



Preliminary Financial Statement and Budget to Actual Report

City
of *Joplin*

June 21, 2021\ Kim Wixson

Discussion Objectives

- **2020 and 2021 YTD financial statement**
- **Projected vs. Actual Income and Expense**
 - **Twelve-Month Period Ending December 31, 2020**
 - **Three-Month Period Ending March 31, 2021**
- **2020 and 2021 YTD claims, enrollment and utilization summaries**
- **Medical and Prescription Drug Large Claimant Experience**

2020 Financial Statement

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Beginning Balance	\$2,981,834 ¹	\$3,146,270	\$3,159,371	\$3,147,219	\$3,225,867	\$3,386,716	\$3,363,305	\$3,412,076	\$3,419,994	\$3,418,668	\$3,237,794	\$3,181,987	\$2,981,834
Income													
City Contributions	\$588,741	\$395,882	\$404,702	\$406,634	\$404,365	\$404,614	\$401,047	\$404,834	\$399,784	\$399,526	\$395,025	\$514,736	\$5,119,890
Employee Contributions ²	154,597	110,494	109,659	118,726	111,159	115,205	112,549	110,383	116,589	101,407	110,959	171,658	1,443,385
Interest Income ³	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$743,338	\$506,376	\$514,361	\$525,360	\$515,524	\$519,819	\$513,596	\$515,217	\$516,373	\$500,933	\$505,984	\$686,394	\$6,563,275
Expense													
Medical ⁴	\$403,867	\$274,808	\$374,775	\$437,324	\$155,170	\$637,726	\$273,577	\$302,750	\$309,173	\$827,434	\$502,759	\$482,750	\$4,982,113
Stop Loss Reimbursements	(47,088)	0	(86,298)	(188,168)	(18,824)	(398,507)	(22,192)	(33,662)	(15,118)	(376,649)	(181,415)	(88,626)	(1,456,547)
Prescription Drug ⁴	111,022	103,858	122,951	80,460	101,436	105,053	96,319	115,880	106,821	106,191	121,803	126,448	1,298,242
Dental Premium	27,542	27,677	27,557	28,046	28,056	28,265	27,816	27,995	28,076	27,845	27,956	27,086	333,917
Vision Premium	3,577	3,602	3,592	3,640	3,632	3,666	3,660	3,611	3,639	3,575	3,626	3,619	43,439
Life Premium	7,639	7,712	7,727	7,926	7,832	7,904	7,873	7,804	7,882	7,788	8,044	8,206	94,337
Stop-Loss Premium	52,256	50,824	51,289	52,506	52,460	52,243	52,637	52,111	52,308	51,621	52,213	51,299	623,767
Medical Administration ⁵	21,996	21,607	21,823	22,056	21,996	21,953	22,213	22,007	21,996	21,693	22,083	21,780	263,203
Special Events & Promotions	(4,826)	270	180	5	0	10	5	5	5	1,034	5	10	(3,297)
ACA Fees	0	0	0	0	0	0	0	5,881	0	1,144	0	0	7,025
Administration ⁶	2,917	2,917	2,917	2,917	2,917	84,917	2,917	2,917	2,917	10,131	4,717	5,833	128,934
Total	\$578,902	\$493,275	\$526,513	\$446,712	\$354,675	\$543,230	\$464,825	\$507,299	\$517,699	\$681,807	\$561,791	\$638,405	\$6,315,133
Operating Surplus/(Deficit)	\$164,436	\$13,101	(\$12,152)	\$78,648	\$160,849	(\$23,411)	\$48,771	\$7,918	(\$1,326)	(\$180,874)	(\$55,807)	\$47,989	\$248,142
Ending Balance	\$3,146,270	\$3,159,371	\$3,147,219	\$3,225,867	\$3,386,716	\$3,363,305	\$3,412,076	\$3,419,994	\$3,418,668	\$3,237,794	\$3,181,987	\$3,229,976	\$3,229,976
Active/COBRA Lives	497	496	489	503	508	501	497	494	501	493	492	491	497
Retiree Lives	10	9	9	9	7	7	7	7	9	10	9	9	9
Total	507	505	498	512	515	508	504	501	510	503	501	500	506

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, and includes Out-of-Network fees from Anthem.

