

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

STEERING COMMITTEE

Wednesday, July 26, 2006
Centerville Osterville Marstons Mills (COMM) Fire District
Centerville, MA

MEETING MINUTES

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, July 26, 2006, at the Centerville Osterville Marstons Mills (COMM) Fire District Centerville, MA. The following people attended the meeting.

Committee Members Present:

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
A. Francis (Skip) Finnell	Dennis-Yarmouth RSD

Guests Present:

Rich Bienvenue, CPA	CCMHG Treasurer
Bill Rowbottom	Blue Cross Blue Shield (BCBSMA)
William Hickey	Harvard Pilgrim Health Care (HPHC)
Linda O’Brien	Town of Provincetown
Carol Cormier	Group Benefits Strategies (GBS)
Lisa Trombly	Group Benefits Strategies (GBS)

Chair, Bob Whritenour was unable to attend. Skip Finnell called the meeting to order at 8:35 a.m. since Board Chair, Noreen Mavro-Flanders, had not yet arrived.

Acceptance of the Notes of the Steering Committee meeting of June 21, 2006 and approval of the Minutes of the Steering Committee meeting of May 24, 2006:

Bob Canevazzi moved to accept the notes of the May 24, 2006 meeting as written.

Motion

Skip Finnell seconded the motion. The motion passed by unanimous vote.

Bob Canevazzi moved to approve the minutes of the June 21, 2006 meeting as written.

Motion

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

Ms. Mavro-Flanders arrived at the meeting at this time.

Wellness Committee Report:

Maggie Downey, Wellness Committee Chair, said that Deanna Desroches, Wellness Coordinator, has been given her new contract for review and signature.

Ms. Downey said that the advertisement for a Martha's Vineyard Wellness Coordinator was placed in both the "Martha's Vineyard Times" and the "Martha's Vineyard Gazette". She said there were a lot of phone calls about the position.

Marie Buckner said that she has responded to more than 25 email inquiries and dozens of phone calls. She said she wrote a letter advising those who have shown an interest in the position that applications will be accepted until July 31, 2006. She said she explained in the letter that if the applicant does not hear anything by August 15, 2006 then they should assume they are not being called for an interview.

Carol Cormier asked if there were any viable candidates.

Ms. Buckner said they are receiving inquiries and applications from some candidates who hold a PhD and others who just believe they can do the job. She said the next step would be to decide who will be conducting the interviews.

Skip Finnell said he thought that a Steering Committee member should be involved but to delegate the main interviewing to the Wellness Committee.

Maggie Downey said she felt that Noreen Mavro-Flanders should be involved since she is a Steering Committee representative, a Board representative, and represents Martha's Vineyard.

Mr. Finnell said the Steering Committee should conduct a brief interview of the finalist at the meeting of September 7, 2006.

Marie Buckner, Maggie Downey, and Noreen Mavro-Flanders agreed to schedule the interviews with potential candidates.

Alternative Generic Savings Program proposed by myMedicationAdvisor®:

Carol Cormier said Heidi Steinitz of The Abacus Group would be attending the Board meeting in order to present the alternative generic savings program. She said the Canadian program is performing negatively and that the Steering Committee should make a recommendation to the Board on the proposed generic savings program.

Noreen Mavro-Flanders asked if there would be any additional fees associated with the alternative generics program.

Ms. Cormier said there were not any additional fees but that a letter should be sent out to the Unions to advise them that this is part of the original program and that it can be discontinued at any time without being subject to collective bargaining. She said that a similar letter had been issued before the Canadian purchasing program was launched.

Dave Withrow said that they should try the alternative generics program since it is already paid for and the Canadian-buying portion of the program is not working out as well as predicted.

There was a brief discussion.

Skip Finnell motioned to recommend the Alternative Generic Savings Program to the Board for implementation.

Motion

Maggie Downey seconded the motion. The motion was approved by unanimous approval.

