

UFCW Local 1500 Welfare Fund

Associated Administrators, LLC Report

September 13, 2018

Bill Jensen
Jeff Ianniello



Agenda

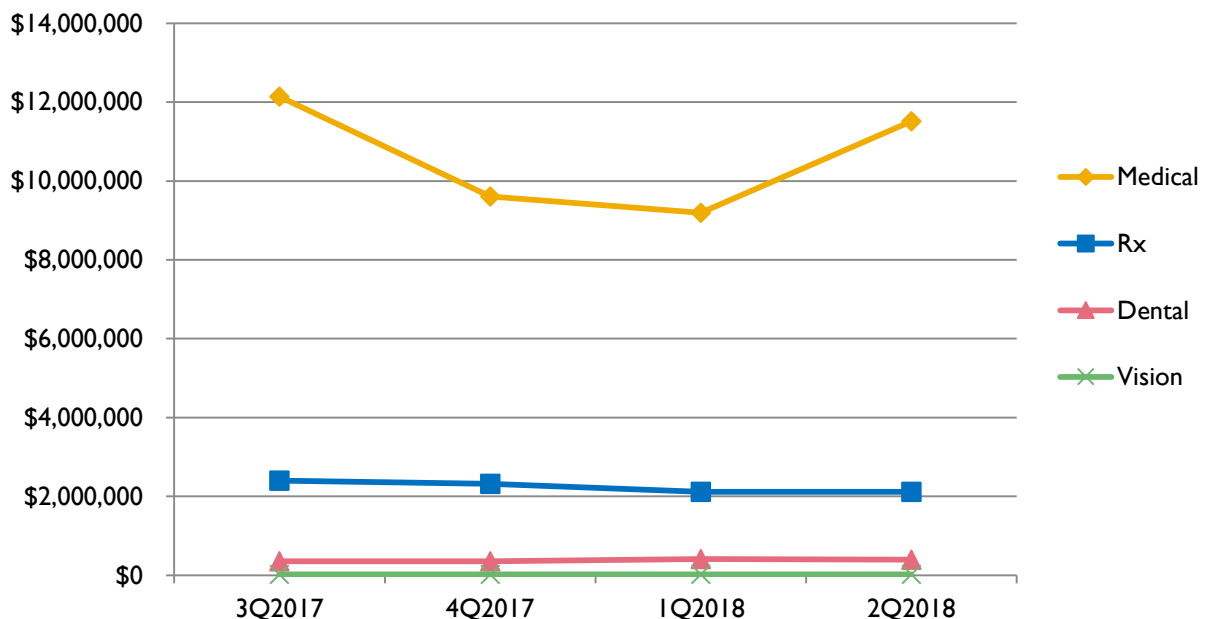
- AMR Summary and Claims Utilization Report 2Qtr 2018
 - Full Time
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 - Retiree
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- JAA Status Update
 - Snapshot
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- In-Network vs. Out-of-Network
- Out-Of-Network Discount Report
- Other Fund Business

AMR Summary : 2Q2018

Full Time Plan

	3Q2017	4Q2017	1Q2018	2Q2018
Medical	\$12,140,335	\$9,604,705	\$9,190,458	\$11,515,640
Rx	\$2,403,177	\$2,317,559	\$2,112,270	\$2,112,270
Dental	\$350,181	\$351,498	\$407,140	\$393,901
Vision	\$22,974	\$18,450	\$19,763	\$18,111

