

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

STEERING COMMITTEE

Wednesday, April 25, 2012 9:00 AM
Sandwich Municipal Office Building, Sandwich, MA

MEETING MINUTES

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, April 25, 2012 at the Sandwich Municipal Office Bldg., 16 Jan Sebastian Drive, Sandwich, MA. The following people attended the meeting:

Committee Members Present:

| | |
|------------------------------------|-----------------------|
| A. Francis (“Skip”) Finnell, Chair | Dennis-Yarmouth RSD |
| Marie Buckner | Town of Sandwich |
| Debra Blanchette | Town of Barnstable |
| Heather Harper | Town of Falmouth |
| Erin Orcutt | Cape Cod Regional THS |

Guests Present:

| | |
|-------------------|-------------------------------------|
| Richard Bienvenue | Treasurer |
| Suzanne Donahue | Blue Cross Blue Shield of MA (BCBS) |
| Bill Hickey | Harvard Pilgrim Health Plan) |
| Nina Conroy | Delta Dental |
| Carol Cormier | Group Benefits Strategies (GBS) |
| Karen Carpenter | Group Benefits Strategies (GBS) |

Skip Finnell, Chair, called the meeting to order at 9:18 a.m.

Approval of the Minutes of the March 14, 2012 meeting:

Approval of the minutes was postponed because there was no quorum.

Treasurer’s Report

Treasurer Richard Bienvenue reviewed the financial statements (unaudited figures) as of February 29, 2012. He reported a Total Fund Balance of \$28,307,748, an increase of \$6.3M year-to-date. Mr. Bienvenue reviewed the Retiree Drug Subsidy (RDS) and Early Retiree Reimbursement Program (ERRP) receivables and said that there is \$1M for each account.

Carol Cormier said that the ERRP receivable is not expected due to the depletion of program funds and suggested that the receivable amount be removed from the books.

Mr. Bienvenue said that there are a few outstanding issues that he needs to resolve and communicate to the auditor. He said that he will contact Judy Pote at GBS regarding the RDS receipts and Gretchen Grogan at GBS regarding the Advance COBRA payments. He said that the IBNR estimate will be close this year and may need an adjustment.

Heather Harper joined the meeting, attaining the quorum requirement.

Rich Bienvenue reviewed the projections expected at the end of the fiscal year.

Skip Finnell asked Mr. Bienvenue to email a copy of the ten-year claims development table from the FY11 audit to the Committee. Mr. Finnell said that the Committee is expecting to meet with the auditor to review the FY11 audit at the next meeting.

There was a discussion about the Fund Balance Policy.

Debra Blanchette moved to accept the Treasurer's report.

Motion

Marie seconded the motion. The motion passed by unanimous vote.

Approval of the Minutes of the March 14, 2012 meeting:

Marie Buckner motioned to approve the minutes of the March 14, 2012 meeting.

Motion

Debra Blanchette seconded the motion. Erin Orcutt abstained. The motion passed by a majority vote.

Independent Audit on the FY11 Financial Statements:

Rich Bienvenue said that he would provide the auditor with the information necessary to complete the audit so that it will be available at the next Committee meeting.

Dependent Eligibility Audit Proposals:

Carol Cormier said that two proposals were received and sent to the Steering Committee for review. Ms. Cormier said that proposals were received from Enrollment Audit Solutions (EAS) and HMS Employer Solutions. Ms. Cormier said that HMS was referred to GBS by one of the other companies solicited. Ms. Cormier said that the fee proposed by EAS is \$105K and HMS proposed \$82,017. Ms. Cormier noted that EAS sent an email stating that they will lower their fee 3% below another reputable company's quote. She said that EAS has completed audits for other GBS clients and all went well.

Skip Finnell said that he would prefer the prospective companies to submit their best quote first.

The Committee agreed with Mr. Finnell.

Deb Blanchette said that she was concerned about the widespread cost difference between the quotes.

Carol Cormier, in comparing proposals noted that EAS uses \$4K per member to calculate savings, while HMS uses \$6K. She said that she reviewed the differences between the audit services, but didn't chart the differences yet. Ms. Cormier said that HMS will charge additional travel costs to attend meetings, but will be interviewed at no cost to the group. She said HMS suggested webinars rather than in-person meetings. Ms. Cormier said that both companies will customize the audit to CCMHG's specifications and timeframe.

Skip Finnell asked Ms. Cormier to do reference checks. He asked the Committee members to review the proposals and asked to add this item to the next agenda.

Updates to the Strategic Plan:

The Steering Committee reviewed the recommendations made at the last meeting.

