

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

Board Meeting

Wednesday, April 28, 2010, 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, April 28, 2010 at 9:30 AM at the COMM Fire District, Centerville, MA. The following people attended the meeting:

Committee Members Present:

Noreen Mavro-Flanders , Chair	County of Dukes County
Bob Whritenour, Steering Committee Chair	Town of Falmouth
Dave Withrow, Vice-Chair	Town of Orleans
Margaret Downey	Barnstable County
Gerry Panuczak	Town of Chatham
A. Francis Finnell	Dennis-Yarmouth RSD
Marie Buckner	Town of Sandwich
Craig Mayen	Town of Sandwich
Sue Milne	Town of Yarmouth
Robert Cecil	Barnstable Fire District
Lisa Vitale	Town of Brewster
Joan Plante	Town of Eastham
Nan Balmer	Town of Harwich
Karen Walden	Mashpee Water District
Pam Hudson	Town of Provincetown
Dawn Rickman	Town of Wellfleet
Mary McIsaac	Barnstable Fire District
Robert Howard	Bourne Recreational Authority
Agnes Murray	Cotuit Fire District
Karen Scichilone	Cape Cod Lighthouse Charter School
Joanne Ford	Cape Cod Regional Transit Authority
Judy Sprague	Centerville Osterville Marston’s Mills Fire District
James Weiss	Dukes County/Martha’s Vineyard RSD
Marcia Templeton	Nauset Regional School District
Barbara Meehan	Upper Cape Cod Regional Vocation THS

Guests Present:

Richard Bienvenue, CPA	Treasurer, CCMHG
Laura Scroggins	Town of Barnstable
Deborah Heemsoth	Town of Dennis
Beverly Haley	Dennis-Yarmouth RSD
Michael Dutton	Town of Oak Bluffs
Irene Wright	Town of Yarmouth
Susan Ripley	Town of Yarmouth
Carol Deneen	Town of Mashpee
Paula Champagne	Town of Harwich

Susan Wallen
Suzanne Donahue
Bill Hickey
Fred Winer
Jason Lily
Carol Cormier
Karen Carpenter

Nauset 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.

Jim Weiss made a motion to approve the minutes of the January 27, 2010 Board meeting as written.

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

Motion

Treasurer’s Report:

Treasurer, Rich Bienvenue, CPA reviewed the financial statements through January 31, 2010 (unaudited figures). He said that the Health Trust Fund Balance was \$18.6M, up \$1.3 million since the beginning of FY10. He reported assets at \$32.2M and liabilities of \$18.46M. Mr. Bienvenue noted that the opening balance reflects the auditor’s adjustment to the IBNR. Mr. Bienvenue said he’ll make another adjustment to the IBNR on the March 31, 2010 statements which will bring the IBNR estimate down to approximately 0.8 of a month of estimated claims.

Mr. Bienvenue said that draft copies of the FY09 financial audit report are available by request.

Investment Manager’s Report:

Jason Lily from Rockland Trust distributed and reviewed the report on investments with data ending 03/31/10 and said that it was a very good quarter. He said that Portfolio #1 (conservative with 70% in fixed income/30% in stocks) had a 12-month 21.24% return and Portfolio #2 (balanced/aggressive with a 50/50 balance of fixed income and equities) had a 12-month return of 32.03%. He said both funds outperformed their benchmarks.

Wellness Committee Report:

Maggie Downey said that the Wellness Committee is working on the FY11 Wellness Program proposal and said that the FY10 successful programs would be continued in FY11.

Ms. Downey congratulated the Town of Falmouth on having a smoke-free Town Hall. She said that the Kick Butts program will continue to be a focus for the Committee.

Maggie Downey reminded the Board that there are small wellness grants available to each unit. She said grants are available from \$200 to \$600 per unit depending on number of employees in the unit. Ms. Downey said that anyone who is interested should contact either Marie Buckner or herself.

Steering Committee Report:

Steering Committee Chair Bob Whritenour said that the “CCMHG Workshop for Decision Makers” was held on March 3, 2010. Mr. Whritenour said that he wanted to recognize the efforts of Group Benefits Strategies for the coordination of the meeting and also thanked Carol Cormier for being one of the featured speakers. Mr. Whritenour said that the workshop was well attended and said that Marc Waldman, Board Chair of the West Suburban Health Group gave a great example of how the Town of Wellesley implemented alternative plan designs.

Noreen Mavro-Flanders said that Gerry Panuczak filmed the workshop and said that DVDs are available. She said that Group Benefits Strategies compiled a workshop manual which contained all of the information presented.

Mr. Whritenour said that the Committee has been working on making some changes to the BCBS contractual language to better the contract.

Mr. Whritenour said that the Committee is also looking at a BCBS Medex plan with co-pays for prescription drugs that would be similar to that of the active plans.

Mr. Whritenour said that EyeMed will be sending out a mailing to the employees of the CCMHG employers that currently offer the vision plan in hopes of attracting new members to their plan. He said that a sample of the mailing is included in the meeting packet.

Mr. Whritenour said the Committee has been focusing on updating the CCMHG Strategic Plan and hopes to report on the initiatives at the next Board meeting.

