



# Preliminary Financial Statement and Budget to Actual Report

City  
of *Joplin*

June 1, 2020 \ Kim Wixson

# Discussion Objectives

- **2019 and 2020 YTD financial statement**
- **Projected vs. Actual Income and Expense**
  - **Twelve-Month Period Ending December 31, 2019**
  - **Three-Month Period Ending March 31, 2020**
- **Impact of COVID-19**
- **Anthem 2019 and 2020 YTD claims, enrollment and utilization summaries**

# 2019 Financial Statement

	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>Beginning Balance</b>	\$3,011,102 <sup>1</sup>	\$3,362,359	\$3,400,940	\$3,442,118	\$3,508,677	\$3,469,833	\$3,370,206	\$3,222,344	\$3,208,164	\$3,307,998	\$3,205,002	\$3,371,943	\$3,011,102 <sup>1</sup>
<b>Income</b>													
City Contributions	\$562,163	\$378,894	\$376,061	\$377,190	\$375,302	\$373,905	\$376,338	\$379,765	\$383,493	\$372,919	\$382,608	\$208,127	\$4,546,765
Employee Contributions <sup>2</sup>	144,154	103,552	104,566	102,980	107,276	102,709	104,345	108,594	106,559	91,995	113,892	67,515	1,258,137
Interest Income <sup>3</sup>	0	0	0	0	0	0	0	0	0	(613)	0	0	(613)
<b>Total</b>	<b>\$706,316</b>	<b>\$482,446</b>	<b>\$480,627</b>	<b>\$480,171</b>	<b>\$482,578</b>	<b>\$476,615</b>	<b>\$480,683</b>	<b>\$488,359</b>	<b>\$490,052</b>	<b>\$464,302</b>	<b>\$496,500</b>	<b>\$275,643</b>	<b>\$5,804,289</b>
<b>Expense</b>													
Medical <sup>4</sup>	\$198,639	\$157,283	\$201,586	\$208,397	\$286,846	\$372,407	\$408,316	\$312,739	\$179,205	\$352,034	\$121,099	\$472,233	\$3,270,783
Stop Loss Reimbursements	0	0	0	0	0	0	0	0	0	0	0	(14,944)	(14,944)
Prescription Drug <sup>4</sup>	119,232	107,709	129,304	96,701	125,035	98,637	108,317	81,333	100,710	93,598	98,243	97,752	1,256,571
Dental Premium	26,161	25,885	26,228	26,342	26,066	26,244	26,104	26,361	26,399	26,342	25,962	26,521	314,615
Vision Premium	3,455	3,399	3,486	3,428	3,375	3,388	3,469	3,462	3,459	3,436	3,424	3,472	41,253
Life Premium	7,641	7,577	7,665	7,661	7,640	7,571	7,571	7,571	7,538	7,587	7,528	7,666	91,216
Stop-Loss Premium	0	94,711	47,518	46,381	47,500	46,345	47,202	46,499	47,319	47,572	46,887	47,157	565,091
Medical Administration <sup>5</sup>	0	44,384	20,739	21,780	21,996	21,650	21,996	21,607	21,823	22,256	21,693	21,953	261,877
Special Events & Promotions	(2,986)	0	5	5	47	0	5	50	848	4,342	5	1,025	3,346
Administration <sup>6</sup>	2,917	2,917	2,917	2,917	2,917	0	5,565	2,917	2,917	10,131	4,717	2,917	43,749
<b>Total</b>	<b>\$355,059</b>	<b>\$443,865</b>	<b>\$439,448</b>	<b>\$413,612</b>	<b>\$521,422</b>	<b>\$576,242</b>	<b>\$628,545</b>	<b>\$502,539</b>	<b>\$390,218</b>	<b>\$567,298</b>	<b>\$329,558</b>	<b>\$665,752</b>	<b>\$5,833,557</b>
Operating Surplus/(Deficit)	\$351,257	\$38,581	\$41,178	\$66,559	(\$38,844)	(\$99,627)	(\$147,862)	(\$14,180)	\$99,834	(\$102,996)	\$166,941	(\$390,109)	(\$29,268)
<b>Ending Balance</b>	<b>\$3,362,359</b>	<b>\$3,400,940</b>	<b>\$3,442,118</b>	<b>\$3,508,677</b>	<b>\$3,469,833</b>	<b>\$3,370,206</b>	<b>\$3,222,344</b>	<b>\$3,208,164</b>	<b>\$3,307,998</b>	<b>\$3,205,002</b>	<b>\$3,371,943</b>	<b>\$2,981,834</b>	<b>\$2,981,834</b>
Active/COBRA Lives	492	487	495	495	495	495	495	496	496	495	492	497	494
Retiree Lives	9	8	8	8	8	10	9	9	10	10	10	10	9
<b>Total</b>	<b>501</b>	<b>495</b>	<b>503</b>	<b>503</b>	<b>503</b>	<b>505</b>	<b>504</b>	<b>505</b>	<b>506</b>	<b>505</b>	<b>502</b>	<b>507</b>	<b>503</b>

