

UFCW Local 1500 Welfare Fund

Associated Administrators, LLC Report

December 13, 2016

Bill Jensen
Jeff Ianniello
Kristen Barshinger



Agenda

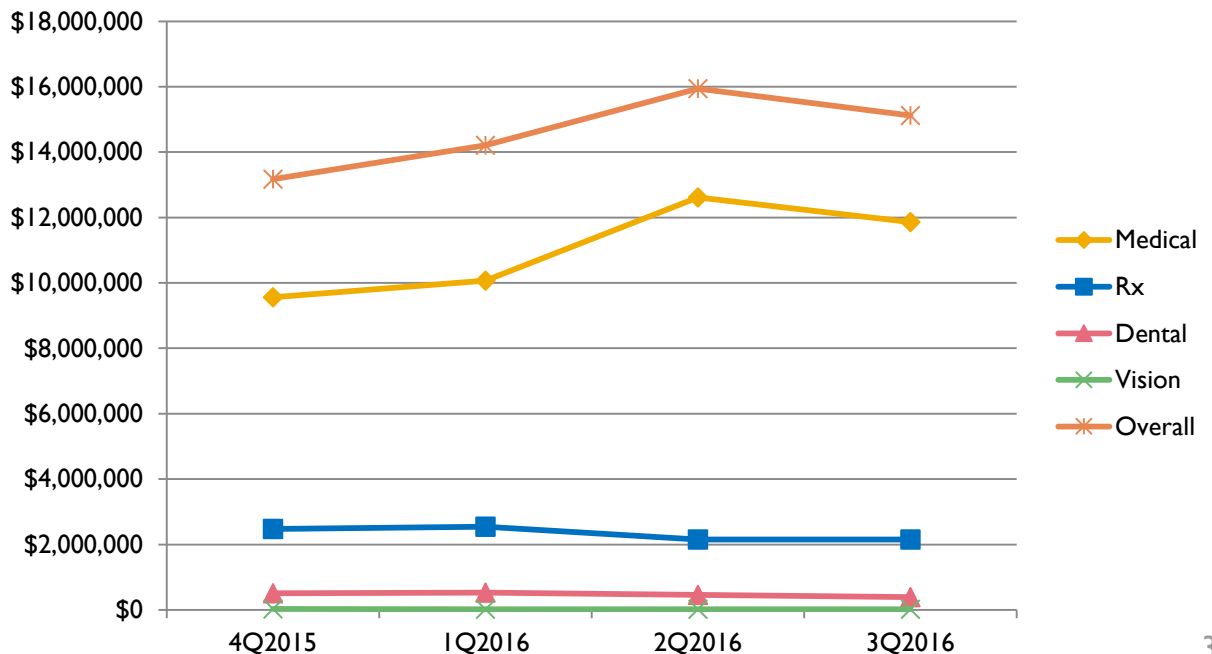
- AMR Summary and Claims Utilization Report 3Qtr 2016
 - Full Time
 - Special Part Time
 - Part Time ACA
 - Basic Part Time
 - Retiree
 - Summary and Reserve
- JAA Status Update
 - Snapshot
 - Top Five Health Conditions
 - Top Five Providers
- In-Network vs. Out-of-Network
- Out-Of-Network Discount Report
- Other Fund Business
- Tabled Appeals

AMR Summary : 3Q2016

Full Time Plan

	4Q2015	1Q2016	2Q2016	3Q2016	Previous 4 Quarters
Medical	\$9,560,477	\$10,073,968	\$12,616,112	\$11,862,068	\$44,112,625
Rx	\$2,476,566	\$2,548,173	\$2,152,878	\$2,154,324	\$9,331,941
Dental	\$508,596	\$524,745	\$454,884	\$387,528	\$1,875,753
Vision	\$27,499	\$23,339	\$23,144	\$19,798	\$93,780

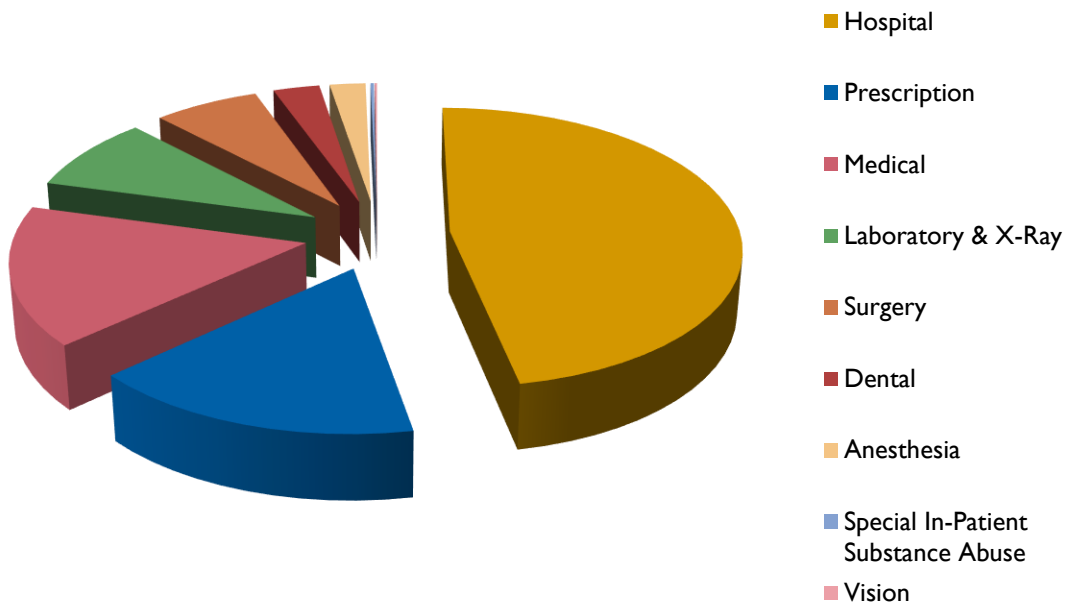
- **3Q16 deficit of \$3,076,128**
- **PPPM Cost 3Q16 - \$1,473**