GBS Reports:

Carol Cormier said that the GBS reports were emailed to all of the Board members and said that the Retiree Drug Subsidy (RDS) received each year is over \$1M in reimbursement for drug costs of Medicare eligible retirees. Ms. Cormier said that GBS processes the filings and that the Steering Committee has approved the renewal of the RDS Account Management Memorandum of Understanding.

National health insurance reform (PPACA or The Affordable Care Act):

Carol Cormier said that there are two narratives in the meeting packet. Ms. Cormier said that very little detail and regulations have been released to date.

Ms. Cormier said that the Department of Health and Human Services is reaching out nationally to the health plans and pressuring them to implement the adult child benefit earlier than required. Ms. Cormier said that the regulation states that all plans have to cover adult children on the Family plan up to age 26 effective on the anniversary of the plan following September 23, 2010. Ms. Cormier said that for CCMHG, that date would be July 1, 2011. Ms. Cormier said that if the adult child is eligible for health insurance through his or her employer, the adult child would not be eligible for coverage through the parent. Ms. Cormier said that in 2014, all adult children will be eligible to remain on their parent's plans regardless of an offer of health insurance from their own employer.

Ms. Cormier said that \$5 billion dollars is being set aside for the Early Retiree Reimbursement Program (ERRP). Ms. Cormier said that employers could be reimbursed for 80% of health claims for early retirees and dependents between \$15K and \$90K. Ms. Cormier said they will require that the reimbursement be put back into the rates or in reducing co-pays, for example. She said this new but temporary program will go into effect approximately the third week in June.

Ms. Cormier said that plans in effect on March 23, 2010 would be grandfathered, but grandfathering status could be lost when new labor agreements have been signed. Ms. Cormier said the regulations are vague on this. She said grandfathered plans are exempt from certain of PPACA's requirements but not all.

Fred Winer said that the regulations will no longer allow reimbursement for over-the-counter drugs through the Flexible Spending plans.

Someone asked if the CCMHG would take a vote to allow early implementation of the adult children eligibility prior to July 1, 2011.

Carol Cormier said CCMHG could also consider early implementation. She said she was waiting to hear what the health plans will do about this for their insured business. Ms. Cormier said that she does not have any clients that have adopted the state of MA dependent eligibility mandates on insurers.

Diabetes Care Rewards Program Report:

Carol Cormier reviewed the Diabetes Rewards Program report in the meeting packet and said that the participants of the program will get their diabetic supplies and medications free if they complete the five requirements of the program. Ms. Cormier said that the requirements are all considered routine care appointments by physicians for their diabetic patients. Ms. Cormier said that 117 members are participating in the program and 54 of those have met all 5 requirements and 63 have met one or more of the requirements. Ms. Cormier said that \$8,716 has been spent on medications and supplies by CCMHG, but the savings on the reduction of hospitalizations are expected to far exceed the expense.

Ms. Cormier said that the Abacus Group is hoping to work with the physicians in addition to the Wellness Committee to get the word out to more members.

Health Plan Reports:

Tufts Health Plan-

Fred Winer, Account Executive for the Tufts Senior Plans, said that the health fairs went very well. Mr. Winer said that he did not have anything new to report.

Harvard Pilgrim Health Care (HPHC)-

Bill Hickey, Account Executive for HPHC, said that effective April 5, 2010, there would be a change regarding the pre-approval of high-end radiology. Mr. Hickey said that the physicians always went through the National Imaging Association for approval and if not medically necessary, would require a pre-authorization that could be denied. Mr. Hickey said that the change will only affect high-end radiology on an out-patient basis.

Mr. Hickey said that HPHC is developing a wellness presentation that will be presented to the Steering Committee on May 26, 2010. Mr. Hickey said that the old focus was on those members that are at risk of illness. He said that this program is focusing on those that are healthy and how to keep them well and productive.

Blue Cross Blue Shield (BCBS)-

Suzanne Donahue, Account Executive for BCBS said that the health fairs went very well and said that there was a greater interest in the Rate Saver plans this year. Ms. Donahue said that meetings with presentations were held to inform members of the options available.

Ms. Donahue said that members were also encouraged to use the on-line member services program which is available for both BCBS and HPHC members. She said that member engagement is very important and should be encouraged.

Other Business:

Carol Cormier reminded those who are interested in adding the EyeMed vision plan for their unit to give GBS a call.

Ms. Cormier asked the members of the Board who are hoping to adopt Section 18 this spring, to let Group Benefits Strategies know the results.

Noreen Mavro-Flanders said that she was asked by the Treasurer of Martha's Vineyard to encourage discontinuing the Indemnity plans. Ms. Mavro-Flanders said that most members of those plans do not realize that they do not provide the highest level of benefits and that they are the highest cost plans available through CCMHG. Ms. Mavro-Flanders said that she would like the Board to consider eliminating the plans.

The next Board Meeting was scheduled to be held on July 21, 2010 at 9:30 AM.

There was no other business.

Bob Whritenour moved to adjourn the meeting.

Motion

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

Chair Noreen Mavro-Flanders adjourned the meeting at 10:50 AM.

*Prepared by Karen Carpenter
Group Benefits Strategies*