Debra Blanchette suggested changing "get" to "obtain" under 1A.

The Committee members agreed with Ms. Blanchette's suggestion.

Erin Orcutt motioned to recommend to the Board the revisions made to the CCMHG Strategic Plan.

Debra Blanchette seconded the motion. The motion passed by unanimous vote.

Motion

Website re-design Proposal from Colewebdev:

The Committee members reviewed the proposal and that the fee of \$4,725 for the website redesign and an hourly rate of \$75 for work outside of the project proposal.

Skip Finnell asked Ms. Cormier to contact Lisa Trombly about any contractual obligations.

Erin Orcutt motioned to approve the proposal as written.

Heather Harper seconded the motion. The motion passed by unanimous vote.

Motion

Dennis-Yarmouth RSD request about Rate Saver plans:

Carol Cormier said that a request was received from Carol Woodbury, Superintendent of DY RSD, asking the Committee to consider allowing Dennis-Yarmouth RSD to retain the Rate Saver plans for one additional year. She said that Dr. Woodbury explained that the district very recently made the move to offer only Rate Savers. Dr. Woodbury further explained that should the district be required to now offer only the Benchmark plans, it would not have the funds for a mitigation plan.

Carol Cormier said that the district has 39 enrollees on Legacy plans, 510 on Rate Saver plans and 326 on retiree plans.

There was a discussion and while the Committee was sympathetic to the district's plight, the members agreed they have an obligation to make decisions that are good for the group as a whole and took no action on the request.

There was a discussion about a possible early distribution of additional RDS monies that may help Dennis-Yarmouth RSD with the costs of the transition.

Updates on implementing plan design changes for 7/1/12:

Mr. Finnell asked Carol Cormier if she would poll the CCMHG units to see where they are in the Section 21 or other bargaining process.

Heather Harper said that the Town of Falmouth's proposal went all the way through to the Municipal Review Panel, where it was approved. She said she believed they were the first to utilize the panel.

Health Plan Reports:

Delta Dental of MA- Nina Conroy said that Delta Dental incorrectly paid claims at 80% for crowns, rather than the correct amount of 50% when it transitioned to its new claims processing system. She said that rather than re-bill the members, Delta Dental decided to credit CCMHG. She said the amount is around \$7K. Ms. Conroy said that the benefits fairs have been going well and that the regional fair held in the town of Eastham was well attended. She said that it would be helpful to the providers if units that have smaller enrollments would hold regional meetings.

EyeMed Vision plan – Karen Carpenter said that she and Ruth Lynch met with Stan Staiger, EyeMed National Account Manager, at Group Benefits Strategies. She said that their contract will expire on June 30, 2013 and briefly explained some of the options available for the renewal. She said that Mr. Staiger is willing to meet with the Committee.

Skip Finnell asked Ms. Carpenter to invite Mr. Staiger to the June 12, 2012 meeting.

Harvard Pilgrim Health Care (HPHC) – Bill Hickey said that HPHC received a request for payment for dental services provided for a member as part of an ongoing request. He said that the payments have been approved in the past and that the new request is in part for services already performed as well as as new services proposed.

Marie Buckner made a motion to approve the payment of \$2,650 for the services that were completed due to past practice in this case and moved to affirm that HPHC should make these decisions going forward as the fiduciary for the CCMHG HPHC plans.

Motion

Heather Harper seconded the motion. The motion passed by unanimous vote.

Mr. Hickey said that the HPHC mail service provider, Bioscript, was purchased by Walgreens Mail Service Pharmacy. He said that effective May 7, 2012, Walgreens Mail Service Pharmacy will begin mailing prescriptions. Mr. Hickey said that members will receive a letter from HPHC to notify them of the change and to give instructions on how to sign up for the service. Mr. Hickey said that existing prescription refills will be refilled automatically and said that there will be no price, formulary or copay changes.

Mr. Hickey said that some diabetic supplies were supplied at incorrect copays and HPHC will be reimbursing the affected members. He said that more details will be provided when available.

Blue Cross Blue Shield (BCBS) – Suzanne Donahue said that effective September 23, 2012, BCBS will begin sending SBC's that conform to the requirements of PPACA to the employers for distribution to their employees. She said this is a new requirement of the National Health Care Reform.

Other Business:

Skip Finnell reminded the Committee members to r.s.v.p to all meeting notices to be sure to satisfy the quorum count.

There was no other business.

Heather Harper moved to adjourn.

Motion

Debra Blanchette seconded the motion. The motion passed by unanimous vote.

Skip Finnell adjourned the meeting at 11:40 AM.

*Prepared by Karen Carpenter
Group Benefits Strategies*