



## Rochester Area School Health Plan II

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### ROCHESTER AREA SCHOOL HEALTH PLAN II

August 8, 2024

Midvale Country Club

The following were present:

Brockport	Darrin Winkley
Churchville-Chili	Matt DeAmaral
Gates Chili	Mitch Ball
Greece	Romeo Colilli
Hilton	Adam Geist
Spencerport	Not Present
Wheatland-Chili	Jessica Jackson
Monroe #2 BOCES	Steve Roland

Brighton	Lou Alaimo
East Irondequoit	John Abbott
East Rochester	Stacie SanSoucie
Fairport	Matt Stevens
Honeoye Falls-Lima	Colin Pearce
Penfield	Dan Driffill
Pittsford	Not Present
Rush-Henrietta	Andrew Whitmore
Webster	Brian Freeman
West Irondequoit	James Brennan
Monroe #1 BOCES	Scott Covell

Union Rep	Bill Gregory
	Dwayne Cerbone
	Charlotte Kimberly-Haag

Gallagher	Charles McLauchlin, Kathy Almeter, Melissa Weise, Bob Jordan (remote)
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Others Present

Scott Covell called the meeting to order at 8:38 AM

## **I. Action Items**

A. Minutes – May 14, 2024 – John Abbott moved, Brian Freeman seconded that the minutes of May 14, 2024 be approved.

Vote: All in favor

B. Treasurer's Report for the Period Ending June 30, 2024

Darrin Winkley moved, Adam Geist seconded that the Treasurer's report for the period ending June 30, 2024 be approved.

Vote: All in favor

C. Excellus Claims Analysis – The Gallagher team provided a claims analysis based on current financial trends. Charles McLauchlin explained the data reviewed by Gallagher and Excellus. He highlighted an increase in expense related to high-cost claimants as the most significant factor. There is an increased number of high-cost claimants and the cost per claimant has also increased. More broadly, inpatient costs have increased 66% and outpatient has increased 19%. Deeper analysis of inpatient shows an increase in frequency of inpatient stays and the duration of stays account for approximately half of the cost increase. The other half is most attributable to increase in the costs associated with each inpatient claim. Increased labor costs are one factor contributed to this trend. For outpatient claims, surgical costs increased 17% and Rx outpatient claims increased 43%.

C. Right Pricing Analysis – Gallagher presented the RASHP 2 Medical Loss ratio comparisons and rate relativities. Gallagher recommendations were as follows:

- 1) Do not decrease Extended, Select or HDHP relativities
- 2) Set Bronze relativity equal to Benefit Value at 0.64.

Motion to accept the 2024 Rate Relativity Analysis prepared by Gallagher moved by John Abbott, seconded by Dwayne Cerbone.

## **Updates**

- A. Rx Update – Melissa Weise presented the Pharmacy Reporting Package from January – June 2024. Melissa also reviewed the RASHP II Pass Through Settlement for 1/1/2023 – 12/31/2023. Total rebate revenue earned totaled \$15,850,937.40. This total exceeds the 90% guarantee. Melissa presented a summary of results achieved by the Rx Concierge Services. Her recommendation is to discontinue program due to the projected reduction in net savings over the next couple of years. She discussed two alternative program that have opportunity for savings but DFS has not approved yet for Article 47 plans. The two plans are SaveOn and SmartRx.

B. Excellus Disease Management Programs – Kathy Almeter presented the three programs Excellus is offering for their fully insured plans.

Vori Health,

Reach Kidney Care,

Thrivewell

C. Claims Audit – Charles McLauchlin noted that the claims audit is underway and auditors are working with Excellus.

D. Renewal Process – Gallagher is waiting on preliminary renewal from Excellus. Bob Jordan is preparing the Gallagher projection.

E. Communications Project – Kathy Almeter updated the board on communications to members to educated them on the plans available for selection. Gallagher is also producing education videos for high deductible plans and health savings account.

### **Adjournment**

Motion to adjourn at 11:00 AM moved by Darrin Winkley, seconded by John Abbott.

Vote: All in favor

Respectfully Submitted,

Lou Alaimo