

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

Board Meeting

Wednesday, March 30, 2011, 9:30 AM
COMM Fire District, Centerville, MA

MEETING MINUTES

A meeting of the Board of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, March 30, 2011 at 9:30 AM at the COMM Fire District, Centerville, MA. The following people attended the meeting:

Board Members Present:

Noreen Mavro-Flanders, Chair
A. Francis (“Skip”) Finnell
Margaret Downey
Gerry Panuczak
Erin Orcutt
Susan Milne
Irene Wright
Heather Harper
Laura Scroggins
Judy Sprague
Pam Nolan
Craig Mayen
Karen Walden
Lisa Vitale
Linda O’Brien
Robert Cecil
James Weiss
Karen Scichilone
Renie Dumont
Dave Withrow
Robert Howard
Nancy Ward
Barbara Meehan
Agnes Murray

County of Dukes County
Dennis-Yarmouth RSD
Barnstable County
Town of Chatham
Cape Cod Regional Technical High School
Town of Yarmouth
Town of Yarmouth
Town of Falmouth
Town of Barnstable
COMM Fire District
Town of Truro
Town of Sandwich
Mashpee Water District
Town of Brewster
Town of Provincetown
Barnstable Fire District
Dukes County/Martha’s Vineyard RSD
Cape Cod Lighthouse Charter School
Nauset Regional School District
Town of Orleans
Bourne Recreation Authority
Bourne Water District
Upper Cape Cod RSD
Cotuit Fire District

Guests Present:

Richard Bienvenue, CPA
Deborah Heemsoth
Christopher Olsen
Janice VonHerzen
John Martis
Beverly Haley
Suzanne Donahue
Bill Hickey
Fred Winer
Jason Lily
Carol Cormier
Karen Carpenter

Treasurer, CCMHG
Town of Dennis
Cotuit Fire District
Town of Falmouth
Town of Falmouth
Dennis-Yarmouth RSD
Blue Cross Blue Shield of MA (BCBS)
Harvard Pilgrim Health Care (HPHC)
Tufts Health Plan, Retiree products
Rockland Trust
Group Benefits Strategies (GBS)
Group Benefits Strategies (GBS)

Noreen Mavro-Flanders, Board Chair, called the meeting to order at 9:45 a.m.

Approval of the minutes of the January 26, 2011 Board meeting:

Gerry Panuczak made a motion to approve the minutes of the October 27, 2010 Board meeting as written.

Karen Walden seconded the motion. The motion passed by unanimous vote.

Motion

Investment Committee Report:

Gerry Panuczak thanked Skip Finnell for his leadership as the former Investment Committee Chair. Mr. Panuczak said that Jason Lily made the format changes in the investment report as requested by the Board. He said that he would have additional information on future projects at the next Board meeting.

Investment Manager's Report:

Jason Lily from Rockland Trust distributed and reviewed the report on investments with data ending 02/28/11 and said that corporate earnings in the US are improving and said that the US market is up about 5%. He said that Portfolio #1 (conservative with 70% in fixed income/30% in equities) had a 12-month return of 10.74% and Portfolio #2 (balanced/aggressive with a 50/50 balance of fixed income and equities) had a 12-month return of 15.42%. He said both funds outperformed their benchmarks.

Skip Finnell thanked Mr. Lily for attending the meeting, and Mr. Lily left the meeting.

Treasurer's Report:

Treasurer, Rich Bienvenue, CPA reviewed the financial statements through December 31, 2010 (unaudited figures). He said that the total operating cash was \$22.9M which was down almost \$300K from this time last year. He said that the Health Trust Fund Balance was \$22.9M on December 31. He reported assets at \$36.2M and liabilities of \$13.3M. Mr. Bienvenue said that the IBNR adjustment brought the calculation down to approximately 0.8 of an estimated average month of claims.

Rich Bienvenue said that the Steering Committee has been working on a plan to distribute the 2007 Retiree Drug Subsidy (RDS) reimbursements to the CCMHG employers based on the January 2007 RDS-eligible retiree enrollments. Mr. Bienvenue said that the total of RDS reimbursements to CCMHG for 2007 is \$1.087M. He said that the units will need to decide if they want to receive the distribution in fiscal year 2011 or 2012.

Dave Withrow asked if there would be additional reimbursements for any of the other years of subsidy received.

