

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

STEERING COMMITTEE

Wednesday, May 20, 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, May 20, 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
Gerry Panuczak	Town of Chatham
Susan Milne	Town of Yarmouth

Guests Present:

Richard Bienvenue, CPA	CCMHG Treasurer
Craig Mayen	Town of Sandwich
Suzanne Donahue	Blue Cross Blue Shield of MA (BCBS)
Bill Hickey	Harvard Pilgrim Health Care (HPHC)
Fred Winer	Tufts Health Plan
Carol Cormier	Group Benefits Strategies (GBS)
Ginger Hastings	Group Benefits Strategies (GBS)
Karen Carpenter	Group Benefits Strategies (GBS)

Bob Whritenour, Chair called the meeting to order at 9:08 a.m.

Approval of the minutes of the April 29, 2009 Steering Committee meeting:

Dave Withrow motioned to approve the minutes of the meeting of April 29, 2009.

Motion

Gerry Panuczak seconded the motion. The motion passed by a unanimous vote.

Investment Committee Report:

Skip Finnell said that the next Investment Committee Meeting is scheduled for July 16, 2009.

Wellness Committee Report – The Abacus Group Diabetes Incentive Program Proposal:

Carol Cormier said that Dr. Michael Follick would not be attending today’s meeting since Maggie Downey and Marie Buckner were unable to attend. She said Ms. Downey would like this item on the June 17 meeting agenda to discuss in the context of the proposed Wellness Budget for FY10. Ms. Cormier said she expected that Dr. Follick would attend that meeting.

GBS Reports:

Funding Rate Analysis by Plan –

Noreen Mavro-Flanders said that everyone should have received the GBS reports by email and that Carol Cormier would review the last page of the funding analysis summary report.

Carol Cormier reviewed the funding analysis summary report through April and said that the Harvard Pilgrim Senior plan had high claims in March and is under-funded at the end of April. Ms. Cormier said that the percent of expenses to funding for the health plans is 93.1%.

*Stop Loss Reporting –*Karen Carpenter reviewed the stop loss report for FY09 and said there were four claimants who had exceeded the stop loss specific deductible of \$250K with excess claims totaling \$682K with claims paid through April 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 19 claimants on the report of 50% with a total paid claims amount of \$5.48M.

Karen Carpenter said the stop loss report for FY08 had not changed since the last Steering Committee meeting.

Health Plan Reports:

Suzanne Donahue, Account Executive for BCBS said that a CCMHG member is moving out of the country and that CCMHG does not have an out-of-country policy. Ms. Donahue said that members need to know that they will not have the same health insurance coverage as they do in-area.

Carol Cormier asked Suzanne if she would send GBS a description of what the coverage would be and said that would need to be communicated to the member.

Bill Hickey, Account Executive for Harvard Pilgrim Health Care said that the current plans will only pay for emergency services provided while on vacation out of the country. Mr. Hickey asked what the CCMHG policy is if a member dis-enrolls to move out of the country and then moves back. He asked if they would be allowed to re-enroll.

Fred Winer, Account Executive for senior products at Tufts Health Plan said that Tufts does not allow someone to re-enroll on the retiree plans after they cancel.

Skip Finnell asked to add this topic to the June Steering Committee Meeting Agenda for further discussion and also to the next Board Meeting Agenda.

Bob Whritenour asked the health plan representatives to bring in out-of-area options to the next Steering Committee meeting.

Suzanne Donahue said the Group will need to be clear on what and how services will be covered out of the country.

Suzanne Donahue said that the BCBS legal department is still reviewing Paul Mulkern's letter regarding the state mandates.

Ms. Donahue said that the proposed PPO Utilization Management Program requiring prior authorization for chiropractic visits beyond 12 has been postponed indefinitely. Ms. Donahue said that BCBS is trying to implement practices to monitor and insure that the chiropractors are providing necessary care.

Bob Whritenour said that the Group has a shared interest with BCBS but that any changes that the Group tries to make to improve the programs comes with challenges.

Noreen Mavro-Flanders asked Ms. Donahue about Abacus Group's proposed Diabetes Program integration with BCBS.

Suzanne Donahue said she thinks there are some very good components to the program and said that she is waiting on additional information from Dr. Follick.

Fred Winer, Account Executive for Tufts said that he did not have anything new to report. He said that he was very impressed with the fitness representatives at the Falmouth health fair.

Bob Whritenour said that he was approached by a representative from Satin Fitness and said that they discussed the Group's Wellness Programs. Mr. Whritenour said that he invited them to the Falmouth Health Fair and also sent the Wellness Committee an email to see if it would like to meet with a representative of the fitness group. He said that the Committee may want to see if it can add fitness into the CCMHG Wellness programs in its continued efforts to prevent risk factors that lead to diseases.

Carol Cormier said that she spoke with a physician referred by Dr. Rob Flaherty. She said this physician has a wellness blog. She said that she forwarded the information to the Wellness Committee.