- **2Q18 deficit of \$602,185**
- **PPPM Cost 2Q18 - \$673**



Claims – 2Q2018

FULL-TIME PLAN

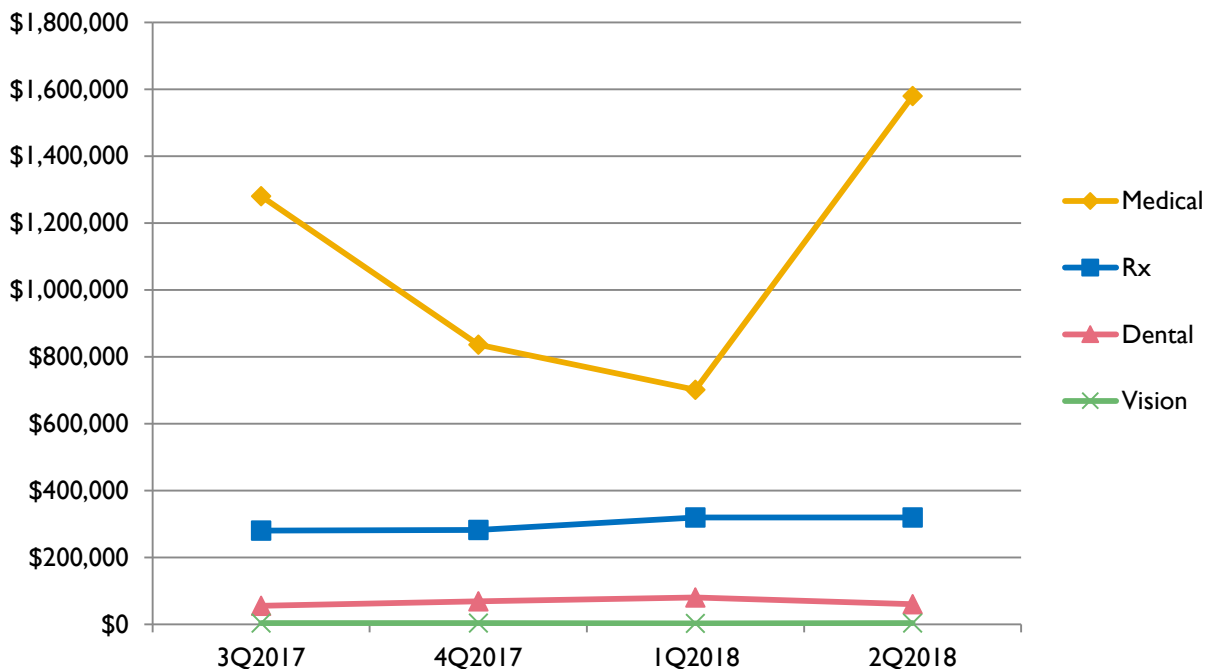
	3Q2017	4Q2017	1Q2018	2Q2018
Medical	\$2,089,413.24	\$2,161,974.26	\$1,990,873.26	\$2,294,670.38
Hospital	\$7,341,853.19	\$5,079,184.45	\$5,188,515.10	\$7,007,948.40
Inpatient Substance Abuse	\$21,310.00	\$7,261.75	\$3,806.85	\$40,585.44
Laboratory & X- Ray	\$1,020,161.32	\$1,064,176.61	\$919,465.66	\$1,056,249.59
Surgery	\$1,060,375.41	\$580,156.02	\$843,495.54	\$820,513.42
Anesthesia	\$231,785.15	\$259,281.52	\$244,301.76	\$295,672.54
Vision	\$22,974.00	\$18,450.00	\$19,763.00	\$18,111.00
Dental	\$350,181.37	\$351,497.74	\$407,139.89	\$393,901.15
Prescription	\$2,403,177.00	\$2,317,559.00	\$2,112,270.00	\$2,112,270.00

AMR Summary : 2Q2018

Special Part Time Plan

	3Q2017	4Q2017	1Q2018	2Q2018
Medical	\$1,279,895	\$835,542	\$701,469	\$1,579,297
Rx	\$279,925	\$282,319	\$319,638	\$319,638
Dental	\$54,835	\$68,193	\$80,061	\$60,148
Vision	\$3,438	\$2,992	\$2,734	\$3,220

