



Rochester Area School Health Plan II

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James Haugh
Lynda Quick, Esq.

ROCHESTER AREA SCHOOL HEALTH PLAN II

May 13, 2025

NYSUT 2:30pm-4:30pm

The following were present:

Brockport
Churchville-Chili
Gates Chili
Greece
Hilton
Spencerport
Wheatland-Chili
Monroe #2 BOCES

Darrin Winkley
Matt DeAmaral
Mitch Ball
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Penfield
Pittsford
Rush-Henrietta
Webster
West Irondequoit
Monroe #1 BOCES

Lou Alaimo
John Abbott
Stacie SanSoucie
Absent
Colin Pearce
Dan Drifill
Terry Hassler
Andrew Whitmore
Brian Freeman
James Brennan
Lisa Ryan

Union Rep
Charlotte Kimberly-Haag (Brighton)
Dwayne Cerbone (Pittsford)
Heidi Miller (NYSUT)
Kate Sadler-Dobosz (West Irondequoit)
Brian Usselman (Rush-Henrietta)
Bill Gregory (SANNYS)

Gallagher
Charles McLauchlin, Kathy Almeter, Jake Wesley, Sharon Brognia

Others Present
James Haugh, Lynda Quick, Michaela Perrotto, Matt Stevens, Bob Magin

John Abbott called the meeting to order at 2:30 PM.

I. Action Items

A. Minutes – March 11, 2025 – Lou Alaimo, Brighton CSD moved, Stacie SanSoucie, East Rochester Union Free School District, seconded that the minutes of March 11, 2025, be approved.

Vote: All in favor

B. Treasurer's Report – Steve Roland presented the Treasurer's report for the period ending March 31, 2025. Assets were \$143.3M; revenue exceeding expenses by \$12.5M; fund balance \$86.8M.

Brian Freeman, Webster CSD, moved, Dwayne Cerbone, Union Representative Pittsford, seconded that the Treasurer's Report for the period ending March 31, 2025, be approved.

Vote: All in favor

C. RASHP Audit Report – reviewed audit prepared by MMB for the year ended December 31, 2024. One comment stating that we operated at a loss for the year.

Dan Driffill, Penfield CSD, moved, Jessica Jackson, Wheatland-Chili CSD, seconded that the RASHP II Audit Report for the period ending December 31, 2024, be approved.

Vote: All in favor

D. Renewal – Managed Care and Fiduciary Liability Policies – as of this meeting we have not received the quote for renewing these two policies. They are expected within the next couple of days. John asked for permission to allow him to approve the policy renewals if they come in under \$50,000.

Lou Alaimo, Brighton CSD, moved, Matt DeAmaral, Churchville-Chili CSD, seconded that the managed care and fiduciary liability policies be renewed at a cost not to exceed \$50,000, be approved.

Vote: All in favor

E. Claims Seasonality Analysis – Only used in reporting budget estimates to predict seasonality.

- Page 2 RASHP II Claims Seasonality – Annual: no real pattern
- Page 3 RASHP II Claims Seasonality – 5-Year Averaging: starts to show a pattern with spikes in March and August.
- Page 4 RASHP II Historical Monthly PCPM Claims as a Percentage of Annual PCPM Claims: this is a series of new charts looking at long-term claim patterns by month.
- Page 5 Potential Assumption Change 2025: graphs showing the 5-year average minimum and maximum compared to the assumptions in 2024 and 2025.

Stacie SanSoucie, East Rochester UFSD, moved, Lisa Ryan, Monroe 1 BOCES, seconded that the 2024 Claims Seasonality report, be approved.

Vote: All in favor

F. Gallagher Management Report – Jake Wesley presented the Gallagher Management Report for the period ending March 31, 2025. Here are the highlights:

- Slide 2 Actual Performance v Voted Rates: Actual claims were \$88.3M compared to an estimated \$89.5M. Overall expenses were \$91.8M compared to an estimated \$93.1M, with an estimated gain of \$1.3M for the year. Actual premiums billed were \$91.7M compared to an estimated \$93.2M, actual interest revenue was \$1.8M compared to a budget of \$0, actual prescription rebates were \$5.2M compared to an estimated \$5.7M. Revenue exceeded expenses by \$6.9M for Q1 and it is estimated to be about \$460K less than what we budgeted. The average number of contracts for Q1 was 14,547 in line with the 14,500 contracts that were budgeted. We did see a larger number of contracts move to the HDHP plan and a drop of 100 contracts in the select plan.
- Slide 3 Monthly Claims Pattern: the graph shows the 2025 assumed monthly claims pattern based on the adjusted average of 2006-2024 claims experience (excluding the COVID year 2020). Nothing was out of the ordinary.
- Slide 4 Source of Cumulative Income Less Expenses 2025 on a Per Contract Per Month basis: The driving forces were claims \$12.44 (better than budgeted), enrollment migration (\$23.32), Rx Rebates (\$2.97), and interest \$10.32. The overall budget loss was 0.1%.
- Slide 5 Claims Comparison by Type of Service: overall paid claims through Q1 were down -0.9%. The main drivers were inpatient (down 32.1%) and pharmacy (up 16.7%). There was not much of a difference when compared to the per contract per month analysis with an overall decrease of 0.7%. Overall, we are starting the year positively.
- Slide 6 High-Cost Claimants: reviewed the top 10. The highest claimant is just under \$1M, which is well below our \$5M stop loss limit. We have experienced a range (6-14) in Q1 high-cost claims (over \$250,000) during each of the last 5 years (2021 = 11, 2022 = 8, 2023 = 6, 2024 = 14, 2025 = 10). The cost of those claims also changed significantly with the 2025 Q1 dropping by 50% (2021 = \$5.1M, 2022 = \$5.7M, 2023 = \$3.1M, 2024 = \$8.3M, 2025 = \$4.1M).
- Slide 7 Expense Tracking 2025: estimated annual expenses are \$1.3M less than budgeted expenses. This is so close that the lines are on top of each other.
- Slide 8 Income Tracking 2025: estimated annual income is \$1.8M less than budgeted income.

James Brennan, West Irondequoit CSD, moved, Colin Pearce, Honeoye Falls-Lima CSD, seconded that the Gallagher Management Report for the period ending March 31, 2025, be approved.

Vote: All in favor

II. Updates

A. Mental Health Parity – Excellus will work on this for no additional cost.

B. Retreat June 3rd Strong Museum of Play – Poll sent to gauge interest, morning will have speakers, afternoon will be a best practices discussion.

C. Golf Tournament June 6th – Looking for anyone interested in being part of a foursome, first come, first served.

D. Excellus Report – the Excellus team went through their presentation discussing trends, cost drivers, and engagement. Their report is available for review.

Adjournment

Motion to adjourn at 4:28 PM moved by Matt DeAmaral, Churchville-Chili CSD, seconded by Darrin Winkley, Brockport CSD.

Vote: All in favor

Respectfully Submitted,

Adam Geist