⁵ Based on financial statements received from City of Joplin personnel. Includes an \$213,500 in prescription drug rebates as an offset credit for the 2020 administration fee.

⁶ Administration expense includes "Operating Equipment" and "Building Improvements" line items from financial statements. The large amount of \$84,917 in June was due the increase in consulting fees for the Request-for-Proposal on multiple lines of coverage.

2021 YTD Financial Statement

	<u>January</u>	<u>February</u>	<u>March</u>	<u>Year to Date</u>
<u>Beginning Balance</u>	\$3,229,976	\$3,342,933	\$3,006,530	\$3,229,976
<u>Income</u>				
City Contributions	\$399,629	\$397,127	\$396,562	\$1,193,318
Employee Contributions ¹	114,370	109,716	109,070	333,156
Interest Income	0	0	0	0
Total	\$513,999	\$506,843	\$505,632	\$1,526,474
<u>Expense</u>				
Medical ²	\$218,910	\$363,626	\$221,044	\$803,580
Stop Loss Reimbursements	(17,294)	241,694	0	224,400
Prescription Drug ²	65,194	110,299	108,227	283,720
Prescription Drug Rebates ³	0	0	0	0
Dental Premium	26,283	26,627	26,330	79,240
Vision Premium	3,707	3,698	3,652	11,057
Life Premium	7,333	7,408	7,299	22,040
Stop-Loss Premium	62,967	62,091	59,227	184,285
Medical Administration ⁴	48,842	24,706	22,949	96,497
Special Events & Promotions	(14,900)	180	110	(14,610)
ACA Fees	0	0	0	0
Administration ⁵	0	2,917	5,833	8,750
Total	\$401,042	\$843,246	\$454,671	\$1,698,959
Operating Surplus/(Deficit)	\$112,957	(\$336,403)	\$50,961	(\$172,485)
<u>Ending Balance</u>	<u>\$3,342,933</u>	<u>\$3,006,530</u>	<u>\$3,057,491</u>	<u>\$3,057,491</u>
Active/COBRA Lives	489	486	487	487
Retiree Lives	9	9	9	9
Total	498	495	496	496

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, and includes Out-of-Network fees from Anthem.

³ Prescription drug rebates from UMR are received on a quarterly basis and are not yet reflected in the 2021 experience.

⁴ Medical administration includes run out fees paid to Anthem and variable fees to UMR.

⁵ 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, 2020

<u>Income</u>	Projected		Actual		% Difference	
	PEPM	12 Mo. Total	PEPM	12 Mo. Total	PEPM	12 Mo. Total
City Contributions	\$788.65	\$4,817,100	\$843.20	\$5,119,890	6.9%	6.3%
Employee Contributions ¹	221.57	1,353,300	237.71	1,443,385	7.3%	6.7%
Interest Income	NP	NP	-	0		
Total Income	\$1,010.22	\$6,170,400	\$1,080.91	\$6,563,275	7.0%	6.4%
 <u>Expense</u>						
Medical ²	\$546.77	\$3,339,700	\$580.63	\$3,525,566	6.2%	5.6%
Prescription Drug	230.40	1,407,300	213.81	1,298,242	-7.2%	-7.7%
Dental Premium	54.37	332,100	54.99	333,917	1.1%	0.5%
Vision Premium	7.12	43,500	7.15	43,439	0.4%	-0.1%
Life Premium	15.31	93,500	15.54	94,337	1.5%	0.9%
Stop-Loss Premium	102.31	624,900	102.73	623,767	0.4%	-0.2%
Medical Administration ³	41.09	251,000	43.35	263,203	5.5%	4.9%
ACA Fees	0.51	3,100	1.16	7,025	127.5%	126.6%
Administration	NP	NP	20.69	125,637		
Total Expense	\$997.88	\$6,095,100	\$1,040.05	\$6,315,133	4.2%	3.6%
Operating Surplus (Deficit)	\$12.34	\$75,300	\$40.86	\$248,142		
Active	493		497			
Retiree and COBRA	16		9			
Total Employees⁴	509		506			

¹ Includes Retiree/COBRA contributions.