Claims – 3Q2016

FULL-TIME PLAN

Hospital	\$6,251,549.98	47.02%
Prescription	\$2,154,324.00	16.20%
Medical	\$2,128,189.94	16.01%
Laboratory & X-Ray	\$1,142,641.53	8.59%
Surgery	\$884,115.33	6.65%
Dental	\$387,528.24	2.91%
Anesthesia	\$299,107.90	2.25%
Special In-Patient Substance Abuse	\$28,253.65	0.21%
Vision	\$19,798.00	0.15%
		100%

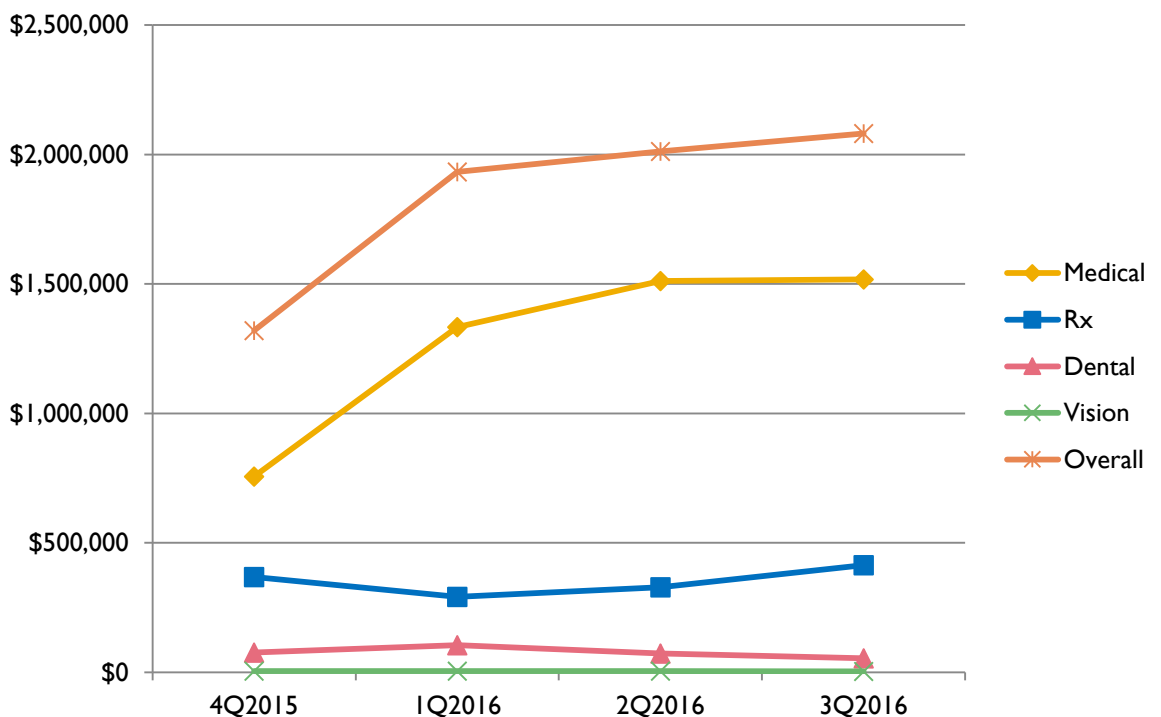


AMR Summary : 3Q2016

Special Part Time Plan

	4Q2015	1Q2016	2Q2016	3Q2016	Previous 4 Quarters
Medical	\$755,809	\$1,333,520	\$1,510,718	\$1,517,702	\$5,117,749
Rx	\$368,109	\$291,695	\$328,640	\$413,610	\$1,402,054
Dental	\$76,672	\$104,773	\$72,682	\$54,024	\$308,151
Vision	\$4,694	\$4,966	\$4,374	\$3,671	\$17,705

