



Preliminary Financial Statement and Budget to Actual Report

May 13, 2019

City
of *Joplin*

 Segal Consulting

Discussion Objectives

- 2018 and 2019 YTD financial statements
- Projected vs. Actual Income and Expense
 - Twelve-Month Period Ending December 31, 2018
 - Three-Month Period Ending March 31, 2019
- Anthem 2018 and 2019 YTD claims, enrollment and utilization summaries

2018 Financial Statement

| | January | February | March | April | May | June | July | August | September | October | November | December | Year to Date |
|-------------------------------------|--------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------------|
| Beginning Balance | \$2,541,194 ¹ | \$2,594,740 | \$2,712,483 | \$2,660,366 | \$2,760,061 | \$2,838,780 | \$2,904,760 | \$3,047,185 | \$3,084,925 | \$3,095,214 | \$3,166,598 | \$3,198,863 | \$2,541,194 ¹ |
| Income | | | | | | | | | | | | | |
| City Contributions | \$377,637 | \$379,438 | \$381,401 | \$360,344 | \$377,622 | \$379,780 | \$377,635 | \$383,900 | \$377,361 | \$376,294 | \$373,620 | \$197,479 | \$4,342,512 |
| Employee Contributions ² | 105,576 | 107,195 | 106,863 | 102,096 | 106,090 | 104,608 | 108,141 | 116,932 | 104,324 | 103,401 | 111,219 | 63,580 | 1,240,024 |
| Interest Income ³ | 1,212 | 0 | 0 | 0 | 0 | 0 | 917 | 0 | 0 | (180) | 0 | 1,121 | 3,070 |
| Total | \$484,425 | \$486,633 | \$488,264 | \$462,440 | \$483,712 | \$484,388 | \$486,693 | \$500,832 | \$481,685 | \$479,515 | \$484,839 | \$262,180 | \$5,585,606 |
| Expense | | | | | | | | | | | | | |
| Medical ⁴ | \$229,117 | \$165,723 | \$324,615 | \$167,142 | \$203,763 | \$197,920 | \$134,429 | \$242,153 | \$291,086 | \$208,942 | \$221,127 | \$253,288 | \$2,639,304 |
| Stop Loss Reimbursements | 0 | 0 | 0 | 0 | 0 | 0 | (68) | 0 | 0 | 0 | (89) | 0 | (156) |
| Prescription Drug ⁴ | 94,938 | 97,713 | 112,579 | 92,522 | 98,504 | 119,719 | 103,006 | 118,049 | 76,289 | 95,501 | 127,392 | 92,269 | 1,228,481 |
| Dental Premium | 26,023 | 26,416 | 26,750 | 26,654 | 26,426 | 26,549 | 27,148 | 26,692 | 26,854 | 26,749 | 26,198 | 26,160 | 318,619 |
| Vision Premium | 3,242 | 3,295 | 3,318 | 3,372 | 3,307 | 3,295 | 3,375 | 3,329 | 3,322 | 3,323 | 3,268 | 3,232 | 39,678 |
| Life Premium | 6,749 | 6,642 | 6,662 | 6,695 | 6,637 | 6,625 | 6,697 | 6,653 | 6,797 | 6,700 | 6,591 | 6,639 | 80,087 |
| Stop-Loss Premium | 42,259 | 42,169 | 42,311 | 42,257 | 42,306 | 42,386 | 42,362 | 41,983 | 42,692 | 42,611 | 42,314 | 42,217 | 507,867 |
| Medical Administration | 21,354 | 21,260 | 21,308 | 21,260 | 21,217 | 21,304 | 21,563 | 21,347 | 21,347 | 21,260 | 21,130 | 21,217 | 255,567 |
| Special Events & Promotions | 5 | 5 | 5 | 10 | 0 | 10 | 0 | 53 | 176 | 910 | 10 | 2,086 | 3,270 |
| ACA Fees | 0 | 0 | 0 | 0 | 0 | 0 | 2,923 | 0 | 0 | 0 | 0 | 0 | 2,923 |
| Administration ⁵ | 7,193 | 5,667 | 2,833 | 2,833 | 2,833 | 601 | 2,833 | 2,833 | 2,833 | 2,135 | 4,633 | 2,833 | 40,060 |
| Total | \$430,880 | \$368,890 | \$540,381 | \$362,745 | \$404,993 | \$418,409 | \$344,268 | \$463,092 | \$471,396 | \$408,131 | \$452,574 | \$449,941 | \$5,115,699 |
| Operating Surplus/(Deficit) | \$53,546 | \$117,743 | (\$52,117) | \$99,695 | \$78,719 | \$65,979 | \$142,425 | \$37,740 | \$10,289 | \$71,384 | \$32,265 | (\$187,761) | \$469,907 |
| Ending Balance | \$2,594,740 | \$2,712,483 | \$2,660,366 | \$2,760,061 | \$2,838,780 | \$2,904,760 | \$3,047,185 | \$3,084,925 | \$3,095,214 | \$3,166,598 | \$3,198,863 | \$3,011,102 | \$3,011,101 |
| Active/COBRA Lives | 487 | 483 | 487 | 482 | 483 | 484 | 486 | 488 | 485 | 485 | 482 | 477 | 484 |
| Retiree Lives | 8 | 8 | 8 | 8 | 8 | 7 | 8 | 8 | 8 | 8 | 8 | 9 | 8 |
| Total | 495 | 491 | 495 | 490 | 491 | 491 | 494 | 496 | 493 | 493 | 490 | 486 | 492 |

