

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

STEERING COMMITTEE

Thursday, February 23, 2006
Dennis Yarmouth RSD Administration Building, South Yarmouth, MA

MEETING MINUTES

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Thursday, February 23, 2006, at the Dennis Yarmouth RSD Administration Building in South Yarmouth, MA. The following people attended the meeting.

Committee Members Present:

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

Guests Present:

Rich Bienvenue, CPA	CCMHG Treasurer
Michelle LaCasse	Barnstable County
Anne Boisvert	Delta Dental
William Hickey	Harvard Pilgrim Health Care (HPHC)
Anne Hart-Davies	Blue Cross Blue Shield (BCBS)
Carol Cormier	Group Benefits Strategies (GBS)
Lisa Trombly	Group Benefits Strategies (GBS)

Chairman, Robert Whritenour called the meeting to order at 9:10 a.m.

Minutes of the Steering Committee meetings of January 19 and January 25, 2006:

Noreen Mavro-Flanders moved to accept the minutes of the January 19, 2006 meeting as written.

Motion

Skip Finnell seconded the motion. The motion passed by unanimous vote.

Skip Finnell moved to accept the minutes of the January 25, 2006 meeting as written.

Motion

Noreen Mavro-Flanders seconded the motion. The motion passed by unanimous vote.

Treasurer’s Report:

Treasurer Rich Bienvenue reviewed the financial statements of January 31, 2006 (unaudited figures). He said the net income was down a bit. He said the ending balance for investments as of January 2006 was \$8.6M and that the net change in cash/investments combined was up about \$1.1M for January 2006. He reported an unreserved total fund balance of close to \$18.8 M. Mr. Bienvenue said that Hyannis Fire Department is now up-to-date with payments.

Rich Bienvenue gave an accounting system update and asked if the Steering Committee members wanted to learn more about fraud or the accounting system process that is used to help prevent fraud as suggested by the auditor.

Bob Whritenour said he thought it was a great idea that the issues around fraud be addressed.

There was a discussion regarding having a couple of the Steering Committee members meet with Rich Bienvenue to learn more about the steps necessary for assuring the prevention of fraud and coming up with a policy that deals with such issues.

Rich Bienvenue said he received a proposal from Bill Fraher for a 3-year auditing contract. He said that the service price was good and recommends approving the proposal.

Dave Withrow motioned to accept the proposal of Bill Fraher, C.P.A. for the 3-year contract for financial audits.

Noreen Mavro-Flanders seconded the motion. The motion was approved by unanimous vote.

Motion

Warrant Summaries for February and March 2006:

Carol Cormier said that the February figures included the settle-up amounts.

Motion

Skip Finnell motioned to accept the Warrant of February 2006.

Maggie Downey seconded the motion. The motion was approved by unanimous vote.

Skip Finnell motioned to accept the Warrant of March 2006.

Motion

Maggie Downey seconded the motion. The motion was approved by unanimous vote.

Investment Committee Report and Investment Policy:

Sheryl McMahon distributed funding charts and reviewed the CCMHG investment portfolio managed by Rockland Trust. She said that the Investment Committee met and discussed increasing the risk on investments. She said the Investment Committee is recommending a moderate and balanced investment with a risk of just under 4.5%.

Dave Withrow asked if the fees of Rockland Trust were calculated into the recommendation.

Sheryl McMahon said she believed so but would check into this to be sure. She further stated that she would ask Rockland Trust to adjust their benchmark.

There was a discussion.

Skip Finnell asked that the Investment Committee prepare a proposed revised Investment Policy to be presented at the next Steering Committee meeting.

Bob Whritenour agreed and asked Sheryl McMahon to advise the Investment Committee to report back with additional information and the proposed Investment Policy revisions. He also asked for a benchmark comparison of large investments.

Skip Finnell motioned to rebalance the investment account per the recommendation of the Investment Committee to be done on a time-sensitive basis.

Motion

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

Wellness Committee Report:

Maggie Downey said that the CHIP program in Falmouth is going well. She said there was a great turn out and that the physician, Rob Flaherty has been attending every class. Ms. Downey also said that Dr. Flaherty had

inadvertently announced during the first class that if someone were not able to attend the classes they could obtain the videos and write a paper for credit. She acknowledged that this creates a problem because it is in conflict with the criteria already established with regard to receiving the stipend for attendance. Ms. Downey said there were three members who were currently taking advantage of Dr. Flaherty's suggestion. She said she thought that these "make-ups" would have to be honored for the purposes of the stipend. She said that an announcement has now been made advising that this will not be honored in the future.

Maggie Downey said that the planning for the CHIP program in Dennis is underway. She said that the grocery store visits are also underway.

Ms. Downey mentioned that there was a CHIP program contract issue that she would like Carol Cormier to address.

Carol Cormier explained that Rob Flaherty requested to be paid directly rather than have the check issued to Cape Healthy Lifestyles. Ms. Cormier stated that after careful review of the records, there appears to be no new contract with Cape Healthy Lifestyles for this period because of Dr. Sbarra's temporary withdrawal, so she does not see any problem in issuing the contract directly with Rob Flaherty.

Maggie Downey motioned to approve the contract between CCMHG and Rob Flaherty, M.D. for his services to the CCMHG's CHIP program from 11/05 through 6/06.

Motion

Skip Finnell seconded the motion. The motion passed by unanimous vote.

Carol Cormier said she would email the contract to Maggie Downey and Rob Flaherty.

Skip Finnell amended the motion to include approval of the requested payment of \$11,212, upon signature of the contract.

Motion

Maggie Downey seconded the motion. The motion passed by unanimous vote.

