

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

STEERING COMMITTEE

Wednesday, May 24, 2006
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, May 24, 2006, at the Sandwich Municipal Office Building, Sandwich, MA. The following people attended the meeting.

Committee Members Present:

Robert Whritenour, Chair	Town of Falmouth
Noreen Mavro-Flanders, Board Chair	Dukes County
David Withrow	Town of Orleans
Marie Buckner	Town of Sandwich
Robert Canevazzi	Town of Dennis
Roland “Bud” Breault	Town of Barnstable
Margaret Downey	Barnstable County

Guests Present:

Rich Bienvenue, CPA	CCMHG Treasurer
Suzanne Donahue	Blue Cross Blue Shield (BCBSMA)
William Hickey	Harvard Pilgrim Health Care (HPHC)
Anne Boisvert	Delta Dental
Heidi Steinitz	The Abacus Group
Michael Follick	The Abacus Group
Kevin Walsh	Prescription Benefit Services (PBS)
Carol Cormier	Group Benefits Strategies (GBS)
Lisa Trombly	Group Benefits Strategies (GBS)

Chairman, Robert Whritenour called the meeting to order at 9:15 a.m.

Minutes of the Steering Committee meetings of April 27, 2006:

Noreen Mavro-Flanders moved to accept the minutes of the April 27, 2006 meeting as written.

Motion

Bud Breault seconded the motion. The motion passed by unanimous vote.

Warrant Summary – June 2006:

Carol Cormier reviewed the Warrant Summary for June 2006. She noted three invoices: from Dr. Robert Flaherty for the Dennis CHIP program, payment to Lisa Trombly for the Website Development, and a payment to The Abacus Group.

Dave Withrow motioned to accept and approve the Warrant of June 2006.

Motion

Bud Breault seconded the motion. The motion passed by unanimous vote.

Investment Committee Report:

Bob Whritenour said there were no attendees of the Investment Committee present but that Sheryl McMahon had sent a report for review. He said everything looks good.

Mr. Whritenour reviewed the Health Actuarial Services for GASB45 proposal submitted to Barnstable County by The Segal Company. He said the fee to provide the retiree health actuarial valuation in accordance with GASB 45 would be a fixed fee of \$42,000. He further stated that Segal says it will obtain much of the data from GBS.

Carol Cormier said she had informed Dan Rhodes, Segal Co., that the data supplied to Segal will not be entirely accurate with regard to employment status since GBS relies on the employers to inform it when an employee retires. She said this does not always happen.

Bob Whritenour said that the accuracy of data kept at the local level that is provided to GBS may not be accurate due to staffing turnover. He said that the Group needs to make sure that when a proposal like the Segal one comes in that CCMHG isn't just tossing it to GBS to be responsible for getting or supplying the data.

There was a discussion.

Treasurer's Report:

Treasurer Rich Bienvenue reviewed the financial statements of April 30, 2006 (unaudited figures), which were, he said, unremarkable. Mr. Beinvenue said the fund balance, as of April 30, 2006, is \$17,728,600.

Rich Bienvenue reviewed the Cash Flow Projections as of April 30, 2006 and said the projected ending balance with investments is \$26M. He said this was a short report because everything is going well.

Mr. Beinvenue said there is still one member billing and payment issue.

Carol Cormier said that a letter was drafted and sent out regarding the pay-as-billed policy. She said the response was favorable. Ms. Cormier said she would email it to the Board and Steering Committee for review.

Wellness Committee Report:

Maggie Downey distributed the Wellness Committee report as well as a proposal from Deanna Desroches for FY07. She said Ms. Desroches has requested an hourly raise from \$35 to \$45. Ms. Downey said that the Wellness Committee was not in support of the proposed increase.

Ms. Downey said the Wellness Committee was proposing three separate rates; \$40 per hour for developmental tasks, \$35 per hour for tasks considered administrative and \$25 per hour for travel time. She said they further proposed the contract be established for a two-year period.

Bob Whritenour said he did not feel that the job description fit the proposed pay scale.