¹ Adjusted based on reconciliation to audited statements.

² Employee contributions include Retiree and COBRA contributions.

³ Interest income includes "Other Income" line item from financial statements.

⁴ 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. Includes "Claims Refunded" line item from financial statements.

⁵ Administration Expense includes "Operating Equipment" and "Building Improvements" line items from financial statements.

2019 YTD Financial Statement

| | <u>January</u> | <u>February</u> | <u>March</u> | <u>Year to Date</u> |
|-------------------------------------|--------------------|--------------------|--------------------|---------------------|
| <u>Beginning Balance</u> | \$3,011,102 | \$3,362,359 | \$3,400,940 | \$3,011,102 |
| <u>Income</u> | | | | |
| City Contributions | \$562,163 | \$378,894 | \$376,061 | \$1,317,118 |
| Employee Contributions ¹ | 144,154 | 103,552 | 104,566 | 352,272 |
| Interest Income | 0 | 0 | 0 | 0 |
| Total | \$706,317 | \$482,446 | \$480,627 | \$1,669,390 |
| <u>Expense</u> | | | | |
| Medical ² | \$222,179 | \$156,865 | \$178,676 | 557,720 |
| Stop Loss Reimbursements | 0 | 0 | 0 | 0 |
| Prescription Drug ² | 95,693 | 108,127 | 152,215 | 356,035 |
| Dental Premium | 26,161 | 25,885 | 26,228 | 78,274 |
| Vision Premium | 3,455 | 3,399 | 3,486 | 10,340 |
| Life Premium | 7,641 | 7,577 | 7,665 | 22,883 |
| Stop-Loss Premium | 0 | 94,711 | 47,518 | 142,229 |
| Medical Administration | 0 | 44,384 | 20,739 | 65,123 |
| Special Events & Promotions | (2,986) | 0 | 5 | (2,981) |
| ACA Fees | 0 | 0 | 0 | 0 |
| Administration ³ | 2,917 | 2,917 | 2,917 | 8,751 |
| Total | \$355,060 | \$443,865 | \$439,449 | \$1,238,374 |
| Operating Surplus/(Deficit) | \$351,257 | \$38,581 | \$41,178 | \$431,016 |
| <u>Ending Balance</u> | <u>\$3,362,359</u> | <u>\$3,400,940</u> | <u>\$3,442,118</u> | <u>\$3,442,118</u> |
| Active/COBRA Lives | 492 | 487 | 495 | 491 |
| Retiree Lives | 9 | 8 | 8 | 8 |
| Total | 501 | 495 | 503 | 499 |

¹ Employee contributions include Retiree and COBRA contributions.

² 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. Includes "Claims Refunded" line item from financial statements.

