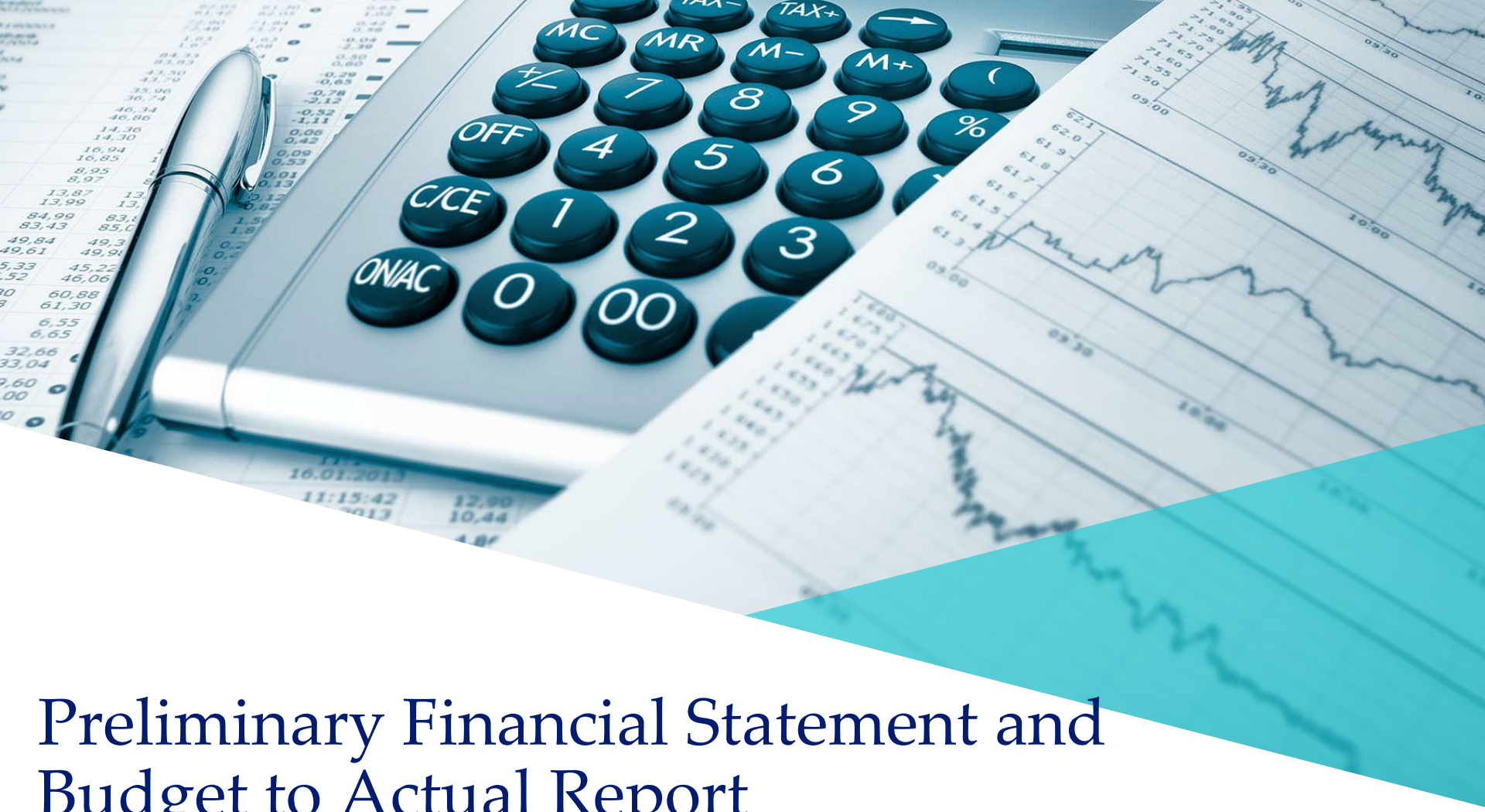
AGENDA

1. Semi-Annual Insurance Update by Segal

Notice posted at 12:00 pm. on this 1st day of June 2023. (RSMo 610.020)

The City of Joplin is committed to comply with the Americans with Disabilities Act. The Joplin City Council Chambers is wheelchair accessible. Request for reasonable special accommodations must be made 48 hours prior to the meeting. Please email the City Clerk's office at hnagy@joplinmo.org or call (417) 624-0820 ext. 1220 for assistance.