Mr. Bienvenue said that this may be a one-time distribution and said that it would depend on the fund balance surplus. He said the only reason that this could be done is because of the good management of the fund balance. Mr. Bienvenue said that a communication will be sent to the units.

Skip Finnell said the Steering Committee is recommending to the Board to approve the distribution of the FY2007 RDS amounts to eligible units in July, unless a unit notifies differently by May 1, 2011.

Dave Withrow made a motion to approve the recommendation as stated by Skip Finnell.

Motion

Irene Wright seconded the motion. The motion passed by unanimous vote.

FY10 Financial Audit:

Noreen Mavro-Flanders said that the Steering Committee has reviewed and approved the FY10 Financial Audit and is continually working towards improving the segregation of duties recommendation. Ms. Mavro-Flanders said that Rich Bienvenue is working with one CCMHG unit to collect outstanding premium payments.

Wellness Committee Report:

Maggie Downey said that twelve units have completed Biometric Screenings since January, and a total of 267 active members participated. Ms. Downey noted that one person was taken to the hospital with a dangerously high screening metric. She said that the screening may have prevented that person from having a stroke. Ms. Downey said that the screenings will also be conducted at the Yarmouth Benefit Fair.

Ms. Downey said that she regrets that not enough members signed up to participate in the Smoking Cessation program to warrant the program on the lower Cape. She said that the Committee will try again in the fall and asked if anyone is interested to contact either herself or Marie Buckner.

Ms. Downey said that 36 of the original 40 participants in the Health Improvement Program (HIP) completed the program.

Ms. Downey said that the Wellness Committee sent out a questionnaire in February to all CCMHG units asking for feedback on the wellness programs that have been offered and also for ideas of new programs they would like to see offered. She said that the purpose of the questionnaire is to provide programs that will benefit the members and to make improvements where necessary. Ms. Downey said that only 6 of the 52 questionnaires were returned. Ms. Downey said that the Committee is planning programs for the next fiscal year and said that feedback will be appreciated.

Maggie Downey said that applications for the CCMHG Unit Wellness Grants have increased and said that the grants can be used for a wide variety of wellness programs and said that food is the only item that they cannot be used towards.

Christopher Olsen asked if the Cotuit Fire District would be able to pool its Wellness Grants with other units to organize a date to hold the Biometric Screenings.

Ms. Downey said that would be a great idea.

Noreen Mavro-Flanders said that the Martha's Vineyard units are pooling their grants to use for fitness benefits such as gym memberships and kayaking.

Ms. Downey said that the Wellness quarterly newsletter, "Your Health Matters" has been received very well and will continue. She said that the newsletter is also available on the CCMHG website, www.ccmhg.com. And asked if anyone has an article of interest they would like to submit to contact Marie Buckner, Beverly Haley or herself.

Steering Committee Report:

Steering Committee Chair, Skip Finnell, said that a Coalition of Joint Purchase Groups meeting is being organized regarding the proposed MA legislation and said that Carol Cormier will discuss the details later in the meeting.

Mr. Finnell said that the Committee is looking into redesigning the CCMHG website and said that if anyone is interesting in helping with the project, to contact Erin Orcutt.

Barbara Meehan said that she would volunteer to help.

Renie Dumont said that she will contact Ms. Orcutt with names of some people.

Mr. Finnell said that the Steering Committee communicated its disapproval to UMass Memorial Medical Center of its marketing practices and pricing regarding the Caitlin Raymond Bone Marrow Registry. He said that the reply from UMass Memorial Medical Center was non-responsive.

Mr. Finnell said that the Group Benefits Strategies Contract is expiring and said that the Committee will be asking the Board to approve its renewal.

GBS Reports:

Proposed Group Benefits Strategies Contract-

Noreen Mavro-Flanders said that the Steering Committee is recommending to the Board to approve renewing the Group Benefits Strategies Contract to provide central benefits administration, consulting and technical services to CCMHG.

Carol Cormier said that GBS has been the consultant and central benefits administrator to CCMHG since 1987 and said that the contract is a 3-year agreement retroactive back to February 1st. She said that the annual fee increase was originally 2.5%, but GBS has agreed to cut the increase to 2%.

Noreen Mavro-Flanders said that the decrease in the proposed fee does not reflect the appreciation or value of the work and services that GBS provides.