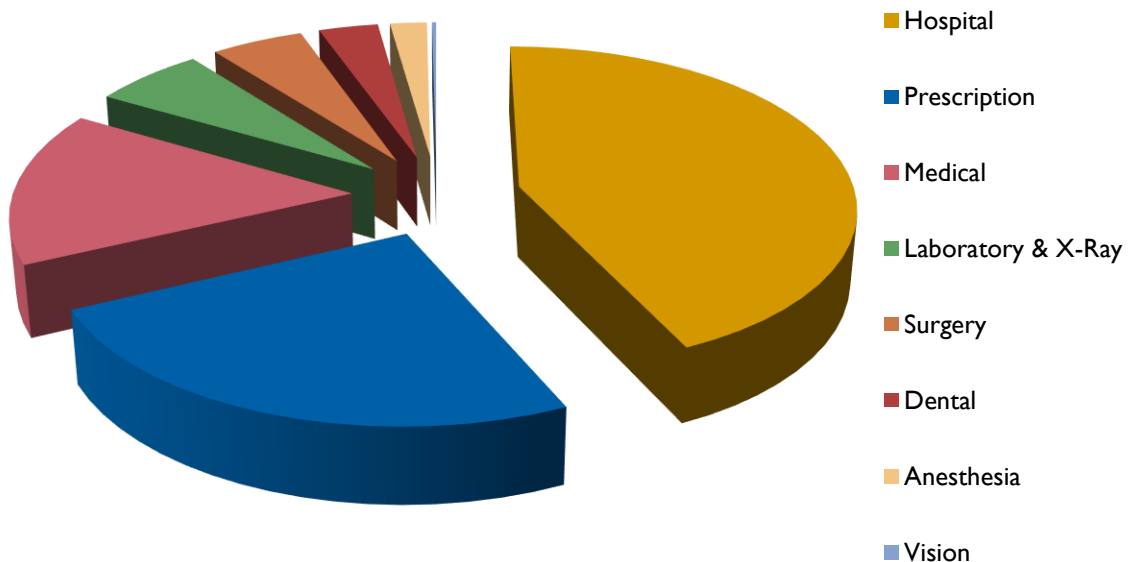
- **3Q16 deficit of \$894,235**
- **PPPM Cost 3Q16 - \$681**



Claims cont'd – 3Q2016

SPECIAL PART-TIME PLAN

Hospital	\$720,946.52	43.19%
Prescription	\$413,610.00	24.78%
Medical	\$257,699.03	15.44%
Laboratory & X-Ray	\$101,663.23	6.09%
Surgery	\$84,138.11	5.04%
Dental	\$54,023.70	3.24%
Anesthesia	\$33,500.46	2.01%
Vision	\$3,671.00	0.22%
		100%