There was a discussion.

Maggie Downey stated that the Steering Committee could decide to keep her contract at \$35 per hour, accept the proposal as is, or go out and get bids to fill the position with someone else.

Bud Breault suggested giving a 6-month extension to Deanna Desroches and also to bringing in a consultant to review the strategic plan.

Bob Whritenour said he would consider hiring a consultant with more credentials at the payment level.

Carol Cormier said that the WSHG program offers the CHIP program but then helps each town to set up their own Wellness Committees. She said the Wellness Coordinator works with each Wellness Committee and that the

WSHG gives each employer a wellness budget proportional to its enrollments. Ms. Cormier said the WSHG budgets for the Wellness Coordinator's services and expenses in addition to the employer budgets.

Bud Breault moved to approve the proposed rates for the Wellness Coordinator's contract for one year.

There was no second to the motion.

Bud Breault motioned to keep the rates as they are currently, at \$35 per hour.

Motion

Noreen Mavro-Flanders seconded the motion.

Dave Withrow motioned to amend the motion to a rate of \$37.00 per hour for a one-year contract and to keep the travel time rate at \$25.00 per hour.

Amended Motion

The amended motion was approved unanimously.

Maggie Downey said she would present the offer to Deanna Desroches.

Proposed Fiscal Year 2007 Wellness Programs - Maggie Downey reviewed the proposed fiscal year 2007 programs. She asked if the Steering Committee thought employers would be willing to give an employee 1 hour of time off to participate in the CHIP program. She said the Wellness Committee proposed to incent the employer and employee with \$100 each.

There was a discussion about incentives.

Maggie Downey said she would check with Dr. Flaherty and with Sue Bourque to see how this can be implemented. She said language should be added to the incentive policy and the attendance guidelines so it is clear to each participant.

Carol Cormier asked if the incentive of money needed to be given since the employee would be getting the time off to attend.

Bob Whritenour said he feels comfortable allowing the added incentive of the money.

Ms. Downey continued to go over each of the programs to be offered for fiscal year 2007 and asked that the Steering Committee adopt the schedule of programs.

Bud Breault motioned to accept the schedule of programs.

Motion

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

Martha's Vineyard Wellness Initiative - Maggie Downey reviewed the Martha's Vineyard Wellness Initiative. She said that Wellness Committee is in support of an independent wellness budget for the Vineyard to be delivered by an island-based coordinator/consultant.

Bob Whritenour said that the hired coordinator should be advised that this is clearly an administrative role. He said that the position should be advertised or the Steering Committee put it out to bid and get 3 separate quotes.

Noreen Mavro-Flanders said she thought advertising the position was a good idea. She said based on the program proposal they already have the number of hours required and the list of tasks.

There was a brief discussion.

Dave Withrow motioned to approve the advertisement of a Vineyard Wellness Initiative.

Motion

Noreen Mavro-Flanders seconded the motion. The motion was unanimously approved.

Maggie Downey asked where and how the CCMHG will go from here with regard to Wellness programs in general.

Bob Whritenour explained that it was a 2-step process. He said first the Steering Committee would review the required credentials, i.e. having a Public Health background and then if the Committee finds someone who has the expertise to take the program further with regard to development they'll decide what can be done from there.

Prescription Drugs:

myMedicationAdvisor® Report and proposed generic program – Heidi Steinitz, The Abacus Group, gave a presentation with regard to adding a generic alternative card program to *branb®*. She said currently, CCMHG has 6,300 people utilizing brand name prescriptions. Ms. Steinitz said that if only 3% chose to shift to generic drugs it would mean a \$71K savings for the rest of the year, annualized at \$120K.

Bob Whritenour asked why the Group would want to take on this new program when the current program is not meeting its financial goals.

Michael Follick, The Abacus Group, explained that this program is part of the program on which the financial projections were based. He said that it was scheduled to be rolled out earlier.

A discussion followed.

Bob Whritenour agreed to look at the proposal and put the topic on the agenda for the next Steering Committee meeting in order to take a vote on whether or not to proceed.