- **2Q18 deficit of \$215,552**
- **PPPM Cost 2Q18 - \$299**



Claims cont'd – 2Q2018

SPECIAL PART-TIME PLAN

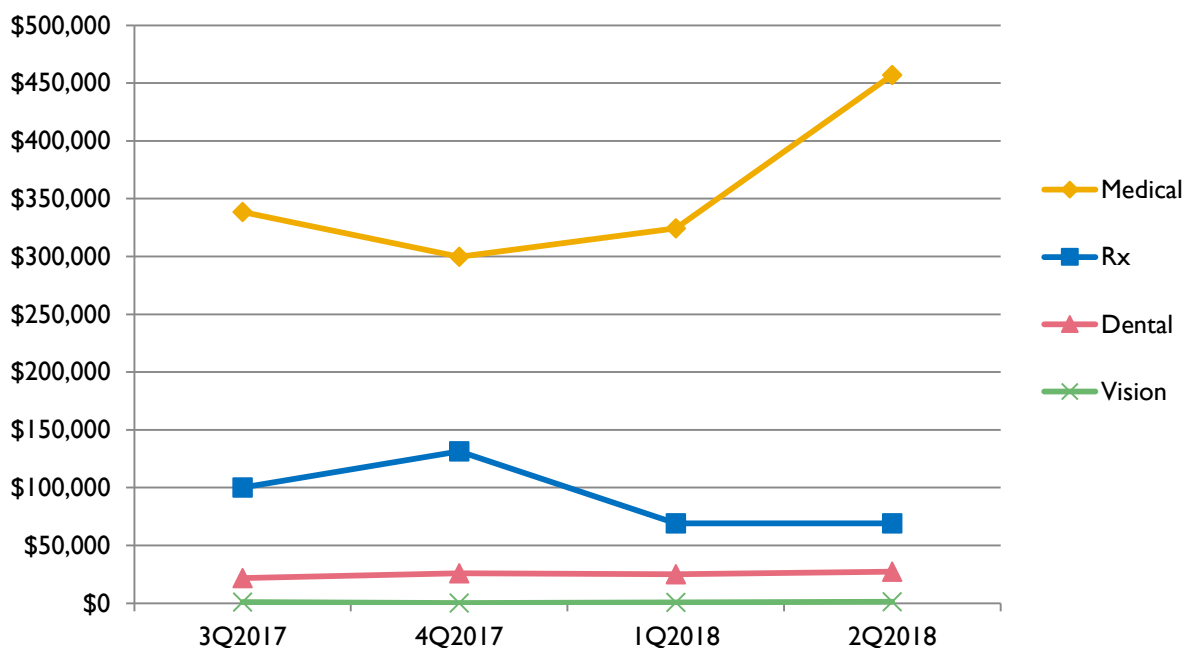
	3Q2017	4Q2017	1Q2018	2Q2018
Medical	\$210,414.01	\$210,797.03	\$165,087.37	\$147,174.93
Hospital	\$597,762.93	\$466,927.86	\$323,127.94	\$1,224,878.07
Laboratory & X-Ray	\$116,114.06	\$134,394.38	\$110,671.10	\$136,581.16
Surgery	\$73,227.17	\$51,491.43	\$77,994.40	\$43,348.18
Anesthesia	\$32,153.94	\$23,989.10	\$24,587.75	\$27,314.97
Vision	\$3,438.00	\$2,992.00	\$2,734.00	\$3,220.00
Dental	\$54,834.65	\$68,193.00	\$80,060.65	\$60,147.85
Prescription	\$279,925.00	\$282,319.00	\$319,638.00	\$319,638.00

AMR Summary : 2Q2018

Part Time ACA Plan

	3Q2017	4Q2017	1Q2018	2Q2018
Medical	\$338,384	\$299,844	\$324,333	\$457,102
Rx	\$100,091	\$131,308	\$69,232	\$69,232
Dental	\$21,648	\$25,918	\$25,209	\$27,332
Vision	\$900	\$295	\$827	\$1,409