Ad Omnia Parata



Preliminary Financial Statement and Budget to Actual Report

City of Joplin

June 5, 2023 \ Kim Wixson

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Segal

Discussion Objectives

- **2022 and 2023 YTD Financial Statements**
- **Projected vs. Actual Income and Expenses**
  - **Twelve-Month Period Ending December 31, 2022**
  - **Three-Month Period Ending March 31, 2023**
- **2022 and 2023 YTD Claims, Enrollment and Utilization Summaries**
- **Medical and Prescription Drug Large Claimant Experience**

2022 Financial Statement (Cash Basis)

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Beginning Balance	$2,807,458	$2,987,156	$3,102,613	$3,188,635	$3,113,488	$2,992,894	$2,857,303	$2,814,929	$3,047,582	$3,218,198	$3,024,007	$3,104,197	$2,807,458
Income													
City Contributions	$424,682	$421,033	$417,552	$407,907	$410,025	$397,199	$406,277	$402,541	$410,846	$209,988	$598,253	$421,850	$4,928,152
Employee Contributions[1]	118,716	109,147	118,545	112,854	110,076	113,738	114,022	104,505	119,229	64,276	153,664	124,390	1,363,163
Interest Income[2]	-	-	-	-	500	150	122	1,300	-	-	-	-	2,072
Total	$543,397	$530,180	$536,097	$520,760	$520,601	$511,087	$520,421	$508,346	$530,075	$274,264	$751,917	$546,241	$6,293,387
Expense													
Medical[3]	$267,048	$193,034	$179,471	$453,994	$408,642	$384,964	$244,062	$277,926	$233,219	$357,057	$414,522	$690,880	$4,104,818
Stop Loss Reimbursements	-	(10,894)	-	-	-	-	-	(121,441)	(206,723)	(71,005)	(9,606)	(96,154)	(515,823)
Prescription Drug	109,220	117,631	153,285	124,696	124,194	149,977	209,080	128,431	217,840	169,148	154,727	187,360	1,845,589
Prescription Drug Rebates[4]	(128,673)	-	-	(95,960)	-	-	-	(94,812)	-	(97,229)	-	-	(416,674)
Dental Premium	26,218	26,255	26,366	25,836	25,687	25,390	24,691	25,352	24,980	25,065	24,860	25,018	305,717
Vision Premium	3,594	3,599	3,570	3,543	3,527	3,537	3,496	3,543	3,525	3,503	3,438	3,531	42,406
Life Premium	7,332	7,153	7,238	7,252	7,143	6,939	6,703	6,891	7,025	6,884	6,970	7,076	84,606
Stop-Loss Premium	55,819	56,108	56,222	54,777	54,200	54,432	53,105	54,028	53,796	54,143	53,508	54,259	654,397
Medical Administration	19,751	17,718	20,905	18,759	19,167	19,153	19,275	(15,608)	18,970	19,041	18,842	19,833	195,805
Special Events & Promotions	475	1,205	101	93	(4,282)	(632)	(533)	2,207	2,111	(1,068)	504	(578)	(396)
Fees & Permits	-	-	-	-	-	-	-	6,260	-	-	1,045	-	7,306
Administration[5]	2,917	2,917	2,917	2,917	2,917	2,917	2,917	2,917	4,717	2,917	2,917	2,917	36,800
Total	$363,699	$414,723	$450,076	$595,907	$641,195	$646,678	$562,795	$275,693	$359,459	$468,455	$671,727	$894,142	$6,344,549
Operating Surplus/(Deficit)	$179,698	$115,456	$86,022	($75,146)	($120,594)	($135,591)	($42,374)	$232,653	$170,616	($194,191)	$80,190	($347,901)	($51,162)
Ending Balance	$2,987,156	$3,102,613	$3,188,635	$3,113,488	$2,992,894	$2,857,303	$2,814,929	$3,047,582	$3,218,198	$3,024,007	$3,104,197	$2,756,295	$2,756,295
Active/COBRA Lives	480	479	478	473	461	456	450	455	455	458	453	458	463
Retiree Lives	12	12	12	11	14	13	13	13	13	12	11	11	12
Total	492	491	490	484	475	469	463	468	468	470	464	469	475