<sup>1</sup> Adjusted based on reconciliation to audited statements.

<sup>2</sup> Employee contributions include Retiree and COBRA contributions.

<sup>3</sup> Interest income includes "Other Income" line item from financial statements.

<sup>4</sup> 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, and includes Out-of-Network fees from Anthem.

<sup>5</sup> Based on financial statements received from City of Joplin personnel. Includes prescription drug rebates.

<sup>6</sup> Administration expense includes "Operating Equipment" and "Building Improvements" line items from financial statements.

# 2020 YTD Financial Statement

	<u>January</u>	<u>February</u>	<u>March</u>	<u>Year to Date</u>
<b><u>Beginning Balance</u></b>	\$2,981,834	\$3,146,270	\$3,159,371	\$2,981,834
<b><u>Income</u></b>				
City Contributions	\$588,741	\$395,882	\$404,702	\$1,389,325
Employee Contributions <sup>1</sup>	154,597	110,494	109,659	374,750
Interest Income	0	0	0	0
<b>Total</b>	<b>\$743,338</b>	<b>\$506,376</b>	<b>\$514,361</b>	<b>\$1,764,075</b>
<b><u>Expense</u></b>				
Medical <sup>2</sup>	\$403,867	\$274,808	\$416,638	\$1,095,313
Stop Loss Reimbursements	(47,088)	0	(86,298)	(133,386)
Prescription Drug <sup>2</sup>	111,022	103,858	81,088	295,968
Dental Premium	27,542	27,677	27,557	82,776
Vision Premium	3,577	3,602	3,592	10,771
Life Premium	7,639	7,712	7,727	23,078
Stop-Loss Premium	52,256	50,824	51,289	154,369
Medical Administration <sup>3</sup>	21,996	21,607	21,823	65,426
Special Events & Promotions	(4,826)	270	180	(4,376)
Administration <sup>4</sup>	2,917	2,917	2,917	8,751
<b>Total</b>	<b>\$578,902</b>	<b>\$493,275</b>	<b>\$526,513</b>	<b>\$1,598,690</b>
<b>Operating Surplus/(Deficit)</b>	<b>\$164,436</b>	<b>\$13,101</b>	<b>(\$12,152)</b>	<b>\$165,385</b>
<b><u>Ending Balance</u></b>	<b>\$3,146,270</b>	<b>\$3,159,371</b>	<b>\$3,147,219</b>	<b>\$3,147,219</b>
Active/COBRA Lives	497	496	489	494
Retiree Lives	10	9	9	9
<b>Total</b>	<b>507</b>	<b>505</b>	<b>498</b>	<b>503</b>

<sup>1</sup> Employee contributions include Retiree and COBRA contributions.

<sup>2</sup> 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, and includes Out-of-Network fees from Anthem.

<sup>3</sup> Adjusted to include prescription drug rebates.

