

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

STEERING COMMITTEE

Wednesday, March 18, 2009, 9:00 AM
Town of Sandwich Municipal Office Building
16 Jan Sebastian Drive, Sandwich, MA

MEETING MINUTES

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, March 18, 2009 at the Town of Sandwich Municipal Office Building, 16 Jan Sebastian Drive, Sandwich, MA. The following people attended the meeting:

Committee Members Present:

Bob Whritenour, Chair	Town of Falmouth
Noreen Mavro-Flanders	County of Dukes County
David Withrow	Town of Orleans
A. Francis (“Skip”) Finnell	Dennis-Yarmouth RSD
Debra Blanchette	Town of Barnstable
Maggie Downey	Barnstable County
Marie Buckner	Town of Sandwich
Gerry Panuczak	Town of Chatham

Guests Present:

Deanna Desroches	CCMHG Wellness Coordinator
Suzanne Donahue	Blue Cross Blue Shield of MA (BCBS)
Bill Hickey	Harvard Pilgrim Health Care (HPHC)
Fred Winer	Tufts Health Plan
Nina Conroy	Delta Dental of MA
Carol Cormier	Group Benefits Strategies (GBS)
Karen Carpenter	Group Benefits Strategies (GBS)

Bob Whritenour, Chair, called the meeting to order at 9:10 a.m.

Approval of the minutes of the February 25, 2009 Steering Committee meeting:

David Withrow motioned to approve the minutes of the meeting of February 25, 2009.

Motion

Marie Buckner seconded the motion. Noreen Mavro-Flanders abstained.

The motion passed by a majority vote.

Investment Report:

Skip Finnell said that there was nothing new to report. He said that the Committee is trying to schedule a meeting in April.

Treasurer’s Report:

Treasurer Richard Bienvenue, CPA, was unable to attend the meeting.

GBS Reports:

Labor Representation –

Carol Cormier said that Plymouth County Health Group (PCHG) has labor representation on the Steering Committee and she said that Jack Sharry who consults for that group said it is a positive thing. She said that she thinks the CCMHG Steering Committee might consider adding labor representation at the Steering Committee level. She said that Ms. Cormier said that she would send additional information to the Committee on how this works with the Plymouth County Group.

Bob Whritenour said he is interested and thinks it would be worthwhile to look into the possibility of union representation, what it looks like, and to discuss the pros and cons.

Skip Finnell said the union and political climate has changed from the past and it may be a good time to think about doing this.

Dave Withrow said he thinks legislative changes regarding the bargaining requirements are needed. He added that if the Group can get the GIC information out to the unions side by side with the CCMHG benefits, that it would be easier for the unions to be able see how much better the CCMHG benefits are.

Gerry Panuczak said he tried to put the benefits on a comparison chart but said it was difficult to do.

Carol Cormier said she received information from MIIA which showed that for towns that joined the GIC there was a greater migration to the indemnity plans rather than the PPO and EPO plans than expected.

Bob Whritenour said he thought it would be a good idea to obtain additional information about PCHG and union representation and to compare the GIC health plans with the CCMHG health plans.

Marie Buckner said the GIC does not offer wellness programs.

Carol Cormier said that she would try to get the indemnity percentage information and email it to the Group. She said the GIC also requires the employer contribution to be the same for active members and retirees on the same plan. Ms. Cormier said she would try to get the contribution information regarding Surviving Spouses. Ms. Cormier said that at this point in time the GIC cannot provide town-specific claims data so that if in the future a town wishes to leave the GIC it could be difficult to get data to secure reasonable insurance quotes.

Bill Hickey, Account Executive for Harvard Pilgrim Health Care (HPHC), said that HPHC is keeping separate experience information for the towns that join the GIC.

Fred Winer, Account Executive for Tufts Senior Health Plans was not sure how Tufts was handling this issue.

Funding Rate Analysis by Plan –

Carol Cormier reviewed the funding rate analysis report through January and said that the percent of expenses to funding for the health plans is 90.8%.

Ms. Cormier said that the Dental plans' percent of expenses to funding is 85.5% for the Contributory plan and 91.4% for the Voluntary plan. She said the combined percent of expenses to funding is 87.3%.

Carol Cormier distributed and reviewed a report comparing reinsurance premium payments with reimbursements.

myMedicationAdvisor® Program –

Carol Cormier reviewed the report from myMedicationAdvisor® on the financials of the import program and the alternative generic savings program. Ms. Cormier said that the group is back in the black and said that this program is not making money but is an employee and retiree benefit for the self-funded plans that helps with lowering the member co-pays.