GBS Reports:

Blue Cross Blue Shield Level Monthly Deposit – Carol Cormier reviewed the BCBS proposal.

Suzanne Donahue, BCBS, said she spoke to the underwriter who agrees to review the May claims and re-review the proposal.

Carol Cormier said that was fine and said currently BCBS was proposing \$6,806,300 as the Level Monthly Deposit beginning 7/1/06. She said that GBS found the proposed LMD for 7/1/06 to be high and that it should be set at the average of the most recent 3 months of paid claims, (2/06-4/06), with a mid-year review.

Harvard Pilgrim Health Care Level Monthly Deposit - Ms. Cormier distributed the Harvard Pilgrim Health Care proposal last month which was to be reviewed. She said that HPHC was proposing \$1,650,000 for the Level Monthly Deposit and that GBS thought the proposal was reasonable.

Funding Rate Analysis Report - Ms. Cormier reviewed the Funding Rate Analysis Report stating that the cost to funding ratio was 97.3% for the health plans and 92.6% for the dental plans.

COBRA Administration Contract Proposal - Carol Cormier said the COBRA Administration contract with GBS expires July 1, 2006. She reviewed the proposed fees for a three-year agreement. She said GBS is proposing a 2-cent per subscriber fee increase (6.1%) for FY07.

Noreen Mavro-Flanders motioned to accept the COBRA Administration contract for July 1, 2006-June 30, 2009.

Maggie Downey seconded the motion. The motion was passed by unanimous vote.

Motion

Stop Loss Reports - Ms. Cormier reviewed the Stop Loss Report for FY06. She said there were 9 claimants who had claims that exceeded the policy year deductible of \$150K with claims totaling over \$2.2M. She said only

\$119,482 has been applied to the Aggregating Specific Deductible; therefore, no money was due to the Group at this time. Ms. Cormier said that there are already 35 claimants appearing on the 50% report.

Carol Cormier reviewed the Stop Loss Report for FY05. She said there were 15 claimants who had claims that exceeded the policy year deductible of \$150K with claims totaling over \$3.2M. She said the Group was still owed approximately \$390K. Ms. Cormier said there were 56 claimants appearing on the 50% report with claims totaling over \$5.7M.

Health Plan Reports:

Harvard Pilgrim Health Care – Bill Hickey requested to have an agenda item on the next Steering Committee meeting to discuss the Harvard Pilgrim reporting capabilities. He will be bringing a person from the Reporting department at that time.

Carol Cormier asked Mr. Hickey to bring examples of various kinds of reports that can be run. She also asked Suzanne Donahue if BCBS could also bring some examples.

Both Mr. Hickey and Ms. Donahue agreed.

Blue Cross Blue Shield – Suzanne Donahue introduced herself. She said she has taken the position of Account Executive vacated by Anne Hart-Davies.

Ms. Cormier noted the BCBS presentation on disease management, which was included in the packet. She said she wanted to know if the Steering Committee wanted to cover this topic at the next meeting.

Ms. Donahue said the first slide shows the CCMHG distribution of diseases and the tools available for the disease management where needed.

Bob Whritenour said that he would like to see more integration of the Wellness Programs, the data available from the Health Plans and the Disease Management programs.

Delta Dental – Anne Boisvert distributed the Delta Dental 2005 Annual Report. She said that the Delta Dental Foundation paid grants to Dukes County to service those who are uninsured or underinsured.

Other Business:

Bob Whritenour said the next meeting will be held on June 21, 2006 at 9:00 a.m. at the Dennis Yarmouth RSD. He said the Steering Committee will meet on July 26, 2006 at 8:30 with a Board meeting to follow at 9:30 a.m. He said the meeting will be held at COMM Fire District Station. Mr. Whritenour said the annual Vineyard meeting is tentatively scheduled for September 7, 2006.

The meeting was adjourned at 11:45 a.m.

*Prepared by Lisa Trombly
Group Benefits Strategies*