

*Town of New Fairfield*  
**Board of Finance**  
**4 Brush Hill Road**  
**New Fairfield, CT 06812**

**MINUTES**

**Board of Finance Medical Subcommittee**  
**Tuesday, November 14, 2023**  
**3:30 PM**  
**Town Hall Annex Conference Room**

***Members present:***

Thora Perkins  
Claudia Willard

***Other Town Officials Present:***

Olga Melnikov, Finance Director  
Terry Friedman, Town Treasurer  
Khris Hall, Selectman  
Ed Sbordone, BOE member

**Call To Order** Thora Perkins called the meeting to order at 3:30 pm

**Presentation from Town's Medical Plan**

Tom Kowalchik from USI Insurance reviewed the town's medical claims for the beginning of the fiscal year and noted that claims so far are \$227,000 to the good. He noted that there are no large claims to date and that prescription drug costs are down from last year. He spoke of the two previous years that had significantly high claims and noted that it was primarily due to large claims. There was a discussion of actual claims vs budgeted claims

**Presentation by Finance Director Olga Melnikov**

Finance Director Olga Melnikov spoke of the process for funding the medical plan and noted that other aspects of the budget need to be considered in the planning. It was noted that the cost of self-funding is significantly lower than the cost of being fully insured. She spoke of the prescription drug rebate and OPEB (Other Post Employee Benefits). It was noted that if the current trend remains throughout the year, the fund should have a reserve of over \$1 million by year end.

The subcommittee discussed the Medical Insurance Reserve Fund and other expenses in the Town's budget. They spoke of payments made to Anthem and actual expenses paid and year-end projections. There was a brief discussion of IBNR (Incurred but not reported) and how these claims are reported.

**Dates for Future Meetings**

It was decided to hold the next Medical subcommittee meeting on Tuesday, December 19<sup>th</sup> at 3:30 pm. It was noted that the monthly BOF meeting will be held on Wednesday, December 13<sup>th</sup>.

**Adjournment**

Thora Perkins made a motion to adjourn the meeting at approximately 4:45 pm. Claudia Willard seconded the motion. **Vote: 3-0-0- (Motion Approved)**