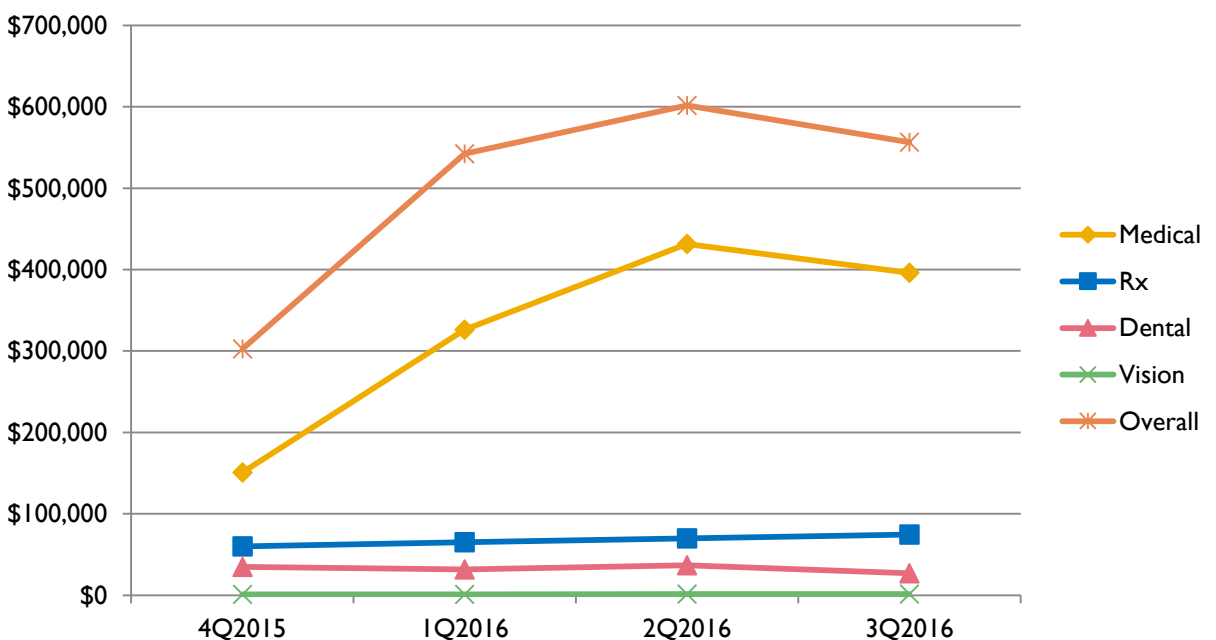


AMR Summary : 3Q2016

Part Time ACA Plan

	4Q2015	1Q2016	2Q2016	3Q2016	Previous 4 Quarters
Medical	\$150,654	\$325,919	\$431,225	\$395,981	\$1,303,779
Rx	\$59,912	\$65,046	\$69,878	\$74,641	\$269,477
Dental	\$34,970	\$31,597	\$36,976	\$26,910	\$130,453
Vision	\$1,097	\$1,141	\$1,592	\$1,370	\$5,200

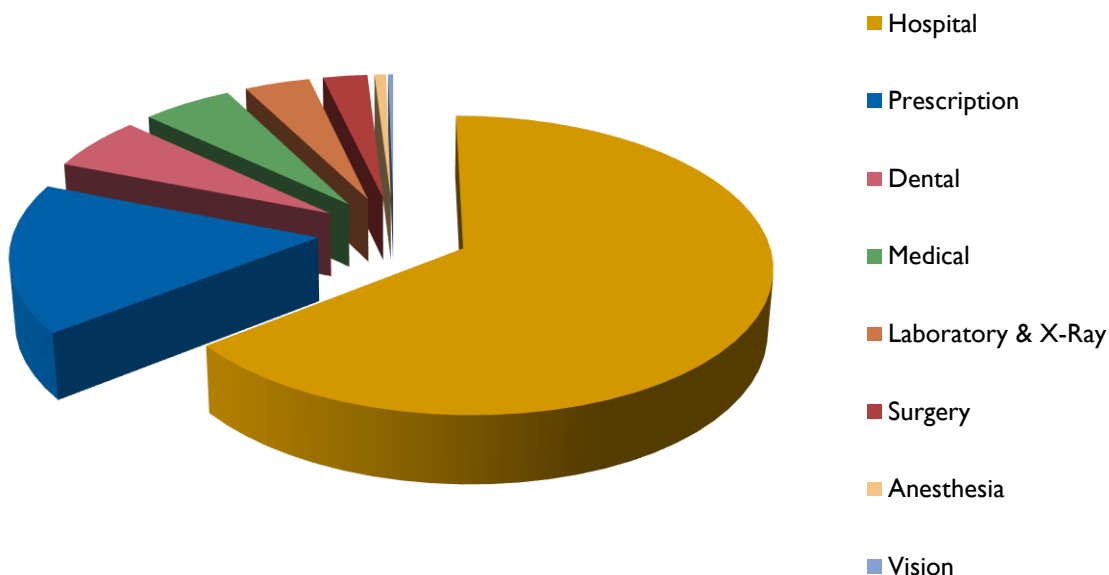
- **3Q16 surplus of \$206,739**
- **PPPM Cost 3Q16 - \$275**



Claims cont'd - 3Q2016

PART-TIME ACA PLAN

Hospital	\$292,068.44	64.49%
Prescription	\$74,641.00	16.48%
Dental	\$26,910.05	5.94%
Medical	\$24,792.11	5.47%
Laboratory & X-Ray	\$17,866.10	3.94%
Surgery	\$12,113.16	2.67%
Anesthesia	\$3,129.00	0.69%
Vision	\$1,370.00	0.30%
		100%



JAA Claims – 3Q2016

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

- 19 members met their \$5,600 deductible for the 2016 plan year by the end of the 3rd quarter.
- Utilization below -- amounts shown include first \$400 basic benefit.

MEMBER	AMOUNT PAID THROUGH 3Q2016
1	\$33,409.27
2	\$29,206.99
3	\$45,227.54
4	\$15,420.08
5	\$12,490.91
6	\$18,909.95
7	\$116,785.28
8	\$7,261.91
9	\$4,254.16
10	\$1,495.11
11*	\$280,998.37
12	\$1,783.44
13	\$3,064.59
14	\$31,847.53
15	\$3,842.40
16	\$581.92
17	\$21,858.62
18	\$4,383.03
19*	\$32,427.07