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

³ The administration fee includes a prescription drug rebate offset.

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, 2021

<u>Income</u>	Projected		Actual		% Difference	
	PEPM	3 Mo. Total	PEPM	3 Mo. Total	PEPM	3 Mo. Total
City Contributions	\$793.16	\$1,211,200	\$801.96	\$1,193,318	1.1%	-1.5%
Employee Contributions ¹	221.25	337,800	223.90	333,156	1.2%	-1.4%
Interest Income	NP	NP	-	0		
Total Income	\$1,014.41	\$1,549,000	\$1,025.86	\$1,526,474	1.1%	-1.5%
<u>Expense</u>						
Medical ²	\$626.47	\$956,600	\$486.64	\$724,124	-22.3%	-24.3%
Prescription Drug ³	166.73	254,600	162.07	241,162	-2.8%	-5.3%
Dental Premium	50.67	77,400	53.25	79,240	5.1%	2.4%
Vision Premium	7.12	10,900	7.43	11,057	4.4%	1.4%
Life Premium	13.38	20,400	14.81	22,040	10.7%	8.0%
Stop-Loss Premium	116.22	177,500	123.85	184,285	6.6%	3.8%
Medical Administration ⁴	32.78	50,100	64.85	96,497	97.8%	92.6%
ACA Fees	0.52	800	-	0	-100.0%	-100.0%
Administration	NP	NP	(3.94)	(5,860)		
Total Expense	\$1,013.89	\$1,548,300	\$908.96	\$1,352,545	-10.3%	-12.6%
Operating Surplus (Deficit)	\$0.52	\$700	\$116.90	\$173,929		
Active	493		487			
Retiree and COBRA	16		9			
Total Employees⁵	509		496			

¹ Includes Retiree/COBRA contributions.

² Net of stop-loss reimbursements, and includes Out-of-Network fees from Anthem. Includes expected stop-loss reimbursements based on large claimant experience for January 1, 2021 through March 31, 2021.

³ Actual prescription drug expenses include an estimated prescription drug rebate percentage of 15%. Rebates from UMR will be paid on a quarterly basis.

⁴ Total may vary from Anthem data due to rounding.

⁵ Medical administration includes run out fees paid to Anthem and variable fees to UMR.

NP = Not Projected

PEPM = Per Employee Per Month

2020 & 2021 YTD Enrollment Split

	2020											
	January	February	March	April	May	June	July	August	September	October	November	December
Members												
Single	258	259	253	257	256	254	248	254	253	259	256	259
Family	928	915	927	941	944	937	932	936	929	926	919	923
Total	1,186	1,174	1,180	1,198	1,200	1,191	1,180	1,190	1,182	1,185	1,175	1,182
Employees												
Single	258	259	253	257	256	254	248	254	253	259	256	259
Family	245	242	245	250	250	246	246	248	248	246	243	244
Total	503	501	498	507	506	500	494	502	501	505	499	503

	2021											
	January	February	March	April	May	June	July	August	September	October	November	December
Members												
Single	253	256	257									
Family	954	941	946									
Total	1,207	1,197	1,203									
Employees												
Single	253	256	257									
Family	247	246	248									
Total	500	502	505									

Note, 2020 counts as reported by Anthem, and 2021 counts as reported by UMR.