³ Administration Expense includes "Operating Equipment" and "Building Improvements" line item from financial statements.

Projected vs. Actual Income and Expense Twelve-Month Period Ending December 31, 2018

| <u>Income</u> | Projected | | Actual | | % Difference | |
|-------------------------------------|-----------------|--------------------|-----------------|--------------------|--------------|--------------|
| | PEPM | 12 Mo. Total | PEPM | 12 Mo. Total | PEPM | 12 Mo. Total |
| City Contributions | \$767.33 | \$4,521,100 | \$735.52 | \$4,342,512 | -4.1% | -4.0% |
| Employee Contributions ¹ | 216.19 | 1,273,800 | 210.03 | 1,240,024 | -2.8% | -2.7% |
| Interest Income | NP | NP | 0.52 | 3,070 | | |
| Total Income | \$983.52 | \$5,794,900 | \$946.07 | \$5,585,606 | -3.8% | -3.6% |
| <u>Expense</u> | | | | | | |
| Medical ² | \$459.88 | \$2,709,600 | \$447.01 | \$2,639,147 | -2.8% | -2.6% |
| Prescription Drug | 203.62 | 1,199,700 | 208.08 | 1,228,481 | 2.2% | 2.4% |
| Dental Premium | 54.12 | 318,900 | 53.97 | 318,619 | -0.3% | -0.1% |
| Vision Premium | 6.77 | 39,900 | 6.72 | 39,678 | -0.7% | -0.6% |
| Life Premium | 13.59 | 80,100 | 13.56 | 80,087 | -0.2% | 0.0% |
| Stop-Loss Premium | 85.71 | 505,000 | 86.02 | 507,867 | 0.4% | 0.6% |
| Medical Administration | 41.11 | 242,200 | 43.29 | 255,567 | 5.3% | 5.5% |
| ACA Fees ³ | 0.49 | 2,900 | 0.50 | 2,923 | 2.0% | 0.8% |
| Administration | NP | NP | 7.34 | 43,330 | | |
| Total Expense | \$865.29 | \$5,098,300 | \$866.49 | \$5,115,699 | 0.1% | 0.3% |
| Operating Surplus (Deficit) | \$118.23 | \$696,600 | \$79.58 | \$469,907 | | |
| Active | 483 | | 484 | | | |
| Retiree and COBRA | 8 | | 8 | | | |
| Total Employees⁴ | 491 | | 492 | | | |

¹ Includes Retiree/COBRA contributions.

² Net of stop-loss reimbursements.

³ The 2018 ACA Fees were projected on an incurred basis.

⁴ Total may vary from Anthem data due to rounding.

NP = Not Projected

PEPM = Per Employee Per Month

Projected vs. Actual Income and Expense Three-Month Period Ending March 31, 2019

| <u>Income</u> | Projected | | Actual | | % Difference | |
|-------------------------------------|-----------------|--------------------|-------------------|--------------------|---------------|---------------|
| | PEPM | 3 Mo. Total | PEPM | 3 Mo. Total | PEPM | 3 Mo. Total |
| City Contributions | \$768.31 | \$1,131,700 | \$879.84 | \$1,317,118 | 14.5% | 16.4% |
| Employee Contributions ¹ | 216.19 | 318,400 | 235.32 | 352,272 | 8.8% | 10.6% |
| Interest Income | NP | NP | - | 0 | | |
| Total Income | \$984.50 | \$1,450,100 | \$1,115.16 | \$1,669,390 | 13.3% | 15.1% |
| | | | | | | |
| <u>Expense</u> | | | | | | |
| Medical ² | \$546.72 | \$805,300 | \$372.56 | \$557,720 | -31.9% | -30.7% |
| Prescription Drug | 219.91 | 323,900 | 237.83 | 356,035 | 8.1% | 9.9% |
| Dental Premium | 54.12 | 79,700 | 52.29 | 78,274 | -3.4% | -1.8% |
| Vision Premium | 6.77 | 10,000 | 6.91 | 10,340 | 2.1% | 3.4% |
| Life Premium | 14.56 | 21,400 | 15.29 | 22,883 | 5.0% | 6.9% |
| Stop-Loss Premium | 95.99 | 141,400 | 95.01 | 142,229 | -1.0% | 0.6% |
| Medical Administration | 41.11 | 60,600 | 43.50 | 65,123 | 5.8% | 7.5% |
| ACA Fees | - | 0 | - | 0 | | |
| Administration | NP | NP | 3.85 | 5,770 | | |
| Total Expense | \$979.18 | \$1,442,300 | \$827.24 | \$1,238,374 | -15.5% | -14.1% |
| | | | | | | |
| Operating Surplus (Deficit) | \$5.32 | \$7,800 | \$287.92 | \$431,016 | | |
| | | | | | | |
| Active | 483 | | 491 | | | |
| Retiree and COBRA | 8 | | 8 | | | |
| Total Employees³ | 491 | | 499 | | | |