- **2Q18 surplus of \$290,111**
- **PPPM Cost 2Q18 - \$144**



Claims cont'd - 2Q2018

PART-TIME ACA PLAN

	3Q2017	4Q2017	1Q2018	2Q2018
Medical	\$122,275.01	\$44,401.03	\$82,581.65	\$42,167.26
Hospital	\$125,759.03	\$234,818.87	\$217,190.81	\$370,124.62
Inpatient Substance Abuse	\$0.00	-\$2,995.00	\$0.00	\$0.00
Laboratory & X- Ray	\$26,595.16	\$21,324.36	\$12,068.33	\$20,651.95
Surgery	\$18,385.47	\$14,933.86	\$7,084.13	\$15,112.80
Anesthesia	\$9,868.60	\$6,521.23	\$5,408.00	\$9,045.00
Vision	\$900.00	\$295.00	\$827.00	\$1,409.00
Dental	\$21,648.15	\$25,917.95	\$25,208.65	\$27,322.40
Prescription	\$100,091.00	\$131,308.00	\$69,232.00	\$69,232.00

JAA Claims – 2Q2018

Part-Time ACA Plan Deductible/Out-of-pocket maximum

- **9 members met their \$5,600 deductible for the 2018 plan year by the end of the 2nd quarter.**
- **Utilization below -- amounts shown include first \$400 basic benefit.**

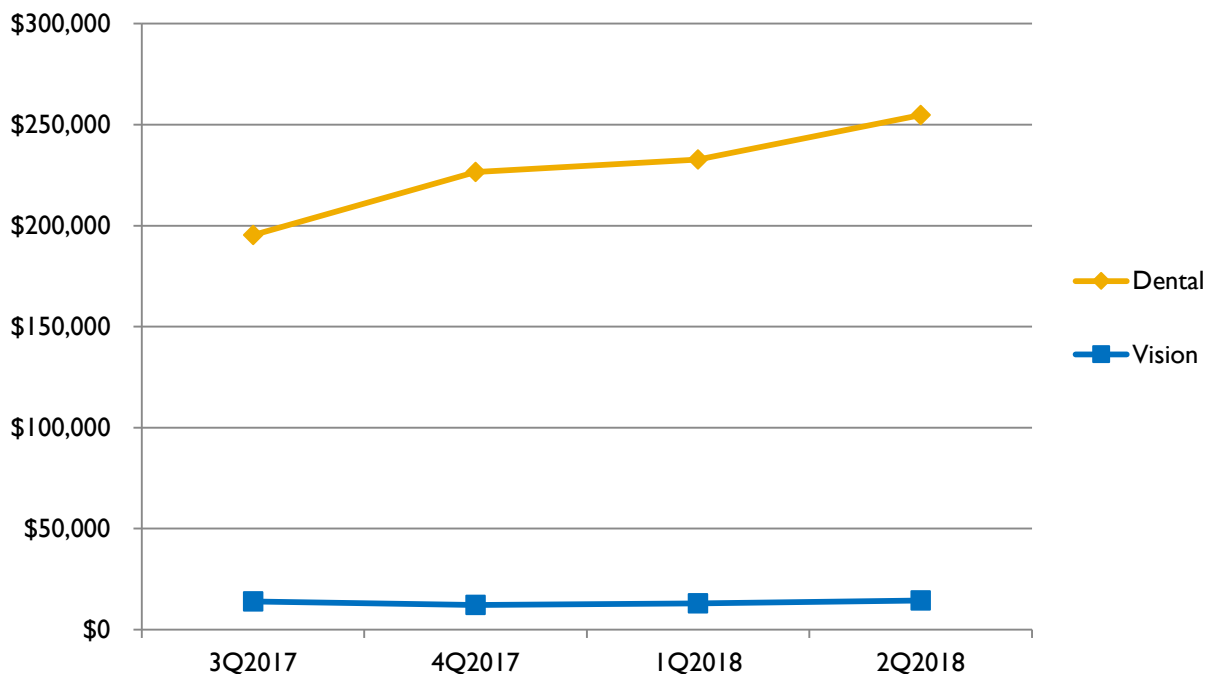
Member	AMOUNT PAID THROUGH 2Q2018
1	\$375,032.90
2	\$122,819.34
3	\$91,616.08
4	\$18,627.80
5	\$11,590.28
6	\$11,552.37
7	\$8,444.15
8	\$2,524.98
9	\$1,703.61