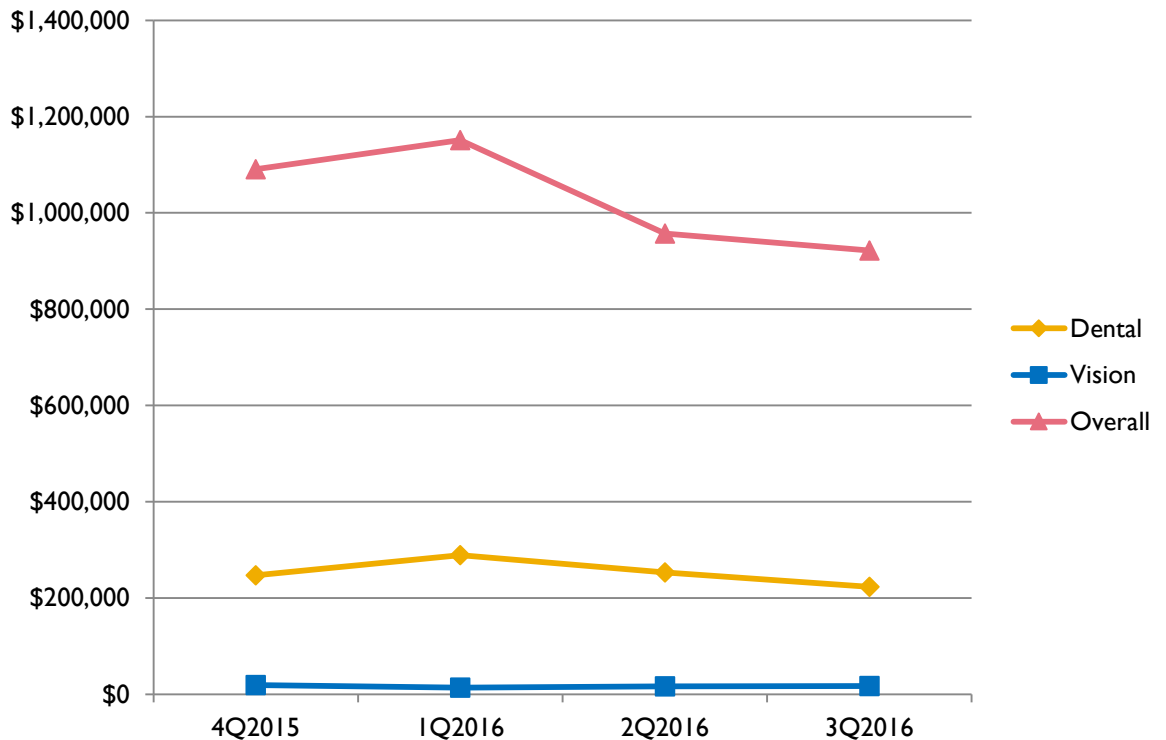
* Member's Part-Time ACA Benefits have terminated.

AMR Summary : 3Q2016

Part Time Plan

	4Q2015	1Q2016	2Q2016	3Q2016	Previous 4 Quarters
Dental	\$246,897	\$289,190	\$253,272	\$222,979	\$1,012,338
Vision	\$19,274	\$13,807	\$16,028	\$16,868	\$65,977

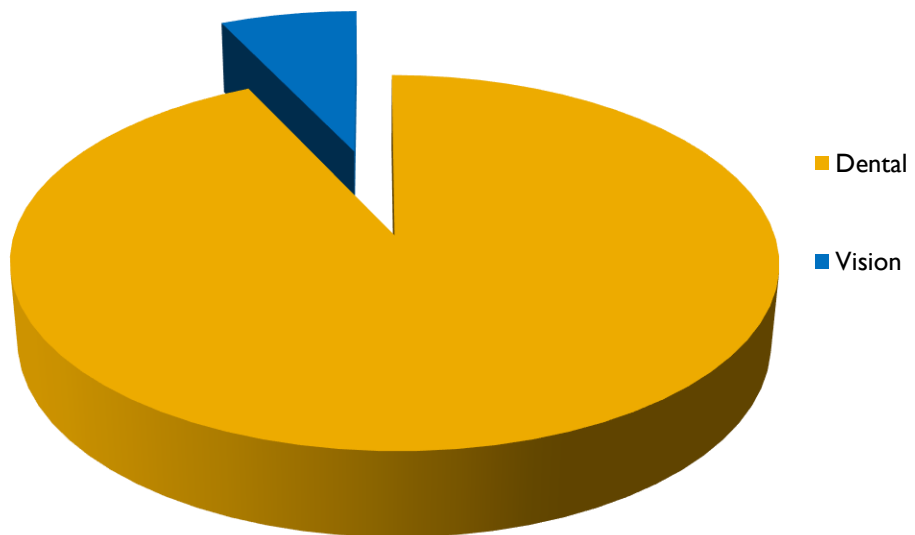
- **3Q16 surplus of \$2,216,038**
- **PPPM Cost 3Q16 - \$25**