2020 & 2021 YTD Medical Claims and Enrollment Summary

Month	Sum of Paid Medical Claims ¹	Number of Members ¹	Number of Employees ¹	Paid Medical Claims Per Member Per Month	Paid Medical Claims Per Employee Per Month
January - 2020	\$275,831	1,186	503	\$232.57	\$548.37
February	\$292,183	1,174	501	\$248.88	\$583.20
March	\$359,221	1,180	498	\$304.42	\$721.33
April	\$367,171	1,198	507	\$306.49	\$724.20
May	\$470,168	1,200	506	\$391.81	\$929.19
June	\$353,368	1,191	500	\$296.70	\$706.74
July	\$312,655	1,180	494	\$264.96	\$632.90
August	\$276,966	1,190	502	\$232.74	\$551.73
September	\$369,356	1,182	501	\$312.48	\$737.24
October	\$662,234	1,185	505	\$558.85	\$1,311.35
November	\$336,177	1,175	499	\$286.11	\$673.70
December	\$446,795	1,182	503	\$378.00	\$888.26
YTD - 2020	\$4,522,126	1,185	502	\$318.01	\$750.68

January - 2021	\$198,714	1,207	500	\$164.63	\$397.43
February	\$240,629	1,197	502	\$201.03	\$479.34
March	\$334,391	1,203	505	\$277.96	\$662.16
YTD - 2021	\$773,733	1,202	502	\$214.57	\$513.77

3 Month - 2020	\$927,236	1,180	501	\$261.93	\$616.92
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¹ 2020 data as reported by Anthem, and 2021 data as reported by UMR.

2020 & 2021 YTD Prescription Drug Claims and Enrollment Summary

Month	Sum of Paid Prescription Drug Claims ¹	Number of Members ¹	Number of Employees ¹	Paid Prescription Drug Claims Per Member Per Month	Paid Prescription Drug Claims Per Employee Per Month
January - 2020	\$111,022	1,186	503	\$93.61	\$220.72
February	\$103,858	1,174	501	\$88.47	\$207.30
March	\$122,951	1,180	498	\$104.20	\$246.89
April	\$80,460	1,198	507	\$67.16	\$158.70
May	\$101,436	1,200	506	\$84.53	\$200.47
June	\$105,053	1,191	500	\$88.21	\$210.11
July	\$96,319	1,180	494	\$81.63	\$194.98
August	\$115,880	1,190	502	\$97.38	\$230.84
September	\$106,821	1,182	501	\$90.37	\$213.22
October	\$106,191	1,185	505	\$89.61	\$210.28
November	\$121,803	1,175	499	\$103.66	\$244.09
December	\$126,448	1,182	503	\$106.98	\$251.39
YTD - 2020	\$1,298,242	1,185	502	\$91.30	\$215.51

January - 2021	\$65,194	1,207	500	\$54.01	\$130.39
February	\$110,299	1,197	502	\$92.15	\$219.72
March	\$108,227	1,203	505	\$89.96	\$214.31
YTD - 2021	\$283,720	1,202	502	\$78.68	\$188.39

3 Month - 2020	\$337,832	1,180	501	\$95.43	\$224.77
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¹ 2020 data as reported by Anthem, and 2021 data as reported by UMR.

2020 & 2021 YTD Total Medical and Prescription Drug Claims and Enrollment Summary

Month	Sum of Total Paid Claims ¹	Number of Members ¹	Number of Employees ¹	Paid Total Claims Per Member Per Month	Paid Total Claims Per Employee Per Month
January - 2020	\$386,853	1,186	503	\$326.18	\$769.09
February	\$396,042	1,174	501	\$337.34	\$790.50
March	\$482,172	1,180	498	\$408.62	\$968.22
April	\$447,631	1,198	507	\$373.65	\$882.90
May	\$571,604	1,200	506	\$476.34	\$1,129.65
June	\$458,421	1,191	500	\$384.90	\$916.84
July	\$408,974	1,180	494	\$346.59	\$827.88
August	\$392,846	1,190	502	\$330.12	\$782.56
September	\$476,177	1,182	501	\$402.86	\$950.45
October	\$768,425	1,185	505	\$648.46	\$1,521.63
November	\$457,980	1,175	499	\$389.77	\$917.80
December	\$573,243	1,182	503	\$484.98	\$1,139.65
YTD - 2020	\$5,820,368	1,185	502	\$409.31	\$966.20

January - 2021	\$263,908	1,207	500	\$218.65	\$527.82
February	\$350,928	1,197	502	\$293.17	\$699.06
March	\$442,618	1,203	505	\$367.93	\$876.47
YTD - 2021	\$1,057,453	1,202	502	\$293.25	\$702.16

3 Month - 2020	\$1,265,067	1,180	501	\$357.36	\$841.69
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¹ 2020 data as reported by Anthem, and 2021 data as reported by UMR.