¹ Includes Retiree/COBRA contributions.

² Net of stop-loss reimbursements.

³ Total may vary from Anthem data due to rounding.

NP = Not Projected

PEPM = Per Employee Per Month

2018 & 2019 YTD Enrollment Split

| | 2018 | | | | | | | | | | | |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | January | February | March | April | May | June | July | August | September | October | November | December |
| Members | | | | | | | | | | | | |
| Employee | 241 | 235 | 239 | 236 | 235 | 239 | 241 | 239 | 237 | 234 | 233 | 234 |
| Employee & Spouse/Dependent | 84 | 86 | 86 | 86 | 86 | 82 | 82 | 86 | 86 | 88 | 86 | 86 |
| Employee & Child/Children | 75 | 75 | 75 | 70 | 68 | 68 | 71 | 77 | 74 | 74 | 73 | 71 |
| Family | 802 | 807 | 807 | 798 | 809 | 801 | 802 | 797 | 800 | 808 | 803 | 780 |
| Total | 1,202 | 1,203 | 1,207 | 1,190 | 1,198 | 1,190 | 1,196 | 1,199 | 1,197 | 1,204 | 1,195 | 1,171 |
| Employees | | | | | | | | | | | | |
| Employee | 241 | 235 | 239 | 236 | 235 | 239 | 241 | 239 | 237 | 234 | 233 | 234 |
| Employee & Spouse/Dependent | 42 | 43 | 43 | 43 | 43 | 41 | 41 | 43 | 43 | 44 | 43 | 43 |
| Employee & Child/Children | 25 | 25 | 25 | 24 | 23 | 23 | 24 | 27 | 26 | 26 | 26 | 25 |
| Family | 187 | 188 | 188 | 187 | 190 | 188 | 188 | 187 | 187 | 189 | 188 | 184 |
| Total | 495 | 491 | 495 | 490 | 491 | 491 | 494 | 496 | 493 | 493 | 490 | 486 |

| | 2019 | | | | | | | | | | | |
|-----------------------------|--------------|--------------|--------------|-------|-----|------|------|--------|-----------|---------|----------|----------|
| | January | February | March | April | May | June | July | August | September | October | November | December |
| Members | | | | | | | | | | | | |
| Employee | 245 | 252 | 256 | | | | | | | | | |
| Employee & Spouse/Dependent | 84 | 84 | 86 | | | | | | | | | |
| Employee & Child/Children | 71 | 71 | 73 | | | | | | | | | |
| Family | 771 | 765 | 754 | | | | | | | | | |
| Total | 1,171 | 1,172 | 1,169 | | | | | | | | | |
| Employees | | | | | | | | | | | | |
| Employee | 245 | 252 | 256 | | | | | | | | | |
| Employee & Spouse/Dependent | 42 | 42 | 43 | | | | | | | | | |
| Employee & Child/Children | 24 | 24 | 25 | | | | | | | | | |
| Family | 182 | 180 | 177 | | | | | | | | | |
| Total | 493 | 498 | 501 | | | | | | | | | |