Claims cont'd – 3Q2016

PART-TIME PLAN

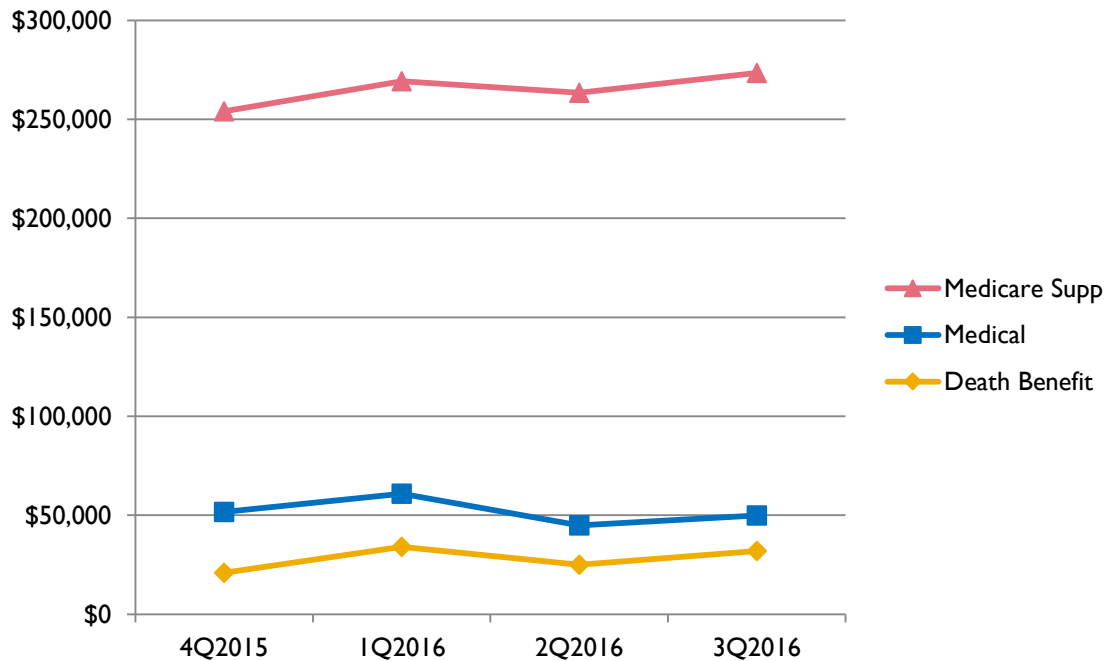
Dental	\$222,978.50	92.97%
Vision	\$16,867.98	7.03%
		100.00%



AMR Summary : 3Q2016

Retiree Plan

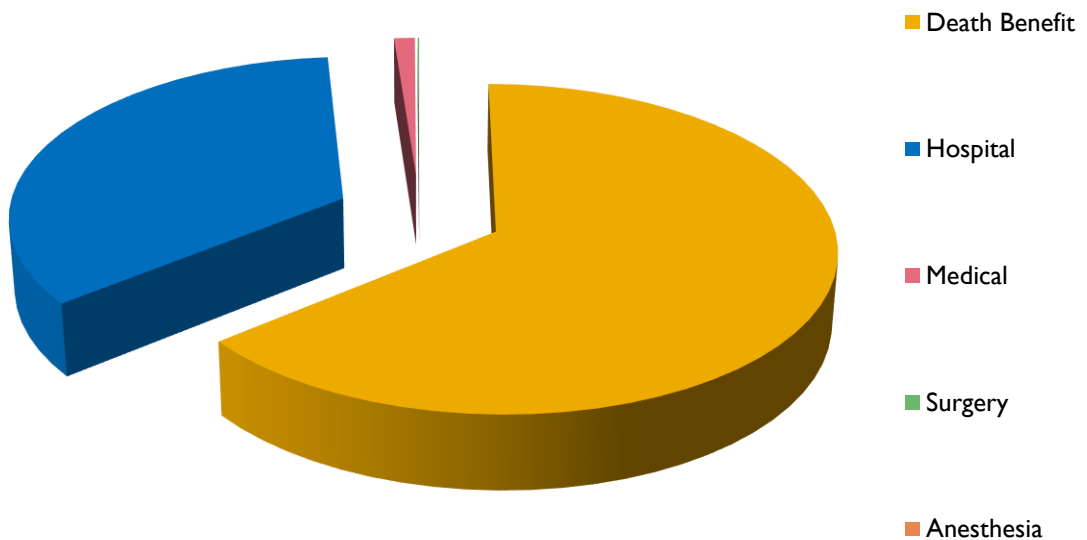
	4Q2015	1Q2016	2Q2016	3Q2016
Death Benefit	\$21,000	\$34,000	\$25,000	\$32,000
Medical	\$30,607	\$26,941	\$19,911	\$17,847
Medicare Supp	\$202,457	\$208,300	\$218,546	\$223,655