Skip Finnell asked Carol Cormier if she had any new information about the Physicians of Cape Cod's letter to Harwich regarding direct contracting.

Carol Cormier said that she would contact them for more information.

Noreen Mavro-Flanders said that she heard that Tufts would be adding Martha's Vineyard hospital to its network.

Mr. Winer said that he was not aware of it and said that he would find out if it was going to happen.

Bill Hickey, Account Executive for Harvard Pilgrim Health Care, said that he did not have anything new to report.

Treasurer's Report:

Treasurer Richard Bienvenue, CPA, reviewed the financial statements of March 31, 2009 (unaudited figures). He said the total operating cash is \$20.8 million. He reported an unreserved fund balance on March 31 of approximately \$16.4 million for health plans and \$1.06 million for dental.

Rich Bienvenue said that the total estimated Claims IBNR is \$11.7M.

Mr. Bienvenue said he estimates the surplus at the end of the year to be between \$4.0M and \$5.0M. He said that there were some receivables on the books that were old and he was going to be cleaning them up.

Auditor's revised Management Letter:

Mr. Bienvenue distributed copies of the draft revision of the auditor's Management Letter and asked the Steering Committee for their comments.

Bob Whritenour said that he asked for clarification of the progress that the Steering Committee made in addressing the auditor's recommendation on Internal Controls. Mr. Whritenour said that he has reviewed the letter and said the letter now reflects the progress made.

Mr. Whritenour asked Mr. Bienvenue if another meeting should be scheduled to continue improving the controls.

Mr. Bienvenue said he thought it would be a good idea and suggested beginning the review and documenting of the accounting processes and procedures at that meeting.

Noreen Mavro-Flanders recommended setting up another meeting during fiscal year 2009.

The Steering Committee set up a Workshop Meeting for June 10, 2009 to be held in the Sandwich Municipal Office Building, Sandwich MA at 9:00 a.m. Craig Mayen confirmed that the room was available.

Bob Whritenour said that all of the Steering Committee members were welcome to attend but noted that it was not mandatory.

Discussion about expanding representation on the Steering Committee:

Carol Cormier suggested that the Steering Committee may want to wait a couple of months before making a decision on adding Labor representation to the Committee. She said that she suggested waiting to see what the legislature does regarding joint purchase groups and collective bargaining and asked the Committee if they would bring this topic back to the table in the summer.

Skip Finnell said that he favored Labor representation regardless of what happens at the State House and asked how the members would be selected.

Carol Cormier referred to the section of the Plymouth County Health Group's Joint Purchase Agreement that refers to Labor representation on the Steering Committee and said that the Teachers and Fire Organization appointed the members to the Plymouth County Health Group.

Bob Whritenour said that he is in favor of looking at labor representation but would like to give additional thought to the process of selecting the members.

Skip Finnell said that he would be in favor of Labor making nominations and the Steering Committee making the selections based on those recommendations.

Bob Whritenour asked the Committee to consider and think about how the selection process should be structured.

Carol Cormier said that another approach would be having informational meetings twice a year with Labor.

Bob Whritenour said when it is discussed; the Committee needs to be clear about the issues and direction they want to take. He said the Governor does not seem to be willing to help Joint Purchase Groups and said to talk to Labor. Mr. Whritenour said he would advocate future discussions and opening up dialogue with organized labor.

Debra Blanchette said that she is open to the idea and thinks it is worth obtaining additional information.

Suzanne Donahue said that BCBS has a labor counsel that meets two to four times a year and is kept up to date on issues. She said she will get a list of members on the State level.

Bill Hickey said that Harvard Pilgrim holds similar meetings to hear labor ideas and what is going on with health insurance on the State level.

Update on High Cost Claim:

Carol Cormier said that there was nothing new to report.

Bob Whritenour said that the Committee would not need to go into Executive Session.

Other Business:

Sue Milne asked Carol Cormier if selectmen who are not re-elected are eligible for COBRA.

Carol Cormier said that she would look into it and let her know.

Craig Mayen asked if GBS was receiving calls from the employers regarding how the administration of COBRA was going to work with the government subsidy.

Carol Cormier said that the employers will be billed 65% of the 102% premium and the member would be billed the remaining 35% of the premium. She said that she would ask the GBS COBRA department to send out a memo to the employers.

The Martha's Vineyard Steering Committee meeting was scheduled on September 10, 2009, time and location to be determined at a later date.

The next Steering Committee meeting is scheduled on Wednesday, June 17, 2009 at 9:00 a.m. to be held in the Sandwich Municipal Office Building, Sandwich, MA.

Dave Withrow motioned to adjourn the meeting.

Motion

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

Chair Bob Whritenour adjourned the meeting at 10:34 a.m.

*Prepared by Karen Carpenter
Group Benefits Strategies*