2018 & 2019 YTD Medical Claims and Enrollment Summary

| Month | Sum of Paid Medical Claims ¹ | Number of Members | Number of Employees | Paid Medical Claims Per Member Per Month | Paid Medical Claims Per Employee Per Month |
|-------------------|---|-------------------|---------------------|--|--|
| January - 2018 | \$275,019 | 1,202 | 495 | \$228.80 | \$555.59 |
| February | \$198,553 | 1,203 | 491 | \$165.05 | \$404.38 |
| March | \$242,434 | 1,207 | 495 | \$200.86 | \$489.77 |
| April | \$136,474 | 1,190 | 490 | \$114.68 | \$278.52 |
| May | \$248,199 | 1,198 | 491 | \$207.18 | \$505.50 |
| June | \$128,559 | 1,190 | 491 | \$108.03 | \$261.83 |
| July | \$200,222 | 1,196 | 494 | \$167.41 | \$405.31 |
| August | \$221,441 | 1,199 | 496 | \$184.69 | \$446.45 |
| September | \$235,340 | 1,197 | 493 | \$196.61 | \$477.36 |
| October | \$320,274 | 1,204 | 493 | \$266.01 | \$649.64 |
| November | \$177,695 | 1,195 | 490 | \$148.70 | \$362.64 |
| December | \$249,276 | 1,171 | 486 | \$212.87 | \$512.91 |
| YTD - 2018 | \$2,633,487 | 1,196 | 492 | \$183.49 | \$446.05 |

| | | | | | |
|-------------------|------------------|--------------|------------|-----------------|-----------------|
| January - 2019 | \$167,428 | 1,171 | 493 | \$142.98 | \$339.61 |
| February | \$173,249 | 1,172 | 498 | \$147.82 | \$347.89 |
| March | \$221,609 | 1,169 | 501 | \$189.57 | \$442.33 |
| YTD - 2019 | \$562,286 | 1,171 | 497 | \$160.06 | \$377.12 |

| | | | | | |
|-----------------------|------------------|--------------|------------|-----------------|-----------------|
| 3 Month - 2018 | \$716,006 | 1,204 | 494 | \$198.23 | \$483.13 |
|-----------------------|------------------|--------------|------------|-----------------|-----------------|

¹ As reported by Anthem

2018 & 2019 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 - 2018 | \$94,938 | 1,202 | 495 | \$78.98 | \$191.79 |
| February | \$97,713 | 1,203 | 491 | \$81.22 | \$199.01 |
| March | \$112,579 | 1,207 | 495 | \$93.27 | \$227.43 |
| April | \$92,522 | 1,190 | 490 | \$77.75 | \$188.82 |
| May | \$98,504 | 1,198 | 491 | \$82.22 | \$200.62 |
| June | \$119,719 | 1,190 | 491 | \$100.60 | \$243.83 |
| July | \$103,006 | 1,196 | 494 | \$86.13 | \$208.51 |
| August | \$118,049 | 1,199 | 496 | \$98.46 | \$238.00 |
| September | \$76,289 | 1,197 | 493 | \$63.73 | \$154.74 |
| October | \$95,501 | 1,204 | 493 | \$79.32 | \$193.71 |
| November | \$127,392 | 1,195 | 490 | \$106.60 | \$259.98 |
| December | \$92,269 | 1,171 | 486 | \$78.80 | \$189.85 |
| YTD - 2018 | \$1,228,480 | 1,196 | 492 | \$85.60 | \$208.08 |

| | | | | | |
|-------------------|------------------|--------------|------------|-----------------|-----------------|
| January - 2019 | \$95,693 | 1,171 | 493 | \$81.72 | \$194.10 |
| February | \$108,127 | 1,172 | 498 | \$92.26 | \$217.12 |
| March | \$152,215 | 1,169 | 501 | \$130.21 | \$303.82 |
| YTD - 2019 | \$356,035 | 1,171 | 497 | \$101.35 | \$238.79 |

| | | | | | |
|-----------------------|------------------|--------------|------------|----------------|-----------------|
| 3 Month - 2018 | \$305,230 | 1,204 | 494 | \$84.50 | \$205.96 |
|-----------------------|------------------|--------------|------------|----------------|-----------------|