[1] Employee contributions include Retiree and COBRA contributions.
[2] Interest Income includes "Other Income" line item from financial statements.
[3] Medical and prescription drug payments are combined on the financial statements prepared by the City. We have estimated monthly medical claims using monthly prescription drug claims as reported by the network carriers.
[4] Prescription drug rebates from UHC are received on a quarterly basis.
[5] Administration Expense includes "Operating Equipment" and "Building Improvements" line item from financial statements.

2023 YTD Financial Statement (Cash Basis)

	January	February	March	Total
Beginning Balance	$2,756,295	$2,628,135	$2,964,139	$2,756,295
Income				
City Contributions	$222,650	$639,177	$441,679	$1,303,505
Employee Contributions[1]	70,948	157,531	123,800	352,280
Interest Income[2]	-	-	-	-
Total	$293,598	$796,708	$565,479	$1,655,785
Expense				
Medical[3]	$433,152	$319,316	$371,026	$1,123,494
Stop Loss Reimbursements	(255,585)	(127,291)	-	(382,875)
Prescription Drug	132,024	160,876	175,925	468,824
Prescription Drug Rebates[4]	(5,651)	-	(110,493)	(116,144)
Dental Premium	24,880	25,149	25,660	75,689
Vision Premium	3,641	3,720	3,773	11,133
Life Premium	7,352	7,502	7,594	22,448
Stop-Loss Premium	54,963	54,909	57,727	167,599
Medical Administration	19,675	18,487	20,786	58,948
Special Events & Promotions	1,475	(1,964)	20	(470)
Fees & Permits	-	-	-	-
Administration[5]	5,833	-	3,616	9,449
Total	$421,759	$460,704	$555,634	$1,438,096
Operating Surplus/(Deficit)	($128,160)	$336,004	$9,845	$217,689
Ending Balance	$2,628,135	$2,964,139	$2,973,984	$2,973,984
Active/COBRA Lives	457	461	477	465
Retiree Lives	11	12	10	11
Total	468	473	487	476

[1] Employee contributions include Retiree and COBRA contributions.
[2] Interest Income includes "Other Income" line item from financial statements.
[3] Medical and prescription drug payments are combined on the financial statements prepared by the City. We have estimated monthly medical claims using monthly prescription drug claims as reported by the network carriers.
[4] Prescription drug rebates from UHC are received on a quarterly basis.
[5] Administration Expense includes "Operating Equipment" and "Building Improvements" line item from financial statements.

Projected vs. Actual Income and Expense 12-Month Period Ending December 31, 2022

	Projected		Actual		% Difference	
Income	**PEPM**	**12 Mo. Total**	**PEPM**	**12 Mo. Total**	***PEPM***	***12 Mo. Total***
City Contributions	$864.10	$4,977,200	$864.59	$4,928,152	*0.1%*	*-1.0%*
Employee Contributions[1]	241	1,390,700	239	1,363,163	*-0.9%*	*-2.0%*
Interest Income[2]	NP	NP	0	2,072	*N/A*	*N/A*
Total Income	**$1,105.54**	**$6,367,900**	**$1,104.10**	**$6,293,387**	***-0.1%***	***-1.2%***
Expenses						
Medical[3]	$661.51	$3,810,300	$629.65	$3,588,996	*-4.8%*	*-5.8%*
Prescription Drug[4]	276.41	1,592,100	323.79	1,845,589	*17.1%*	*15.9%*
Prescription Drug Rebates[4]	(69.10)	(398,000)	(73.10)	(416,674)	*5.8%*	*4.7%*
Dental Premium	53.70	309,300	53.63	305,717	*-0.1%*	*-1.2%*
Vision Premium	7.45	42,900	7.44	42,406	*-0.1%*	*-1.2%*
Life Premium	14.81	85,300	14.84	84,606	*0.2%*	*-0.8%*
Stop-Loss Premium	114.60	660,100	114.81	654,397	*0.2%*	*-0.9%*
Medical Administration[5]	36.04	207,600	34.35	195,805	*-4.7%*	*-5.7%*
ACA Fees[6]	0.56	3,200	0.56	3,200	*0.0%*	*0.0%*
Administration	NP	NP	7.11	40,509	*N/A*	*N/A*
Total Expense	**$1,095.98**	**$6,312,800**	**$1,113.08**	**$6,344,549**	***1.6%***	***0.5%***
Operating Surplus (Deficit)	**$9.56**	**$55,100**	**($9.00)**	**($51,162)**	***N/A***	***N/A***
Active	467		463			
Retiree and COBRA	13		12			
Total Employees	**480**		**475**			