Bob Whritenour said he would like to make sure that the word gets out to members that this plan is only for those self-funded plans and not the insured plans.

Stop Loss Reporting – Karen Carpenter reviewed the stop loss report for FY07 and said that one of the last reimbursements due the group in the amount of \$267K was received leaving the BCBS disputed claim as a balance due the Group.

Ms. Carpenter reviewed the stop loss report for FY08 and said there are thirty-eight members who had exceeded the stop loss specific deductible of \$150K with excess claims totaling \$3.15M. Ms. Carpenter said the Group received reimbursements of approximately \$1.59M. She said the group could expect to see additional reimbursements in the amount of \$934K.

Karen Carpenter reviewed the stop loss report for FY09 and said there was one claimant on the report with claims totaling \$294K with claims paid through January 2009. Ms. Carpenter said the aggregating specific deductible of \$500K needs to be met prior to being eligible to receive reimbursements. Ms. Carpenter said there were 5 claimants on the report of 50% with a total paid claims amount of \$771K.

Wellness Report on Smoking Cessation Program:

Deanna Desroches distributed the results of the Anti-Smoking Program that was held in the Town of Falmouth, MA. Ms. Desroches said that a video was made at the end of the program and shared with the Steering Committee. She said this video gave a lot of insight into the program. She said that she would forward the link to the video to Carol Cormier for distribution.

Ms. Desroches said the program was very successful (75% success rate) and that the participants of the program asked her to communicate to the Steering Committee how thankful that they were to have the program made available to them.

Ms. Desroches said that there were a total of 32 initial participants who signed up and that 24 participants completed the program. She said there were two participants who relapsed. Ms. Desroches said that the final count of those who quit smoking and continued not smoking after 11 months is 18 participants.

Ms. Desroches said that Carol Russett of Cape Cod Health Care requested a model of the program to be sent to her due to the success of the program. Ms. Desroches said that the participants met once a week for six weeks for one and a half hour sessions. She said they then met once a month for ten months. Ms. Desroches said \$50 incentives were given out to those who passed each saliva test.

Ms. Desroches said that there was a total of \$5,500 paid to the nurses for performing the tests. She said that she would be able to conduct the testing for future programs but would need to purchase or rent the test equipment. Ms. Desroches said that the actual program cost to CCMHG was \$20K based on 20 estimated participants. Deanna Desroches said that the key to the programs success is to conduct the program on employer time, give incentives and the support group.

Ms. Desroches said that future cost savings are difficult to predict, but based on the statistics from the American Cancer Society savings will occur due to less physician visits, due to reduction of coughing and shortness of breath after quitting from one to nine months. She said that risk of coronary heart disease is one half that of a smoker after one year of quitting, and stroke risk is reduced to that of a nonsmoker five to fifteen years after quitting; ten years after quitting. She said lung cancer death rate is about half that of a continuing smoker's, and fifteen years after quitting, risk of coronary heart disease is that of a non-smoker.

Maggie Downey said that the Wellness Committee has a May meeting scheduled and would like to ask the Steering Committee if they would like the program to continue. Ms. Downey said that if they would like the current program to continue, would they want to see the smoking cessation program become a standard wellness program offered. Ms. Downey said that the BCBS figures from May 2007 to April 2008 indicate that CCMHG paid over \$7M for smoking related illnesses and that figure does not include cancers.

Noreen Mavro-Flanders said that she favors keeping the program going.

David Withrow said that keeping the program going will definitely improve the CCMHG statistics in the long term.

Bob Whritenour said he thinks it is a great program and that he would like to make smoking a thing of the past.

Maggie Downey said keeping the program going would require Steering Committee and Board approval to add to the budget if the program begins before the fall. She said that the site will need to be decided on, the Committee will need to ask the units if they want to participate and will need a large enough crew.

Debra Blanchette said she would like to bring the program to Barnstable.

Carol Cormier suggested adding this item to a Town Managers Meeting Agenda to see how much interest is there.

Maggie Downey said that the Human Resources person in the Town of Mashpee has asked to have the program held there.

Skip Finnell said he favors the Town of Mashpee for a site and said they could start it in May and get the program up and running. He said that the location is close enough to Falmouth for the original participants to continue and that the Committee can approve the \$1,800 program facilitator's cost and the other expenses would be approved for the FY10 budget.

The Committee approved spouses joining the program without the benefit of the incentives.

Maggie Downey made a motion to approve a Smoking Cessation program in the Town of Mashpee for May 2009, paying for the program facilitator in FY09 and budget for the expenses in FY10.