AMR Summary : 2Q2018

Part Time Plan

	3Q2017	4Q2017	1Q2018	2Q2018
Dental	\$195,326	\$226,580	\$232,746	\$254,824
Vision	\$13,870	\$12,185	\$13,010	\$14,440

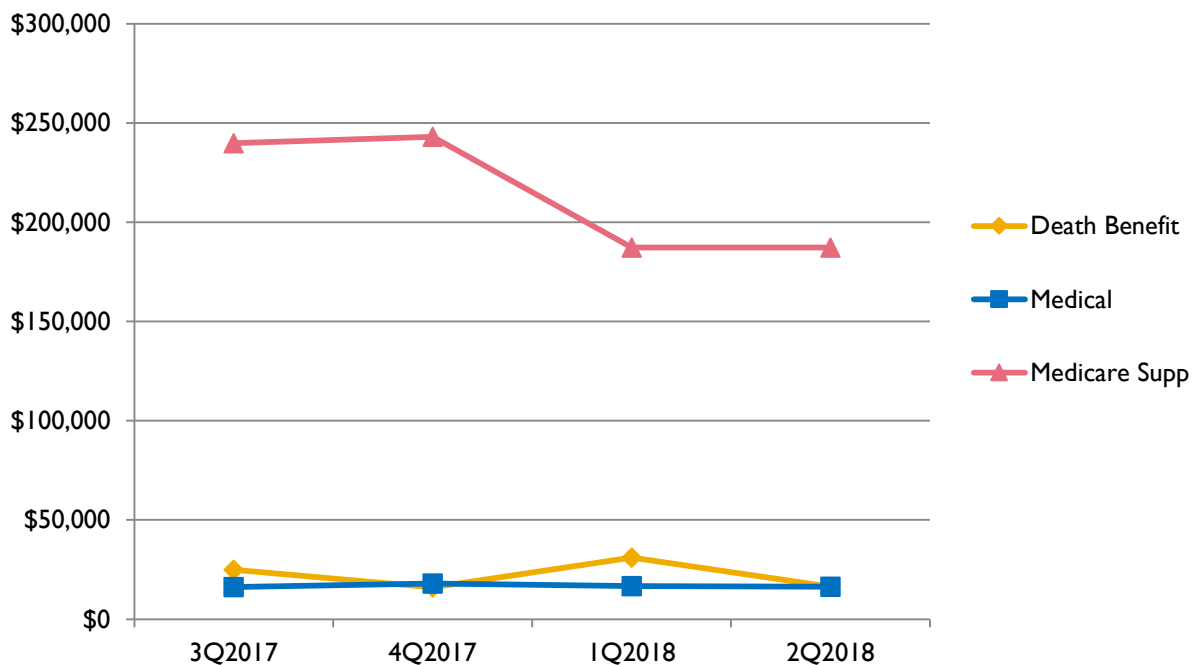
- **2Q18 surplus of \$2,402,634**
- **PPPM Cost 2Q18 - \$13**



AMR Summary : 2Q2018

Retiree Plan

	3Q2017	4Q2017	1Q2018	2Q2018
Death Benefit	\$25,000	\$16,000	\$31,000	\$16,333
Medical	\$16,275	\$18,055	\$16,644	\$16,318
Medicare Supp Part B Reimbursement	\$239,833	\$243,057	\$187,284	\$187,284