Claims cont'd - 3Q2016

RETIREES

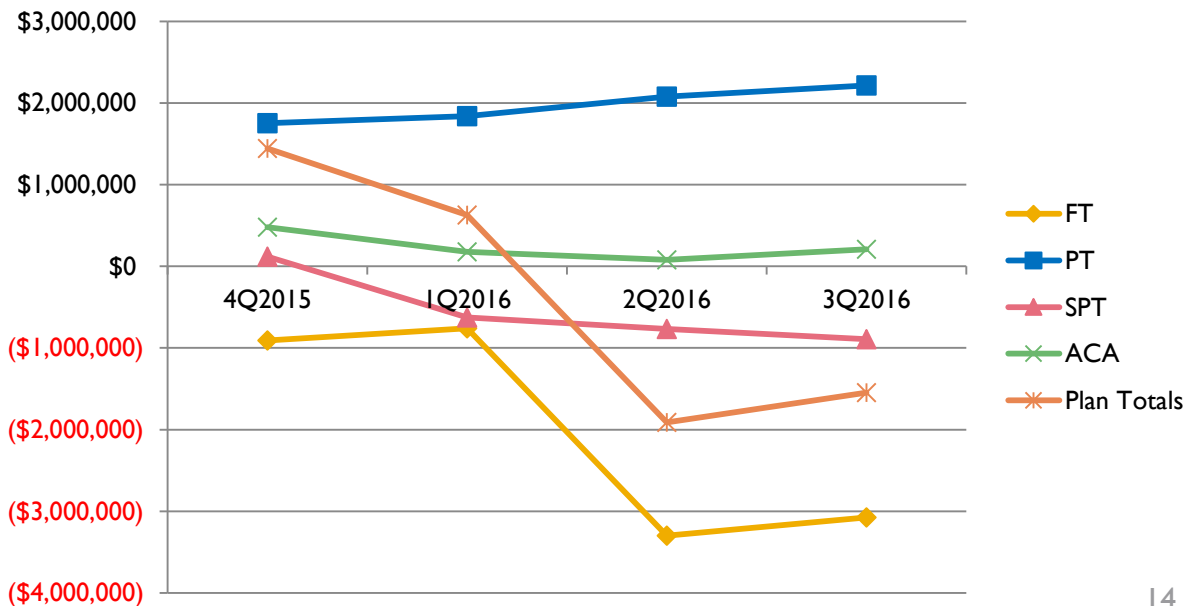
Death Benefit	\$32,000.00	64.20%
Hospital	\$17,247.47	34.60%
Medical	\$559.46	1.12%
Surgery	\$40.00	0.08%
Anesthesia	\$0.00	0.00%
		100.00%



AMR Summary : 3Q2016

All Plans: Surplus/Deficit

	4Q2015	1Q2016	2Q2016	3Q2016	Previous 4 Quarters
FT	(\$907,592)	(\$759,937)	(\$3,299,164)	(\$3,076,128)	(\$8,042,821)
PT	\$1,751,322	\$1,837,306	\$2,075,888	\$2,216,038	\$7,880,554
SPT	\$120,135	(\$627,985)	(\$766,896)	(\$894,235)	(\$2,168,981)
ACA	\$478,849	\$177,474	\$78,024	\$206,739	\$941,086
Plan Totals	\$1,442,714	\$626,858	(\$1,912,148)	(\$1,547,586)	(\$1,390,162)



AMR Summary : 3Q2016

Fund Reserve

- Average monthly expense April 2015 – September 2016 is **\$5,912,030**
- Fund reserve amount is **\$32,765,724**, as reported by Fund Auditor 9/30/16

9/30/16 – Fund reserve is 5.5 months

Monthly reserve at past quarterly meetings:

6/30/16	6.1 months
3/31/16	6.6 months
12/31/15	6.5 months

JAA Status Update

Snapshot

Month	Claims Processed	Billed Amount	Paid Amount	Percentage Discount
January	9,281	\$10,469,728.75	\$3,013,434.40	71.22%
February	9,792	\$12,387,203.78	\$3,138,723.91	74.66%
March	12,231	\$14,310,165.18	\$4,407,803.83	69.20%
April	9,902	\$13,623,160.66	\$4,331,560.72	68.20%
May	9,517	\$13,325,150.03	\$4,337,767.62	67.45%
June	9,843	\$10,866,929.35	\$3,523,081.31	67.58%
July	8,296	\$10,623,757.02	\$3,234,747.43	69.55%
August	9,377	\$15,392,103.45	\$5,000,520.26	67.51%
September	8,667	\$9,724,850.29	\$3,271,795.33	66.36%
October	8,831	\$8,799,981.48	\$3,063,898.71	65.18%
November	8,534	\$11,837,366.23	\$3,432,796.34	71.00%
Totals	78,239	\$131,360,396.22	\$40,756,129.86	68.97%

JAA Claims – 3Q2016

- Top 5 Diagnoses By Plan

<u>FULL-TIME</u>	
<u>Amount Paid</u>	<u>Diagnosis</u>
\$525,974.09	Other Gram-negative sepsis
\$290,410.45	Atherosclerotic heart disease of native coronary artery without angina pectoris
\$277,259.17	Crohn's disease of large intestine with abscess
\$272,876.68	Spinal stenosis, lumbar region
\$203,125.00	Other mechanical complication of other cardiac and vascular devices and implants

<u>PART-TIME ACA</u>	
<u>Amount Paid</u>	<u>Diagnosis</u>
\$44,292.70	Sepsis, unspecified organism
\$40,045.76	Nontraumatic intracranial hemorrhage, unspecified
\$32,228.99	Urinary tract infection, site not specified
\$31,196.58	Acute appendicitis with generalized peritonitis
\$28,688.29	Acute on chronic systolic (congestive) heart failure