NP = Not Projected
N/A = Not Applicable

[1] *Includes Retiree/COBRA Contributions*
[2] *Interest Income includes "Other Income" line item from financial statements.*
[3] *Medical claims are net of stop-loss reimbursements.*
[4] *Prescription drug claims as reported by the network carriers. Rebates are estimated based on information from UMR.*
[5] *Medical Administration includes Anthem runout fees and variable fees paid to UMR.*
[6] *ACA fees are estimated.*

Projected vs. Actual Income and Expense Three-Month Period Ending March 31, 2023

	Projected		Actual		% Difference	
Income	**PEPM**	**3 Mo. Total**	**PEPM**	**3 Mo. Total**	***PEPM***	***3 Mo. Total***
City Contributions	$905.07	$1,303,300	$912.82	$1,303,505	*0.9%*	*0.0%*
Employee Contributions[1]	$251.75	$362,500	$246.69	$352,280	*-2.0%*	*-2.8%*
Interest Income[2]	NP	NP	$0.00	$0	*N/A*	*N/A*
Total Income	**$1,156.82**	**$1,665,800**	**$1,159.51**	**$1,655,785**	***0.2%***	***-0.6%***
Expenses						
Medical[3]	$702.29	$1,011,300	$518.64	$740,619	*-26.2%*	*-26.8%*
Prescription Drug[4]	298.52	429,900	328.31	468,824	*10.0%*	*9.1%*
Prescription Drug Rebates[4]	(74.64)	(107,500)	(81.33)	(116,144)	*9.0%*	*8.0%*
Dental Premium	53.70	77,300	53.00	75,689	*-1.3%*	*-2.1%*
Vision Premium	7.45	10,700	7.80	11,133	*4.7%*	*4.0%*
Life Premium	14.81	21,300	15.72	22,448	*6.1%*	*5.4%*
Stop-Loss Premium	117.64	169,400	117.37	167,599	*-0.2%*	*-1.1%*
Medical Administration[5]	36.04	51,900	41.28	58,948	*14.5%*	*13.6%*
ACA Fees	0.57	800	-	-	*-100.0%*	*-100.0%*
Administration	NP	NP	6.29	8,979	*N/A*	*N/A*
Total Expense	**$1,156.38**	**$1,665,100**	**$1,007.08**	**$1,438,096**	***-12.9%***	***-13.6%***
Operating Surplus (Deficit)	**$0.44**	**$700**	**$152.00**	**$217,689**	***N/A***	***N/A***
Active		467		465		
Retiree and COBRA		13		11		
Total Employees		**480**		**476**		

NP = Not Projected
N/A = Not Applicable

[1] *Includes Retiree/COBRA Contributions*
[2] *Interest Income includes "Other Income" line item from financial statements.*
[3] *Medical claims are net of stop-loss reimbursements.*
[4] *Prescription drug claims as reported by the network carriers. Rebates are estimated based on information from UMR.*
[5] *Medical Administration includes Anthem runout fees and variable fees paid to UMR.*

2022 & 2023 YTD Enrollment Split

	2022											
	January	February	March	April	May	June	July	August	September	October	November	December
Members												
Single	249	252	250	246	243	233	235	237	237	236	238	241
Family	884	884	882	877	870	867	866	867	860	857	857	857
Total	**1,133**	**1,136**	**1,132**	**1,123**	**1,113**	**1,100**	**1,101**	**1,104**	**1,097**	**1,093**	**1,095**	**1,098**

Single												
Single	249	252	250	246	243	233	235	237	237	236	238	241
Family	240	240	238	237	234	232	233	234	233	231	231	231
Total	**489**	**492**	**488**	**483**	**477**	**465**	**468**	**471**	**470**	**467**	**469**	**472**