Claims cont'd - 2Q2018

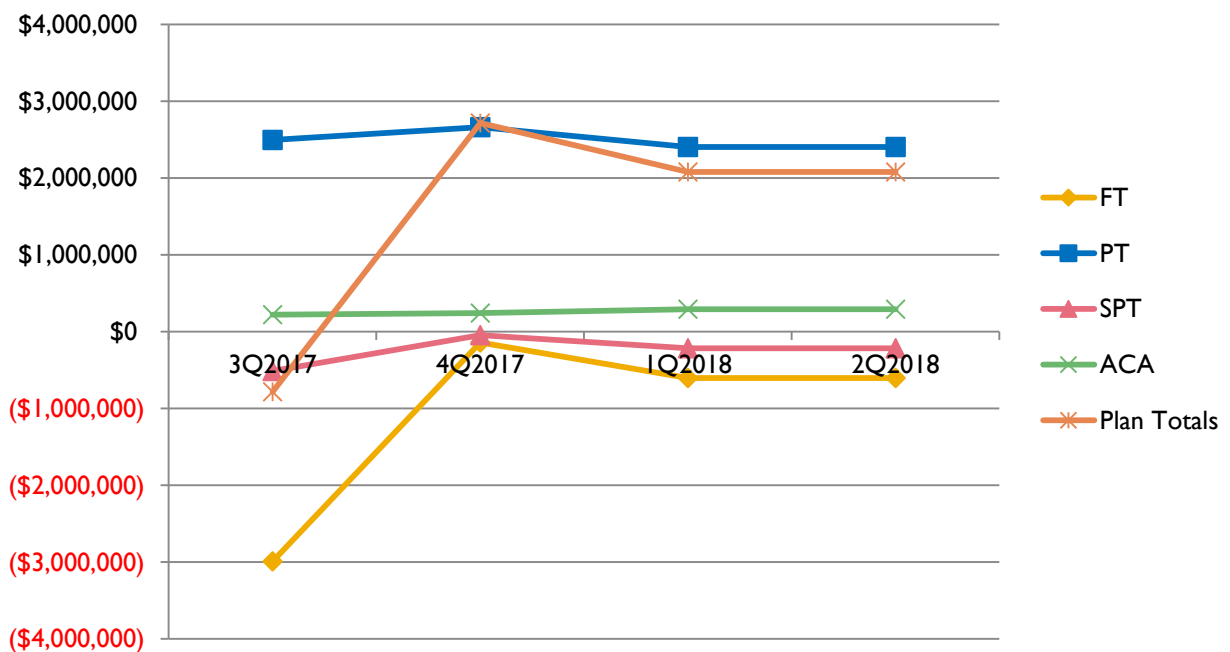
RETIREES

	3Q2017	4Q2017	1Q2018	2Q2018
Death Benefit	\$25,000.00	\$16,000.00	\$31,000.00	\$16,333.34
Hospital	\$13,658.52	\$17,133.79	\$15,382.14	\$13,164.56
Medical	\$1,030.56	\$574.20	\$411.97	\$1,725.99
Surgery	\$1,316.74	\$346.72	\$832.14	\$1,258.47
Anesthesia	\$269.32	\$0.00	\$18.11	\$169.14

AMR Summary : 2Q2018

All Plans: Surplus/Deficit

	3Q2017	4Q2017	1Q2018 (1/2 2018 YTD)	2018 YTD	2Q2018 (1/2 2018 YTD)
FT	(\$2,991,227)	(\$143,161)	(\$602,184.50)	(\$1,204,369)	(\$602,184.50)
PT	\$2,495,908	\$2,659,772	\$2,402,634	\$4,805,268	\$2,402,634
SPT	(\$510,564)	(\$44,658)	(\$215,552)	(\$431,104)	(\$215,552)
ACA	\$222,252	\$242,910	\$290,110.50	\$580,221	\$290,110.50
Plan Totals	(\$783,631)	\$2,714,863	\$2,077,225.50	\$4,154,451	\$2,077,225.50