<sup>4</sup> 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, 2019

<u>Income</u>	<u>Projected</u>		<u>Actual</u>		<u>% Difference</u>	
	<u>PEPM</u>	<u>12 Mo. Total</u>	<u>PEPM</u>	<u>12 Mo. Total</u>	<u>PEPM</u>	<u>12 Mo. Total</u>
City Contributions	\$751.49	\$4,527,000	\$753.27	\$4,546,765	0.2%	0.4%
Employee Contributions <sup>1</sup>	211.79	1,275,800	208.44	1,258,137	-1.6%	-1.4%
Interest Income	NP	NP	(0.10)	(613)		
<b>Total Income</b>	<b>\$963.28</b>	<b>\$5,802,800</b>	<b>\$961.61</b>	<b>\$5,804,289</b>	<b>-0.2%</b>	<b>0.0%</b>
<u>Expense</u>						
Medical <sup>2</sup>	\$517.30	\$3,116,200	\$539.40	\$3,255,839	4.3%	4.5%
Prescription Drug	223.62	1,347,100	208.18	1,256,571	-6.9%	-6.7%
Dental Premium	51.88	312,500	52.12	314,615	0.5%	0.7%
Vision Premium	6.79	40,900	6.83	41,253	0.6%	0.9%
Life Premium	15.17	91,400	15.11	91,216	-0.4%	-0.2%
Stop-Loss Premium	93.69	564,400	93.62	565,091	-0.1%	0.1%
Medical Administration <sup>3</sup>	41.10	247,600	43.39	261,877	5.6%	5.8%
Administration	NP	NP	7.80	47,095		
<b>Total Expense</b>	<b>\$949.55</b>	<b>\$5,720,100</b>	<b>\$966.45</b>	<b>\$5,833,557</b>	<b>1.8%</b>	<b>2.0%</b>
<b>Operating Surplus (Deficit)</b>	<b>\$13.73</b>	<b>\$82,700</b>	<b>(\$4.84)</b>	<b>(\$29,268)</b>		
Active	493		494			
Retiree and COBRA	9		9			
<b>Total Employees<sup>4</sup></b>	<b>502</b>		<b>503</b>			

<sup>1</sup> Includes Retiree/COBRA contributions.

<sup>2</sup> Net of stop-loss reimbursements, and includes Out-of-Network fees from Anthem.

<sup>3</sup> The administration fee includes a prescription drug rebate offset.

<sup>4</sup> 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, 2020

<u>Income</u>	Projected		Actual		% Difference	
	PEPM	3 Mo. Total	PEPM	3 Mo. Total	PEPM	3 Mo. Total
City Contributions	\$793.09	\$1,194,400	\$920.69	\$1,389,325	16.1%	16.3%
Employee Contributions <sup>1</sup>	222.81	335,600	248.34	374,750	11.5%	11.7%
Interest Income	NP	NP	-	0		
<b>Total Income</b>	<b>\$1,015.90</b>	<b>\$1,530,000</b>	<b>\$1,169.03</b>	<b>\$1,764,075</b>	<b>15.1%</b>	<b>15.3%</b>
<u>Expense</u>	Projected		Actual		% Difference	
Medical <sup>2</sup>	\$553.52	\$833,600	\$637.46	\$961,927	15.2%	15.4%
Prescription Drug	241.52	363,700	196.14	295,968	-18.8%	-18.6%
Dental Premium	54.47	82,000	54.85	82,776	0.7%	0.9%
Vision Premium	6.79	10,200	7.14	10,771	5.2%	5.6%
Life Premium	15.17	22,800	15.29	23,078	0.8%	1.2%
Stop-Loss Premium	102.81	154,800	102.30	154,369	-0.5%	-0.3%
Medical Administration <sup>3</sup>	41.10	61,900	43.36	65,426	5.5%	5.7%
Administration	NP	NP	2.90	4,375		
<b>Total Expense</b>	<b>\$1,015.38</b>	<b>\$1,529,000</b>	<b>\$1,059.44</b>	<b>\$1,598,690</b>	<b>4.3%</b>	<b>4.6%</b>
<b>Operating Surplus (Deficit)</b>	<b>\$0.52</b>	<b>\$1,000</b>	<b>\$109.59</b>	<b>\$165,385</b>		
Active	493		494			
Retiree and COBRA	9		9			
<b>Total Employees<sup>4</sup></b>	<b>502</b>		<b>503</b>			

<sup>1</sup> Includes Retiree/COBRA contributions.

<sup>2</sup> Net of stop-loss reimbursements, and includes Out-of-Network fees from Anthem.

<sup>3</sup> The administration fee includes a prescription drug rebate offset.

