

**MINUTES OF THE
CAPE COD MUNICIPAL HEALTH GROUP**

STEERING COMMITTEE

Wednesday, January 31, 2007, 9:00 AM
Barnstable Town Hall
Hyannis, MA

MEETING MINUTES

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, January 31, 2007 at 9:00 AM at the Barnstable Town Hall, Hyannis, MA. The following people attended the meeting.

Committee Members Present:

Bob Whritenour, Chair	Town of Falmouth
Noreen Mavro-Flanders, Board Chair	Dukes County
David Withrow	Town of Orleans
Marie Buckner	Town of Sandwich
Robert Canevazzi	Town of Dennis
Roland “Bud” Breault	Town of Barnstable
Francis “Skip” Finnell	Dennis-Yarmouth RSD

Guests Present:

Rich Bienvenue, CPA	CCMHG Treasurer
William Hickey	Harvard Pilgrim Health Care (HPHC)
Suzanne Donahue	Blue Cross Blue Shield of MA (BCBS)
Anne Boisvert	Delta Dental of MA
Carol Cormier	Group Benefits Strategies (GBS)
Lisa Trombly	Group Benefits Strategies (GBS)

Chair, Bob Whritenour called the meeting to order at 9:13 a.m.

Acceptance of January and February 2007 Warrant Summaries:

Noreen Mavro-Flanders motioned to accept the Warrant Summaries of January and February 2007.

Motion

Dave Withrow seconded the motion. The motion was passed by unanimous vote.

ESI fee for Retiree Drug Subsidy Cost Reporting:

Suzanne Donahue explained that Blue Cross Blue Shield has been paying a fee to Express Scripts (ESI) for the Retiree Drug Subsidy (RDS) cost reporting. She said the rate that BCBS negotiated with ESI is \$0.84 per member per month. Ms. Donahue said that beginning January 2007, BCBS would be passing the cost on to the Group. She said the charge would be for those who are eligible for the subsidy. Ms. Donahue said other options would be for the Group to get the data directly from ESI for a cost of \$1.50 per member or BCBS can supply the data on a disk to be formatted by the Group. She said an Amendment to the contract would be forthcoming that will need to be signed. She said if the Group chooses not to sign it then BCBS will not supply the necessary data in order to file for the Retiree Drug Subsidy.

Carol Cormier said it is not the fee that the Group takes issue with but rather the way in which BCBS is informing the Group. She said BCBS has known about the ESI fees for some time and chose to notify the client without prior warning and off contract anniversary.

Ms. Donahue said she is presently waiting to hear back from the BCBS Legal Department to verify the contract language.

Noreen Mavro-Flanders said BCBS is now telling the Group about the new fee and making it retroactive back to January 1, 2007. She said BCBS didn't just spring it on the Group but sprung it on after the fact.

Marie Buckner asked about the possibility of hiring an I.T. person to program and format the data. She said it seems like it would only be a one-time fee to do this rather than to pay BCBS every year.

Noreen Mavro-Flanders asked Ms. Donahue if the Group found someone to format the data at a later date if it would then be able to end the contract with BCBS.

Suzanne Donahue said she would check to see if the contract could be terminated at any time.

Dave Withrow asked what the estimated annual cost would be.

Carol Cormier said she thought it would be over \$20,000 per year.

There was a discussion.

Suzanne Donahue confirmed that she would look at the Agreement to see about a termination date. She said she would also obtain the estimated annual cost and report back to the Group by the next Steering Committee meeting.

Bob Canevazzi motioned to compose a letter to BCBS to inform them that the Group does not believe it should be billed for the RDS service mid-contract since it was not pre-informed and BCBS had already been absorbing the cost unbeknownst to the Group.

Motion

Bob Whritenour said the Group hasn't even received a written proposal with regard to an Amendment to the contract. He said he does not feel comfortable entering negotiations on a retro-amendment. He said it is incumbent on BCBS to provide a written proposal to be evaluated by the Group.

Suzanne Donahue said there would be a written notice. She said there was an email that was sent in early January.

Bob Whritenour said that is still not prior notice. He said sending an email in January is still after-the-fact and BCBS is still looking to have the cost retroactive. He said he would not sign any Amendment at this time.

Noreen Mavro-Flanders seconded Mr. Canevazzi's motion to compose a letter to BCBS with regard to the late notice of the ESI fees. The motion was passed by unanimous approval.

Bob Whritenour stated that this is the reason contracts are signed in the first place, so that things like this do not happen.

Harvard Pilgrim Health Care member appeal issue – additional information:

Carol Cormier explained that HPHC had omitted some crucial information from the packet provided to GBS with regard to the member appeal, which was reviewed by the Group at the last meeting. She said she has just received notification that the member was given initial approval by a HPHC member Services representative for the services she performed. She said the member had called HPHC for prior authorization and that HPHC sent her a letter in January 2007 to state that the approval was an error. She said HPHC covered the cost of the initial treatment in September 2006 due to its error but that they were denying additional treatment sought in October 2006.

Noreen Mavro-Flanders asked if the member was informed of the approval error prior to obtaining the second round of treatment.

Ms. Cormier said she believes, from documentation she received, that the member was informed of the error in January 2007, after the treatment.

Noreen Mavro-Flanders said she cannot see how the treatment sought in October 2006 could be denied since the member believed she was covered based on her conversation prior to the treatment of September 2006 and was not informed of the error until January 2007.

Carol Cormier said since this was an HPHC error HPHC should cover the costs, not the Group.

Bill Hickey said he is already checking into this and will report back to the Group.

Noreen Mavro-Flanders said she was glad the additional information was supplied prior to the Group's denial being issued. She asked Carol Cormier to send a letter to the member to advise her that any future treatment of free soft tissue grafting would not be covered, as it is not a covered service.

Other business:

Bob Whritenour said the next Steering Committee meeting would be held on February 7, 2007 at 9:00 a.m. in Sandwich.

There was no other business.

Dave Withrow motioned to adjourn the meeting.

Motion

Bud Breault seconded the motion. The motion to adjourn was unanimous.

Bob Whritenour adjourned the meeting at 9:37 a.m.

*Prepared by Lisa Trombly
Group Benefits Strategies*