AMR Summary : 2Q2018

Fund Reserve

- Average monthly expense January 2017 – June 2018 is **\$5,498,911.17**
- Fund reserve amount is **\$48,930,005**, as reported by Fund Auditor 6/30/18

6/30/18 – Fund reserve is 8.9 months

Monthly reserve at past quarterly meetings:

3/31/18	N/A*
12/31/17	7.8 months
9/30/17	7.1 months
6/30/17	7.0 months
3/31/17	6.1 months
12/31/16	5.8 months

*Based on 6 month financial statement.

JAA Status Update

Snapshot

Month	Claims Processed	Billed Amount	Paid Amount	Difference
September '17	7,424	\$8,687,002.26	\$2,897,887.00	66.64%
October '17	8,301	\$9,966,285.42	\$2,983,095.78	70.07%
November '17	7,741	\$9,841,740.16	\$3,505,757.13	64.38%
December '17	8,293	\$10,575,799.91	\$3,466,634.87	67.22%
January '18	7,660	\$10,081,962.28	\$3,002,485.97	70.22%
February '18	8,589	\$12,954,318.89	\$3,188,428.52	75.39%
March '18	8,175	\$12,208,949.84	\$3,210,209.57	73.71%
April '18	8,306	\$12,530,815.57	\$4,187,683.66	66.58%
May '18	9,089	\$13,088,467.24	\$4,445,518.66	66.03%
June '18	8,347	\$11,000,237.34	\$4,221,386.30	61.62%
July '18	8,349	\$11,704,735.43	\$3,982,485.84	65.98%
August '18	9,566	\$11,481,647.77	\$3,737,171.08	67.45%
Totals	99,840	\$134,121,962.11	\$42,828,744.38	68.07%

JAA Claims – 2Q2018

- Top 5 Diagnoses By Expense By Plan

FULL-TIME

<u>Amount Paid</u>	<u>Diagnosis</u>
\$765,812.44	Dissection of thoracic aorta
\$325,658.37	Nonrheumatic aortic (valve) stenosis
\$246,396.83	Ventricular tachycardia
\$222,478.75	Sepsis, unspecified organism
\$214,353.90	Atherosclerotic heart disease of native coronary artery without angina pectoris

PART-TIME ACA

<u>Amount Paid</u>	<u>Diagnosis</u>
\$262,927.72	End stage renal disease
\$36,054.49	Crohn's disease of large intestine with other complication
\$34,672.00	Encounter for attention to ileostomy
\$15,728.31	Encounter for antineoplastic chemotherapy
\$13,399.95	Gastric ulcer, unspecified as acute or chronic, without hemorrhage or perforation

JAA Claims – 2Q2018

- Top 5 Diagnoses By Expense By Plan

SPECIAL PART-TIME

<u>Amount Paid</u>	<u>Diagnosis</u>
\$293,906.16	Multiple myeloma not having achieved remission
\$138,081.49	Hypertensive heart disease with heart failure
\$108,729.01	Unspecified abdominal hernia with obstruction, without gangrene
\$108,257.49	Sepsis, unspecified organism
\$61,791.03	Cervical disc disorder at C5-C6 level with myelopathy

JAA Claims – 2Q2018

- Top 5 Providers By Expense By Plan

<u>FULL-TIME</u>	
<u>Provider</u>	<u>Amount Paid</u>
NORTH SHORE UNIVERSITY HOSPITAL	\$841,824.20
NY PRESBYTERIAN HOSPITAL	\$668,561.35
STONY BROOK UNIVERSITY HOSPITAL	\$548,745.63
LIJ MEDICAL CENTER	\$389,347.82
WINTHROP UNIVERSITY HOSPITAL	\$378,302.42