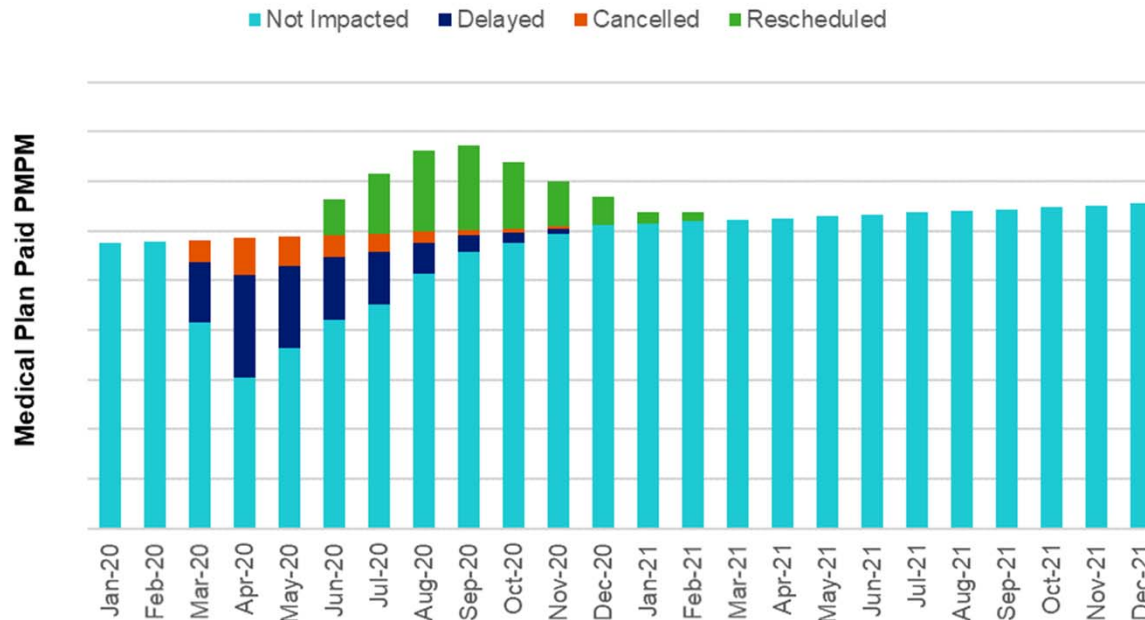
<sup>4</sup> Total may vary from Anthem data due to rounding.

NP = Not Projected

PEPM = Per Employee Per Month

# Impact of COVID-19

- The City of Joplin issued the following orders in response to the COVID-19 pandemic:
  - March 18<sup>th</sup>: Limited gatherings to no more than 50
  - March 25<sup>th</sup>: Limited gatherings to no more than 10
  - April 3<sup>rd</sup>: Issued Stay at Home order
  - May 4<sup>th</sup>: Lifted Stay at Home order with social distancing and occupancy limits in place
- The Coronavirus (COVID-19) pandemic is rapidly evolving and will likely impact the 2020 US economy and health plan claims projections for most employers. As a result, projections of near-term income and claim expenses could be significantly altered by emerging events. At this point, it is unclear what the income and cost impact will be. Segal is working to develop plan cost adjustment factors and reports to apply to both short-term and long-term financial projections. Given the high level of uncertainty and fluidity of the current events, some plans may seek periodic updated estimates throughout the year to closely monitor health plan budget projections this year.
- COVID-19 is expected to impact medical claims in three ways:
  - There will be additional expenses due to testing and treatment of COVID-19.
  - There will be a temporary reduction in costs relative to what the status quo would have been without COVID-19.
  - Some claims that were deferred will be rescheduled and increase costs relative to the status quo



# 2019 & 2020 YTD Enrollment Split

	2019											
	January	February	March	April	May	June	July	August	September	October	November	December
<b>Members</b>												
Employee	245	252	257	256	256	253	254	256	260	260	259	261
Employee & Spouse/Dependent	84	84	86	82	80	78	76	78	74	76	76	76
Employee & Child/Children	71	71	73	70	67	72	69	63	66	66	66	66
Family	768	765	754	755	762	761	753	791	784	790	784	778
<b>Total</b>	<b>1,168</b>	<b>1,172</b>	<b>1,170</b>	<b>1,163</b>	<b>1,165</b>	<b>1,164</b>	<b>1,152</b>	<b>1,188</b>	<b>1,184</b>	<b>1,192</b>	<b>1,185</b>	<b>1,181</b>
<b>Employees</b>												
Employee	245	252	257	256	256	253	254	256	260	260	259	261
Employee & Spouse/Dependent	42	42	43	41	40	39	38	39	37	38	38	38
Employee & Child/Children	24	24	25	24	23	25	24	22	23	23	23	23
Family	181	180	177	176	178	178	176	184	183	185	185	183
<b>Total</b>	<b>492</b>	<b>498</b>	<b>502</b>	<b>497</b>	<b>497</b>	<b>495</b>	<b>492</b>	<b>501</b>	<b>503</b>	<b>506</b>	<b>505</b>	<b>505</b>