Anthem Three-Year Utilization Summary

	Prior Period (2 years ago): Jan 2018 - Dec 2018	Prior Period (1 year ago): Jan 2019 - Dec 2019	Current Period: Jan 2020 - Dec 2020
Admissions/Visits/Services by Provider Type			
Inpatient facility (admissions)	53	68	64
Outpatient facility (visits)	1,739	1,635	2,138
Professional (services)	9,474	9,908	9,782
Paid Claims by Provider Type¹			
Inpatient facility	\$627,160	\$858,151	\$1,130,911
Outpatient facility	\$836,716	\$957,735	\$2,043,357
Professional	\$1,183,589	\$1,198,341	\$1,347,858
Total	\$2,647,465	\$3,014,227	\$4,522,126
Paid Claims Per Admission/Visit/Service			
Inpatient Per Admission	\$11,833.21	\$12,619.86	\$17,670.49
Outpatient Per Visit	\$481.15	\$585.77	\$955.73
Professional Per Service	\$124.93	\$120.95	\$137.79

¹ Paid claims do not reflect stop-loss reimbursements

Enrollment and Claims

Enrollment and Claims Metrics	2018	2019	2020	YTD 2021 ¹
Average Enrolled Participants				
Total - Enrolled Employees	492	499	502	502
Total - Enrolled Members	1,197	1,174	1,185	1,202
Paid Expenses²				
Total Paid Expenses (medical and prescription drug)	\$3,861,967	\$4,270,798	\$5,820,368	\$1,057,453
Paid Expenses - Per Employee Per Month	\$654.13	\$713.23	\$966.20	\$702.16
Paid Expenses - Per Member Per Month	\$268.86	\$303.15	\$409.31	\$293.25

¹ Through March 31, 2021

² Paid expenses do not reflect stop-loss reimbursements

Medical and Prescription Drug Large Claimant Experience

	January 1, 2018 - December 31, 2018		January 1, 2019 - December 31, 2019		January 1, 2020 - December 31, 2020		January 1, 2021 - March 31, 2021		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	9	\$559,849	7	\$482,832	8	\$510,735	0	\$0	24	\$1,553,415
\$100,000 - \$149,999	2	\$266,815	1	\$113,596	3	\$350,277	0	\$0	6	\$730,688
\$150,000 - \$199,999	0	\$0	0	\$0	1	\$187,358	0	\$0	1	\$187,358
\$200,000 - \$249,999	0	\$0	1	\$212,195	0	\$0	1	\$229,456	2	\$441,651
\$250,000 - \$499,999	0	\$0	0	\$0	2	\$579,352	0	\$0	2	\$579,352
\$500,000 - \$999,999	0	\$0	0	\$0	0	\$0	0	\$0	-	\$0
Greater than or Equal to \$1 million	0	\$0	0	\$0	1	\$1,011,624	0	\$0	1	\$1,011,624
Total	11	\$826,663	9	\$808,623	15	\$2,639,346	1	\$229,456	36	\$4,504,089
Percent Change from Previous Year	-	-	-18.2%	-2.2%	66.7%	226.4%	-	-	-	-
Total Claims	\$3,861,967		\$4,270,798		\$5,820,368		\$1,057,453		\$15,010,586	
Percent of Total Claims	21.4%		18.9%		45.3%		21.7%		30.0%	

Data from 2018 through 2020 is provided by Anthem. Data from January through March 2021 includes Anthem run out and data from UMR.