<u>PART-TIME ACA</u>	
<u>Provider</u>	<u>Amount Paid</u>
GREAT FALLS DIALYSIS LLC	\$261,067.59
HACKENSACK MEDICAL CENTER	\$101,837.94
ST. JOSEPH HOSPITAL	\$15,077.97
NASSAU HEALTH CARE CORP	\$6,608.65
HACKENSACK ANESTHESIA ASSOC	\$6,171.00

JAA Claims – 2Q2018

- Top 5 Providers By Expense By Plan

SPECIAL PART-TIME

<u>Provider</u>	<u>Amount Paid</u>
MEMORIAL HOSPITAL FOR CANCER	\$316,485.63
NORTHERN WESTCHESTER HOSPITAL CENTER	\$190,341.51
WYCKOFF HEIGHTS MEDICAL CENTER	\$108,706.85
MOUNT SINAI HOSPITAL	\$105,610.74
WESTCHESTER HEALTHCARE CORP	\$99,067.04

In-Network vs. Out-of-Network : 2Q2018

- **Inpatient Facility Utilization**
 - **In-Network Total:** **\$6,361,331.26**
 - Full-Time: \$5,253,103.79
 - Part-Time ACA: \$45,826.51
 - Special Part-Time: \$1,062,400.96
 - **Out-of-Network Total:** **\$0.00**
- **Outpatient Facility Utilization**
 - **In-Network Total:** **\$2,253,140.28**
 - Full-Time: \$1,771,609.86
 - Part-Time ACA: \$324,093.87
 - Special Part-Time: \$157,436.55
 - **Out-of-Network Total:** **\$0.00**
- **Inpatient & Outpatient Professional Fees**
 - **In-Network Total:** **\$4,407,056.59**
 - Full-Time: \$3,978,100.23
 - Part-Time ACA: \$87,181.25
 - Special Part-Time: \$341,775.11
 - **Out-of-Network Total:** **\$530,510.58**
 - Full-Time: \$512,825.89
 - Part-Time ACA: \$0.00
 - Special Part-Time: \$17,684.69

HRGi

Out-Of-Network Discounts

- April 2018 Invoice – Total billed \$485,164.31
 - Discount: \$255,951.53 – net of fees
 - Average: 53% per claim
- May 2018 Invoice – Total billed \$273,458.50
 - Discount: \$169,919.85 – net of fees
 - Average: 62% per claim
- June 2018 Invoice – Total billed \$318,785.74
 - Discount: \$167,771.59 – net of fees
 - Average: 53% per claim
- July 2018 Invoice – Total billed \$1,808,757.39
 - Discount: \$826,300.95 – net of fees
 - Average: 46% per claim

April 2018 through July 2018

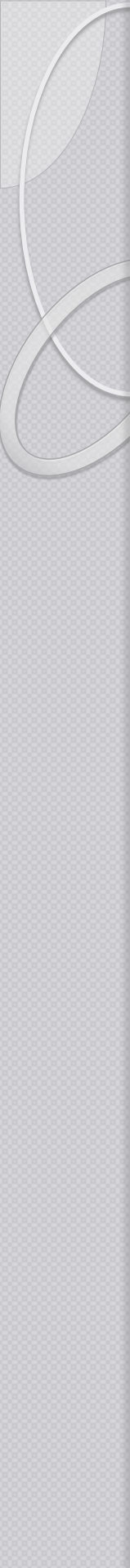
Total billed: \$2,886,165.94

Total discount: \$1,419,943.92 – net of fees

Average: 49.20%

Other Fund Business

- ❑ Contribution Accounting work as of 7/1/18 for Welfare and Pension
- ❑ Subrogation Recovery 2Q2018
 - ❑ Full-Time Plan: Total medical liens were \$54,967.89
 - ❑ \$43,236.17 recovered due to acceptance of lien reduction per Fund Counsel, who assisted in recovery
- ❑ Creditable Coverage Notice will be mailed by 10/15/18



Conclusion

- Thank You
- Questions?