Carol Cormier said that CCMHG has separate agreements with GBS for administration of the ERRP, COBRA and RDS programs. She said that the Steering Committee has asked that those agreements be incorporated into one contract as attachments. Ms. Cormier said that the COBRA contract has already been approved through June of 2012, so another year has been added to bring that to 2013. Ms. Cormier said that the ERRP contract charges 1% of claims recoveries from the program. She said that she will email the final contract to the Board.

Dave Withrow made a motion to approve the GBS contract renewal as recommended by the Steering Committee and as stated by Ms. Cormier.

Motion

Karen Walden seconded the motion. The motion passed by unanimous vote.

Information for Open Enrollment-

Carol Cormier said that she is working on a FAQ on the Adult Child Eligibility rules and will distribute it to the Board and Benefit Administrators. Ms. Cormier said that the term “dependent” is veering from its original definition. Ms. Cormier said that CCMHG currently covers children of employees to age 19 and up to age 25 if they are full time students. She said that as of July 1, 2011, the full-time student status is going to be eliminated as an eligibility category. Ms. Cormier said that the Delta Dental eligibility requirements including the full-time dependents student status will remain the same and is not affected by the new reform for health plans. Ms. Cormier said that the dental coverage will cover children of employees to age 19 or to age 23 if full they’re fulltime students.

Ms. Cormier said that currently the health plans also cover dependents of dependents if the dependent of the employee is under age 19, living at home or the child of a full-time dependent student to age 25. Ms. Cormier said that the PPACA guidelines do not require covering dependents of dependents. Ms. Cormier said that the health plans do not have the capability to identify the current dependents of dependents currently covered. She said that the Steering Committee has reviewed this issue and is recommending to grandfather those that are currently covered until the dependent ages out and to not cover dependents of dependents going forward.

Skip Finnell confirmed the Steering Committee’s recommendation.

Dave Withrow made a motion to approve the recommendation made by the Steering Committee as stated by Ms. Cormier.

Motion

Robert Cecile seconded the motion.

Carol Cormier said that another issue that has come up is that if an adult child is covered on the employee's HMO plan and lives out of the service area, that child will only be covered for emergency services. She said switching to a PPO may be an option, however it would be costly.

Bill Hickey said that it is the employee's responsibility to notify their employer of any changes in eligibility status.

The Board voted on Mr. Withrow's motion, and the motion passed by a unanimous vote.

Coalition of Joint Purchase Groups meeting:

Noreen Mavro-Flanders said that a meeting of Joint Purchase Groups has been scheduled for April 6th to discuss the proposed legislation and its impact on Chapters 32B and 150E. Ms. Mavro-Flanders said that the proposed legislation does not address the Joint Purchase Groups. She said that Ms. Cormier has invited all of the JPGs and is getting a good response. She said that the purpose of the meeting is to develop a strategy and may include meeting with the legislators and/or their staff. Ms. Mavro-Flanders said that Pam Kocher, municipal liaison for the Executive Office of Administration and Finance, will be attending the meeting and has been sent the JPGs' health plan rates, benefit comparison charts and joint purchase agreements.

Carol Cormier said that she now has a GIC and CCMHG Rate Saver comparison chart, but said that the GIC benefits are for FY11 and the CCMHG Rate Saver benefits are for FY12.

Suzanne Donahue said that BCBS has the new GIC benefit changes for FY12 and said that she would send them.

Health Plan Reports:

Harvard Pilgrim Health Care (HPHC)- Bill Hickey, Account Executive for HPHC, said that HPHC has been working around the clock on the federal health reform, renewals and updating benefit summaries. Mr. Hickey said that HPHC received the JD Power award again this year.

Blue Cross Blue Shield (BCBS) - Suzanne Donahue, Account Executive for BCBS said Bill Rowbottom is tracking the health fair schedules for the health plans and said that they are looking forward to the open enrollment season.

Tufts Health Plan- Fred Winer, Account Executive for the Tufts Senior Plans, said he's going to a lot of health fairs and that the Barnstable Health Fair is scheduled for Friday.

Other Business:

The next Board meeting was scheduled for July 27, 2011 at 9:30 a.m. to be held at COMM Fire District, if available.

There was no other business.

Skip Finnell moved to adjourn the meeting.

Motion

Gerry Panuczak seconded the motion.

Chair, Noreen Mavro-Flanders adjourned the meeting at 12:14 PM.