	2020											
	January	February	March	April	May	June	July	August	September	October	November	December
<b>Members</b>												
Employee	260	261	258									
Employee & Spouse/Dependent	78	78	76									
Employee & Child/Children	64	64	61									
Family	786	775	787									
<b>Total</b>	<b>1,188</b>	<b>1,178</b>	<b>1,182</b>									
<b>Employees</b>												
Employee	260	261	258									
Employee & Spouse/Dependent	39	39	38									
Employee & Child/Children	22	22	21									
Family	184	181	184									
<b>Total</b>	<b>505</b>	<b>503</b>	<b>501</b>									

Note, counts as reported by Anthem.



# 2019 & 2020 YTD Medical Claims and Enrollment Summary

Month	Sum of Paid Medical Claims <sup>1</sup>	Number of Members <sup>1</sup>	Number of Employees <sup>1</sup>	Paid Medical Claims Per Member Per Month	Paid Medical Claims Per Employee Per Month
January - 2019	\$128,048	1,168	492	\$109.63	\$260.26
February	\$200,469	1,172	498	\$171.05	\$402.55
March	\$219,575	1,170	502	\$187.67	\$437.40
April	\$165,714	1,163	497	\$142.49	\$333.43
May	\$240,717	1,165	497	\$206.62	\$484.34
June	\$518,997	1,164	495	\$445.87	\$1,048.48
July	\$191,211	1,152	492	\$165.98	\$388.64
August	\$231,597	1,188	501	\$194.95	\$462.27
September	\$204,002	1,184	503	\$172.30	\$405.57
October	\$225,796	1,192	506	\$189.43	\$446.24
November	\$387,353	1,185	505	\$326.88	\$767.04
December	\$300,750	1,181	505	\$254.66	\$595.55
<b>Total - 2019</b>	<b>\$3,014,227</b>	<b>1,174</b>	<b>499</b>	<b>\$213.96</b>	<b>\$503.38</b>

January - 2020	\$275,831	1,188	505	\$232.18	\$546.20
February	\$292,183	1,178	503	\$248.03	\$580.88
March	\$359,221	1,182	501	\$303.91	\$717.01
<b>YTD - 2020</b>	<b>\$927,236</b>	<b>1,183</b>	<b>503</b>	<b>\$261.27</b>	<b>\$614.47</b>

<b>3 Month - 2019</b>	<b>\$548,092</b>	<b>1,170</b>	<b>497</b>	<b>\$156.15</b>	<b>\$367.60</b>
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<sup>1</sup> As reported by Anthem

# 2019 & 2020 YTD Prescription Drug Claims and Enrollment Summary

Month	Sum of Paid Prescription Drug Claims <sup>1</sup>	Number of Members <sup>1</sup>	Number of Employees <sup>1</sup>	Paid Prescription Drug Claims Per Member Per Month	Paid Prescription Drug Claims Per Employee Per Month
January - 2019	\$119,232	1,168	492	\$102.08	\$242.34
February	\$107,709	1,172	498	\$91.90	\$216.28
March	\$129,304	1,170	502	\$110.52	\$257.58
April	\$96,701	1,163	497	\$83.15	\$194.57
May	\$125,035	1,165	497	\$107.33	\$251.58
June	\$98,637	1,164	495	\$84.74	\$199.27
July	\$108,317	1,152	492	\$94.02	\$220.16
August	\$81,333	1,188	501	\$68.46	\$162.34
September	\$100,710	1,184	503	\$85.06	\$200.22
October	\$93,598	1,192	506	\$78.52	\$184.98
November	\$98,243	1,185	505	\$82.91	\$194.54
December	\$97,752	1,181	505	\$82.77	\$193.57
<b>Total - 2019</b>	<b>\$1,256,570</b>	<b>1,174</b>	<b>499</b>	<b>\$89.19</b>	<b>\$209.85</b>