	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
Single												
Single	247	262	262									
Family	846	851	855									
Total	**1,093**	**1,113**	**1,117**									

Family												
Single	247	262	262									
Family	227	228	229									
Total	**474**	**490**	**491**									

2022 & 2023 YTD Medical Claims and Enrollment Summary

Month	Sum of Paid Medical Claims	Number of Members	Number of Employees	Paid Medical Claims Per Member Per Month	Paid Medical Claims Per Employee Per Month
January - 2022	$244,885	1,134	489	$215.95	$500.79
February	$243,392	1,136	492	$214.25	$494.70
March	$346,922	1,132	488	$306.47	$710.91
April	$345,310	1,123	483	$307.49	$714.93
May	$314,837	1,113	477	$282.87	$660.04
June	$414,790	1,100	465	$377.08	$892.02
July	$264,622	1,101	468	$240.35	$565.43
August	$470,475	1,104	471	$426.15	$998.89
September	$257,746	1,097	470	$234.96	$548.40
October	$325,230	1,093	467	$297.56	$696.42
November	$393,586	1,095	469	$359.44	$839.20
December	$849,550	1,098	472	$773.72	$1,799.89
YTD - 2022	**$4,471,345**	**1,111**	**476**	**$335.38**	**$782.80**
January - 2023	$263,344	1,097	474	$240.06	$555.58
February	$364,247	1,113	490	$327.27	$743.36
March	$301,649	1,117	491	$270.05	$614.36
YTD - 2023	**$929,240**	**1,109**	**485**	**$279.30**	**$638.65**
3 Month - 2022	**$835,199**	**1,134**	**490**	**$245.50**	**$568.16**

2022 & 2023 YTD Prescription Drug Claims and Enrollment Summary

Month	Sum of Paid Prescription Drug Claims	Number of Members	Number of Employees	Paid Prescription Drug Claims Per Member Per Month	Paid Prescription Drug Claims Per Employee Per Month
January - 2022	$109,220	1,134	489	$96.31	$223.35
February	$117,631	1,136	492	$103.55	$239.09
March	$153,285	1,132	488	$135.41	$314.11
April	$124,696	1,123	483	$111.04	$258.17
May	$124,194	1,113	477	$111.58	$260.36
June	$149,977	1,100	465	$136.34	$322.53
July	$209,080	1,101	468	$189.90	$446.75
August	$128,431	1,104	471	$116.33	$272.68
September	$217,840	1,097	470	$198.58	$463.49
October	$169,148	1,093	467	$154.76	$362.20
November	$154,727	1,095	469	$141.30	$329.91
December	$187,360	1,098	472	$170.64	$396.95
YTD - 2022	**$1,845,589**	**1,111**	**476**	**$138.43**	**$323.11**
January - 2023	$132,024	1,097	474	$120.35	$278.53
February	$160,876	1,113	490	$144.54	$328.32
March	$175,925	1,117	491	$157.50	$358.30
YTD - 2023	**$468,824**	**1,109**	**485**	**$140.92**	**$322.22**
3 Month - 2022	**$380,136**	**1,134**	**490**	**$111.74**	**$258.60**

2022 & 2023 YTD Total Medical and Prescription Drug Claims and Enrollment Summary

Month	Sum of Total Paid Claims	Number of Members	Number of Employees	Paid Total Claims Per Member Per Month	Paid Total Claims Per Employee Per Month
January - 2022	$354,105	1,134	489	$312.26	$724.14
February	$361,023	1,136	492	$317.80	$733.79
March	$500,207	1,132	488	$441.88	$1,025.02
April	$470,006	1,123	483	$418.53	$973.10
May	$439,031	1,113	477	$394.46	$920.40
June	$564,767	1,100	465	$513.42	$1,214.55
July	$473,702	1,101	468	$430.25	$1,012.18
August	$598,906	1,104	471	$542.49	$1,271.56
September	$475,586	1,097	470	$433.53	$1,011.89
October	$494,378	1,093	467	$452.31	$1,058.63
November	$548,313	1,095	469	$500.74	$1,169.11
December	$1,036,910	1,098	472	$944.36	$2,196.84
YTD - 2022	**$6,316,934**	**1,111**	**476**	**$473.82**	**$1,105.91**
January - 2023	$395,368	1,097	474	$360.41	$834.11
February	$525,123	1,113	490	$471.81	$1,071.68
March	$477,574	1,117	491	$427.55	$972.65
YTD - 2023	**$1,398,064**	**1,109**	**485**	**$420.22**	**$960.87**
3 Month - 2022	**$1,215,335**	**1,134**	**490**	**$357.24**	**$826.76**