Motion

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

Maggie Downey requested that the myMedicationAdvisor® \$200 per person incentive money approved to be used to increase the HIP incentive to \$400 be transferred to the CCMHG for distribution to the participants.

Bob Whritenour said he would like to propose moving forward with incenting the HIP program for the public safety departments. Mr. Whritenour said it is difficult for these departments to participate in the program due to their schedules. Mr. Whritenour asked if it would be possible to modify the HIP program to accommodate the public safety departments.

Deanna Desroches asked if they would be able to participate during work hours.

Mr. Whritenour said that it is difficult to do because a certain number on the force need to be on the job for public safety. He said that he would like to organize a team to help put a program together and would offer financial incentives.

Maggie Downey said Sue Bjork instructs the class and should be invited. She said that Marie Buckner, Bob Whritenour, Deanna Desroches, Sue Bjork, Dr. Rob Flaherty and herself could be on the team.

Maggie Downey said the second HIP program in the Town of Brewster is full.

Deanna Desroches said that there are several participants from the Town of Harwich .

Physicians of Cape Cod Letter:

Carol Cormier reviewed the letter from Paul Brough, Executive Director, Physicians of Cape Cod (PCC), to James Merriam, Harwich Town Administrator. Ms. Cormier said the letter suggests that a self-funded employer could contract directly with PCC at discounted rates rather than through the health plans.

Ms. Cormier asked the Steering Committee if they would like to invite a representative to speak at the next meeting to see what they are promoting.

Skip Finnell said he would prefer getting more details before inviting them to a meeting.

Bob Whritenour said he wonders why the letter was not sent to the CCMHG. He said they may be unaware that the Town of Harwich was no longer purchasing health benefit independently.

Bill Hickey questioned how PCC would be able to charge a lower rate.

Bob Whritenour asked Carol Cormier to obtain additional information from the Physicians of Cape Cod.

Government Mandates:

Carol Cormier said that BCBS sent a letter in response to the CCMHG opting out of the Massachusetts mandate regarding low protein foods. She said that BCBS's understanding of the law is that the mandates apply to Joint Purchase Groups and to self-funded municipal employers. She asked Ms. Donahue to provide the basis of this decision.

Suzanne Donahue, Account Executive at BCBS, said that she would forward Carol Cormier information on the City of Cambridge decision.

Carol Cormier asked Bill Hickey to obtain HPHC's understanding of the mandates and basis of its decision which is contrary to that of BCBSMA.

Bob Whritenour said he would like to preserve CCMHG's rights to make its own decisions on whether or not to adopt the mandates.

Carol Cormier said that she would obtain legal advice on this subject.

Health Plan Reports:

Fred Winer, Account Executive for senior products at Tufts Health Plan said all of the health fairs are coming up and the first one he will be attending is the Dennis Yarmouth retiree health fair.

Suzanne Donahue distributed information on the American Recovery and Reinvestment Act affecting COBRA. She said the employers are required to pay 65% of the premiums and will get a reimbursement back by credits against payroll taxes.

Carol Cormier said that GBS is updating its systems and forms in reaction to the new act. She said that GBS would be communication with employers on this topic.

Bill Hickey said he has nothing new to report from Harvard Pilgrim Health Care.

Nina Conroy, Account Executive from Delta Dental, said she is all set for the new Rollover Maximum benefit to be added to the dental plans is ready to attend the benefit fairs.

Carol Cormier said the next CCMHG Steering Committee meeting is scheduled for April 29, 2009 at 9:00 a.m. and said that Abacus would be coming to the meeting.

Other Business:

Bob Whritenour said he would entertain a motion to go into Executive Session to discuss litigation.

Skip Finnell made a motion to go into Executive Session to discuss litigation pertaining to the BCBS high cost claim.

Motion

Noreen Mavro-Flanders seconded the motion.

There was a roll call vote on the motion as follows:

David Withrow, Town of Orleans	- Yes,
Bob Whritenour, Town of Falmouth	- Yes,
Debra Blanchette, Town of Barnstable	- Yes,
Marie Buckner, Town of Sandwich	- Yes,
Maggie Downey, Barnstable County	- Yes,
A. Francis "Skip" Finnell, Dennis-Yarmouth RSD	- Yes,
Noreen Mavro-Flanders, County of Dukes County	- Yes,
Gerry Panuczak, Town of Chatham	- Yes

Mr. Whritenour asked the health plan representatives to leave at this time. He said that the Committee would not return to Open Session.

Bob Whritenour adjourned the Open Session meeting at 10:50 a.m. and declared the Committee to be in Executive Session.

*Prepared by Karen Carpenter
Group Benefits Strategies*