2018 & 2019 YTD Total Medical and Prescription Drug Claims and Enrollment Summary

| Month | Sum of Total Paid Claims ¹ | Number of Members | Number of Employees | Paid Total Claims Per Member Per Month | Paid Total Claims Per Employee Per Month |
|-------------------|---------------------------------------|-------------------|---------------------|--|--|
| January - 2018 | \$369,957 | 1,202 | 495 | \$307.78 | \$747.39 |
| February | \$296,266 | 1,203 | 491 | \$246.27 | \$603.39 |
| March | \$355,013 | 1,207 | 495 | \$294.13 | \$717.20 |
| April | \$228,996 | 1,190 | 490 | \$192.43 | \$467.34 |
| May | \$346,703 | 1,198 | 491 | \$289.40 | \$706.12 |
| June | \$248,278 | 1,190 | 491 | \$208.64 | \$505.66 |
| July | \$303,228 | 1,196 | 494 | \$253.54 | \$613.82 |
| August | \$339,490 | 1,199 | 496 | \$283.14 | \$684.46 |
| September | \$311,629 | 1,197 | 493 | \$260.34 | \$632.11 |
| October | \$415,774 | 1,204 | 493 | \$345.33 | \$843.36 |
| November | \$305,087 | 1,195 | 490 | \$255.30 | \$622.63 |
| December | \$341,545 | 1,171 | 486 | \$291.67 | \$702.77 |
| YTD - 2018 | \$3,861,967 | 1,196 | 492 | \$269.09 | \$654.13 |

| | | | | | |
|-------------------|------------------|--------------|------------|-----------------|-----------------|
| January - 2019 | \$263,121 | 1,171 | 493 | \$224.70 | \$533.71 |
| February | \$281,376 | 1,172 | 498 | \$240.08 | \$565.01 |
| March | \$373,824 | 1,169 | 501 | \$319.78 | \$746.16 |
| YTD - 2019 | \$918,321 | 1,171 | 497 | \$261.41 | \$615.91 |

| | | | | | |
|-----------------------|--------------------|--------------|------------|-----------------|-----------------|
| 3 Month - 2018 | \$1,021,236 | 1,204 | 494 | \$282.73 | \$689.09 |
|-----------------------|--------------------|--------------|------------|-----------------|-----------------|

¹ As reported by Anthem

Anthem Three-Year Utilization Summary

| | Prior Period (2 years ago): April 2016 - March 2017 | Prior Period (1 year ago): April 2017 - March 2018 | Current Period: April 2018 - March 2019 |
|--|--|---|--|
| Admissions/Visits/Services by Provider Type | | | |
| Inpatient facility (admissions) | 58 | 68 | 52 |
| Outpatient facility (visits) | 1,960 | 1,856 | 1,699 |
| Professional (services) | 19,677 | 19,174 | 17,829 |
| Paid Claims by Provider Type¹ | | | |
| Inpatient facility | \$657,378 | \$710,897 | \$536,975 |
| Outpatient facility | \$1,028,694 | \$932,502 | \$801,859 |
| Professional | \$1,270,990 | \$1,217,302 | \$1,140,934 |
| Total | \$2,957,062 | \$2,860,701 | \$2,479,768 |

¹ Paid claims do not reflect stop-loss reimbursements

Enrollment and Claims

| Enrollment and Claims Metrics | Baseline | | | |
|---|-----------------|-------------|-------------|------------------------------|
| Indicator | 2016 | 2017 | 2018 | YTD 2019 ¹ |
| Average Enrolled Participants | | | | |
| Total - Enrolled Employees | 515 | 507 | 492 | 497 |
| Total - Enrolled Members | 1,259 | 1,223 | 1,197 | 1,171 |
| Paid Expenses² | | | | |
| Total Paid Expenses (medical and prescription drug) | \$4,312,267 | \$3,946,533 | \$3,861,967 | \$918,321 |
| Paid Expenses - Per Employee Per Month | \$697.78 | \$648.67 | \$654.13 | \$615.91 |
| Paid Expenses - Per Member Per Month | \$285.43 | \$268.91 | \$268.86 | \$261.41 |

¹ Through March 31, 2019

² Paid expenses do not reflect stop-loss reimbursements