Maggie Downey said that the Walking program is set to go and the new pedometers are great. She said it is now too late to enroll for this fiscal year. Ms. Downey said the new fiscal year begins 6/06 and those who are interested can enroll then.

Ms. Downey said the stress program is not going to occur for this fiscal year and the next family wellness day will be held on April 1, 2006.

Again Ms. Downey let the Steering Committee know that the Wellness Committee is still looking for volunteers. She said the next meeting would be held on 4/13/06. Ms. Downey asked if anyone comes across any information on Wellness programs available in the area to let her know.

The Abacus Group Proposals:

Heidi Steinitz reviewed the progress of *myMedicationAdvisor*® (MMA) and stated that the program could do better. She said that there are 258 CCMHG members purchasing medications through CanaRx. She said they are looking into savings alternatives and reiterated the importance of follow-up informational sessions.

There was a discussion with regard to the promotional mailing program to retirees and the CCMHG name being on the mailings.

Bob Whritenour explained that if the CCMHG name is not on the mailings then it is likely that the retirees will not know what it is and will discard it believing it to be a solicitation.

Ms. Steinitz said that the CCMHG name is on the mailings but the specific employer name is not. She said it would be extremely difficult to customize mailings for each employer, but that she would send the mailing to each employer for distribution.

Michelle LaCasse suggested that a representative from *myMedicationAdvisor*® be invited to participate in the open enrollment Health Fairs.

Heidi Steinitz was very receptive to this idea. She said it would be nice to have a presence at any Wellness Fairs as well.

Bob Whritenour asked about posters for each town building and retirement hall.

Dr. Steinitz again said this was another good idea and will work on revising the posters to be distributed.

A discussion followed with regard to alternative prescription drug purchasing programs. She asked if the group would be willing to consider a zero co-pay generic program if it was a card system and therefore not processed through the health plan organizations.

Skip Finnell said he would want to see the financials.

Heidi Steinitz asked about interest in an over-the-counter medication program.

Bob Whritenour asked Dr. Steinitz to present the financial projections on these proposed programs.

Heidi Steinitz left the meeting at this time.

GBS Reports:

Carol Cormier reviewed the Stop Loss Report for FY05. She said there were 15 claimants over the stop loss deductible. Ms. Cormier said there are 3 claimants over the stop loss deductible for FY06 at this time.

Ms. Cormier advised that the Funding Rate Analysis by Plan, the BCBS Level Monthly Deposit, and the HPHC Level Monthly reports were all in the distributed packets.

Carol Cormier said that some other groups were looking into adding low-option/lower premium plans (“lite” plans) to their offerings. She asked the Committee members if they were interested in looking into “lite” plan options.

Bob Whritenour said that the Group prides itself on quality programs.

Carol Cormier acknowledged that point. She said that if the Group were to offer “lite” plans in addition to current plans, rates would have to be set based on pooled claims experience, regular plans combined with “lite” plans, and then the rates split based on the actuarial value of the plans. She said that would take care of concerns about adverse selection. She said that the “lite” plans could prove attractive to lesser-paid employees.

There was a discussion.

David Withrow asked about the feasibility of introducing a lower option indemnity plan in place of Master Health Plus.

Carol Cormier said she did not think that was the way to go.

Anne Hart-Davies said she agreed with Ms. Cormier.

Carol Cormier said that the Mass. Teachers Association seems to be promoting MGL Ch. 32B, Section 19.

There was a discussion about the pros and cons of adoption Section 19.

Discussion regarding Carving Out Prescription Drugs:

Carol Cormier gave a brief overview of the PBS/Systemed Rx presentation that was held in Newton earlier in the month. .

Bob Canevazzi advised the Group not to look at the program as a “cost savings” program but rather that it provides information, which is power to the employer.

Noreen Mavro-Flanders said that Bob Canevazzi summed it up well. She said that she doesn’t like the idea of not having all of the information needed from health insurance companies.

There was a discussion with regard to the health plans being able to supply the needed information

Carol Cormier said that one value of a carved out prescription drug program with Systemed Rx is that Systemed recommends programs based on group-specific data. She said that the health plans seem to be working hard at containing Rx costs but that the decisions made are based on book of business data. She asked if the health plans have a clinical person who could present group-specific recommendations for pharmacy and asked if such programs could be administered.

Anne Hart-Davies, BCBS, and Bill Hickey, HPHC, both acknowledged that these services could be made available.

Health Plan Reports:

Harvard Pilgrim Health Care – Bill Hickey reviewed the features of the fitness reimbursement benefit that would be available to CCMHG on July 1st. He asked if CCMHG would be adopting the fitness reimbursement benefit.

Noreen Mavro-Flanders motioned to recommend adoption of the fitness benefit with Harvard Pilgrim Health Care effective July 1, 2006.

Motion

Bob Whritenour seconded the motion. The motion was approved by unanimous vote.

Scheduling Future Meetings:

Bob Whritenour said that the Steering Committee meeting of 3/14/06 has been cancelled.

The Committee scheduled the following Steering Committee meetings:

- 3/22/06 at 8:30 a.m. - COMM Fire District
- 4/27/06 at 9:00 a.m. – DYRSD in South Yarmouth
- 5/24/06 at 9:00 a.m. – Sandwich
- 6/21/06 at 9:00 a.m. – DYRSD in South Yarmouth

The following Board meeting was scheduled previously:

- 3/22/06 at 9:30 a.m. – COMM Fire District

Additional Board meetings were scheduled as follows:

- July 26, 2006 at 9:30 a.m.

Other Business:

With no other business, Bob Whritenour adjourned the meeting at 12:00 noon

*Prepared by Lisa Trombly
Group Benefits Strategies*