JAA Claims – 3Q2016

- Top 5 Diagnoses By Plan

SPECIAL PART-TIME

<u>Amount Paid</u>	<u>Diagnosis</u>
\$171,856.16	Atherosclerotic heart disease of native coronary artery without angina pectoris
\$116,234.41	Atherosclerosis of autologous artery coronary artery bypass graft(s) with other forms of angina pectoris
\$72,207.26	Leakage of aortic (bifurcation) graft (replacement)
\$45,385.79	Type 2 diabetes mellitus with foot ulcer
\$34,594.19	Occlusion and stenosis of bilateral carotid arteries

JAA Claims – 3Q2016

- Top 5 Providers By Plan

<u>FULL-TIME</u>	
<u>Provider</u>	<u>Amount Paid</u>
NY PRESBYTERIAN HOSPITAL	\$1,303,701.50
NYU HOSPITAL CENTER	\$460,353.13
YALE-NEW HAVEN HOSPITAL	\$393,246.38
STONY BROOK UNIVERSITY HOSPITAL	\$363,846.92
LIJ MEDICAL CENTER	\$360,457.85

<u>PART-TIME ACA</u>	
<u>Provider</u>	<u>Amount Paid</u>
BRONX LEBANON HOSPITAL CENTER	\$87,333.80
NY PRESBYTERIAN HOSPITAL	\$71,478.79
MONTEFIORE MEDICAL CENTER	\$33,478.59
NY METHODIST HOSPITAL	\$29,714.06
LIJ MEDICAL CENTER	\$20,103.12

JAA Claims – 3Q2016

- Top 5 Providers By Plan

<u>SPECIAL PART-TIME</u>	
<u>Provider</u>	<u>Amount Paid</u>
WINTHROP UNIVERSITY HOSPITAL	\$168,744.90
NY PRESBYTERIAN HOSPITAL	\$129,828.49
MOUNT SINAI HOSPITAL	\$76,206.66
NORTH SHORE UNIVERSITY HOSPITAL	\$64,266.00
HUDSON VALLEY HOSPITAL	\$60,051.07

In-Network vs. Out-of-Network : 3Q2016

- **Inpatient Facility Utilization**

- **In-Network Total: \$5,349,797.71**
 - Full-Time: \$4,535,785.17
 - Part-Time ACA: \$264,395.00
 - Special Part-Time: \$549,617.54
- **Out-of-Network Total: \$50,672.15 (Full-Time only)**

- **Outpatient Facility Utilization**

- **In-Network Total: \$1,869,288.75**
 - Full-Time: \$1,663,040.10
 - Part-Time ACA: \$24,637.78
 - Special Part-Time: \$181,610.87
- **Out-of-Network Total: \$1,423.25**
 - Full-Time: \$16,131.99
 - Part-Time ACA: \$0.00
 - Special Part-Time: -\$14,708.74

- **Inpatient & Outpatient Professional Fees**

- **In-Network Total: \$4,524,327.40**
 - Full-Time: \$4,029,342.93
 - Part-Time ACA: \$60,936.03
 - Special Part-Time: \$434,048.44
- **Out-of-Network Total: \$486,192.00**
 - Full-Time: \$438,812.76
 - Part-Time ACA: \$0.00
 - Special Part-Time: \$47,379.24

Out-Of-Network Discounts

HRGi Savings

- July 2016 Invoice – Total billed \$327,760.67
 - Savings: \$144,794.58
 - Average: 44% per claim
- August 2016 Invoice – Total billed \$470,429.16
 - Savings: \$170,017.00
 - Average: 36% per claim
- September 2016 Invoice – Total billed \$91,874.02
 - Savings: \$37,463.33
 - Average: 41% per claim

July through September – Total billed \$890,063.85

Total saved: \$352,274.91

Average: 39.6%

Other Fund Business

- Full-Time Spousal Questionnaire mailed to 1,364 members on 8/5/16
 - As of 11/28/16, we have received 974 responses
 - 150 new spouses are listed as covered by their employer's plan
 - 62 spouses will be covered by future enrollment and will be secondary under Local 1500 as of January 1, 2017
 - 390 spouses did not respond to mailing – medical/Rx coverage has been suspended (reinstatement 1st of the month following receipt of completed form)
- Transitional Reinsurance Fee Filed for 2016
 - 1st payment due 01/10/17 - \$211,226.40
 - 2nd payment due 11/08/17 - \$52,806.60
- Subrogation Recovery 3Q2016
 - Full-Time Plan: Total medical liens were \$1,366.57 (100% recovered)
 - Special Part-Time Plan: Total medical liens were \$15,750.00 (100% recovered) – Maria Maloney assisted in this recovery
- Plan Reporting – ACA sections 6055 and 6056
 - Forms 1094-B/1095-B due 2/28/17

Conclusion

- Thank You
- Questions?