January - 2020	\$111,022	1,188	505	\$93.45	\$219.85
February	\$103,858	1,178	503	\$88.16	\$206.48
March	\$81,088	1,182	501	\$68.60	\$161.85
<b>YTD - 2020</b>	<b>\$295,969</b>	<b>1,183</b>	<b>503</b>	<b>\$83.39</b>	<b>\$196.14</b>

<b>3 Month - 2019</b>	<b>\$356,245</b>	<b>1,170</b>	<b>497</b>	<b>\$101.49</b>	<b>\$238.93</b>
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<sup>1</sup> As reported by Anthem

# 2019 & 2020 YTD Total Medical and Prescription Drug Claims and Enrollment Summary

Month	Sum of Total Paid Claims <sup>1</sup>	Number of Members <sup>1</sup>	Number of Employees <sup>1</sup>	Paid Total Claims Per Member Per Month	Paid Total Claims Per Employee Per Month
January - 2019	\$247,279	1,168	492	\$211.71	\$502.60
February	\$308,178	1,172	498	\$262.95	\$618.83
March	\$348,879	1,170	502	\$298.19	\$694.98
April	\$262,414	1,163	497	\$225.64	\$528.00
May	\$365,752	1,165	497	\$313.95	\$735.92
June	\$617,634	1,164	495	\$530.61	\$1,247.75
July	\$299,527	1,152	492	\$260.01	\$608.80
August	\$312,931	1,188	501	\$263.41	\$624.61
September	\$304,712	1,184	503	\$257.36	\$605.79
October	\$319,393	1,192	506	\$267.95	\$631.21
November	\$485,595	1,185	505	\$409.78	\$961.57
December	\$398,503	1,181	505	\$337.43	\$789.11
<b>Total - 2019</b>	<b>\$4,270,798</b>	<b>1,174</b>	<b>499</b>	<b>\$303.15</b>	<b>\$713.23</b>

January - 2020	\$386,853	1,188	505	\$325.63	\$766.05
February	\$396,042	1,178	503	\$336.20	\$787.36
March	\$440,309	1,182	501	\$372.51	\$878.86
<b>YTD - 2020</b>	<b>\$1,223,204</b>	<b>1,183</b>	<b>503</b>	<b>\$344.66</b>	<b>\$810.61</b>

<b>3 Month - 2019</b>	<b>\$904,336</b>	<b>1,170</b>	<b>497</b>	<b>\$257.65</b>	<b>\$606.53</b>
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<sup>1</sup> As reported by Anthem

# Anthem Three-Year Utilization Summary

	Prior Period (2 years ago): April 2017 - March 2018	Prior Period (1 year ago): April 2018 - March 2019	Current Period: April 2019 - March 2020
<b>Admissions/Visits/Services by Provider Type</b>			
Inpatient facility (admissions)	67	50	76
Outpatient facility (visits)	1,859	1,704	1,647
Professional (services)	9,761	9,368	10,192
<b>Paid Claims by Provider Type<sup>1</sup></b>			
Inpatient facility	\$691,187	\$536,975	\$940,579
Outpatient facility	\$936,895	\$804,893	\$1,230,508
Professional	\$1,221,697	\$1,147,076	\$1,222,285
<b>Total</b>	<b>\$2,849,779</b>	<b>\$2,488,944</b>	<b>\$3,393,372</b>
<b>Paid Claims Per Admission/Visit/Service</b>			
Inpatient Per Admission	\$10,316.22	\$10,739.50	\$12,376.04
Outpatient Per Visit	\$503.98	\$472.36	\$747.12
Professional Per Service	\$125.16	\$122.45	\$119.93

<sup>1</sup> Paid claims do not reflect stop-loss reimbursements

# Enrollment and Claims

Enrollment and Claims Metrics	2017	2018	2019	YTD 2020 <sup>1</sup>
<b>Average Enrolled Participants</b>				
Total - Enrolled Employees	507	492	499	503
Total - Enrolled Members	1,223	1,197	1,174	1,183
<b>Paid Expenses<sup>2</sup></b>				
Total Paid Expenses (medical and prescription drug)	\$3,946,533	\$3,861,967	\$4,270,798	\$1,223,204
Paid Expenses - Per Employee Per Month	\$648.67	\$654.13	\$713.23	\$810.61
Paid Expenses - Per Member Per Month	\$268.91	\$268.86	\$303.15	\$344.66

<sup>1</sup> Through March 31, 2020

<sup>2</sup> Paid expenses do not reflect stop-loss reimbursements