Three-Year Utilization Summary

	Prior Period (2 years ago): Jan 2020 - Dec 2020	Prior Period (1 year ago): Jan 2021 - Dec 2021	Current Period: Jan 2022 - Dec 2022
Admissions/Visits/Services by Provider Type			
Inpatient facility (admissions)	64	68	75
Outpatient (visits)	2,138	1,766	1,611
Professional (visits)	9,782	9,010	10,437
Paid Claims by Provider Type[1]			
Inpatient facility	$1,130,911	$1,126,992	$1,144,535
Outpatient	$2,043,357	$639,323	$1,083,792
Professional	$1,347,858	$1,825,406	$1,567,725
Total	**$4,522,126**	**$3,591,721**	**$3,796,052**
Paid Claims Per Admission/Visit/Service			
Inpatient Per Adminssion	$17,670.49	$16,573.41	$15,260.47
Outpatient Per Visit	$955.73	$362.02	$672.74
Professional Per Visit	$137.79	$202.60	$150.21

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

Enrollment and Claims

Enrollment and Claims Metrics				
	2020	2021	2022	2023
Average Enrolled Participants				
Total - Enrolled Employees	502	494	476	485
Total - Enrolled Members	1,185	1,165	1,111	1,109
Paid Expenses[2]				
Total Paid Expenses (medical and prescription drug)	$5,820,368	$5,721,037	$6,316,934	$1,398,064
Paid Expenses - Per Employee Per Month	$966.20	$965.09	$1,105.91	$960.87
Paid Expenses - Per Member Per Month	$409.31	$409.23	$473.82	$420.22

[1] Through March 31, 2023

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

Medical and Prescription Drug Large Claimant Experience

	January 1, 2020 - December 31, 2020		January 1, 2021 - December 31, 2021		January 1, 2022 - December 31, 2022		January 1, 2023 - March 31, 2023		Total	
	Number of Claimants	Dollar Amount	Number of Claimants	Dollar Amount	Number of Claimants	Dollar Amount	Number of Claimants	Dollar Amount	Number of Claimants	Dollar Amount
$50,000 - $99,999	8	$510,735	10	$695,257	11	$793,619	4	$274,132	33	$2,273,743
$100,000 - $149,999	3	$350,277	6	$754,177	5	$598,462	0	$0	14	$1,702,916
$150,000 - $199,999	1	$187,358	1	$156,219	0	$0	0	$0	2	$343,577
$200,000 - $249,999	0	$0	0	$0	0	$0	0	$0	0	$0
$250,000 - $499,999	2	$579,352	0	$0	2	$732,875	0	$0	4	$1,312,227
$500,000 - $999,999	0	$0	1	$522,055	1	$679,895	0	$0	2	$1,201,950
Greater than or Equal to $1 million	1	$1,011,624	0	$0	0	$0	0	$0	1	$1,011,624
Total	15	$2,639,346	18	$2,127,707	19	$2,804,852	4	$274,132	56	$7,846,038
Percent Change from Previous Year	-	-	20.0%	-19.4%	5.6%	31.8%	-78.9%	-90.2%		
Total Claims	$5,820,368		$5,721,037		$6,316,934		$1,398,064		$19,256,403	
Percent of Total Claims	45.3%		37.2%		44.4%		19.6%		40.7%	

The number of individuals with large Rx claims has grown significantly over the past several years:

In 2020, there was just one claimant with Rx claims above $50k, with $69k in drug spend. In 2022, there were 6 claimants with Rx claims above $50k, totaling $485k in drug spend, which represented 7.7% of total combined medical and Rx claims.

Year-to-date through March 2023, there has been one claimant with Rx claims above $50k, totaling $57k.