BCBS Member Prescription Drug Issue:

Carol Cormier explained that the BCBS Medex member previously had his current bio-specialty prescription medication covered through Mail Order with a co-pay, but that this was no longer available through the mail. She said the same drug when purchased at a retail pharmacy is subject to the Medex Rx deductible and then the member is responsible for 20% of the cost of the drug. She said the prescription costs almost \$5000 for a 30-day supply and

would now cost the member over \$960 monthly. Ms. Cormier said that the Town through which the member receives benefits has asked that this be brought before the Steering Committee. She said that the Committee could decide to make a benefit exception, but that this could set a precedent that would be difficult to keep up with given the increase in the number of expensive bio-engineered drugs. She said that the member does have another option. She said the member could join the Harvard Pilgrim Medicare Enhance plan, maintain freedom of choice of healthcare providers and receive the medication with a modest co-pay. She said that the member could switch plans retroactive to July 1 because this is within the allowed retroactivity period for health plan enrollment transactions.

David Withrow motioned to take no action except to have the employer advise the member of the option to switch to Harvard Pilgrim Medicare Enhance.

Motion

Skip Finnell seconded the motion.

There was a discussion with BCBS representative, Bill Rowbottom.

Ms. Cormier asked what would happen if the member paid for this months supply and then switched over to HPHC Medicare Enhance for a July 1 effective date. She asked if the member would be reimbursed.

Bill Rowbottom said that the coverage change would be retroactive back to 7/1/06; therefore, the member would be reimbursed.

The motion to take no action was then approved by unanimous vote.

Health Plan Level Monthly Deposit proposals:

Carol Cormier advised the Steering Committee that Harvard Pilgrim Health Care had proposed a level monthly deposit of \$1,650,000 for FY07 based on GBS's recent request to lower the original proposed amount. She said she was satisfied that this figure was fair.

Maggie Downey motioned to approve the proposal of \$1,650,000 as the new HPHC Level Monthly Deposit.

Skip Finnell seconded the motion. The motion was approved by unanimous vote.

Motion

Carol Cormier advised the Steering Committee that Blue Cross Blue Shield had proposed a Level Monthly Deposit of \$6,806,300. Ms. Cormier suggested that the Steering Committee counter propose \$6.2M which would be the average of the most recent 3-months of paid claims (2/06-4/06).

Bud Breault motioned to counter-propose \$6.2M as the BCBS Level Monthly Deposit.

Motion

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

Carol Cormier recommended to the Steering Committee that they accept the Delta Dental proposed Level Monthly Deposit of \$457,300.

Maggie Downey motioned to approve the Delta Dental proposed Level Monthly Deposit of \$457,300.

Motion

Skip Finnell seconded the motion. The motion was approved by unanimous vote.

HPHC Disease Management Proposal:

Carol Cormier advised the Steering Committee that Blue Cross Blue Shield includes Disease Management and does not charge self-funded clients extra fees for intensive disease management programs. She said that BCBS provides these intervention programs at no added cost. She said Harvard Pilgrim does not include them in the administrative fees, but she said that she thinks they are worth providing. She said she would recommend approval of adding the HPHC Heart ChampionSM and the Your Care ChampionSM programs.

There was a discussion with regard to the Disease Management programs working in conjunction with the CHIP program.

Carol Cormier and Bill Hickey explained how these programs were targeting different populations.

Bob Canevazzi asked who would handle the cost.

Carol Cormier said that CCMHG would be billed for the programs. She said fees are billed per program participant per month.

Bud Breault asked why, if payment were only for those who actually participate, wouldn't the Group just choose to accept all of the programs offered by HPHC.

Ms. Cormier said the Group can choose to put all of the programs in effect. She said that some clients prefer to start more slowly since the expected savings would not be realized for 18 months or more.

There was a discussion regarding the expected savings.

Bill Hickey explained that the expected savings in claims costs were based on book of business data and that there were no guarantees that the Group would realize the same savings per program. He said, for example, that if the CCMHG's participants in a particular program had greater disease severity than average, it would be like the CCMHG would realize savings greater than the projections.

Ms. Cormier said if the Group chose to add all of the offered Disease Management programs of HPHC it would cost 1% of the current HPHC claims cost. She said she thinks this is beneficial to the Group.

Skip Finnell motioned to recommend the Heart ChampionSM and Your Care ChampionSM programs to the Board.

Motion

Maggie Downey seconded the motion.

Bob Canevazzi opposed the motion to add the two programs.

Bud Breault said he thinks that all five programs should be recommended. He said it is only a one-year contract so if they did not like what they saw after one year they could change the offerings at that time.

There was a brief discussion.

Bud Breault motioned to amend he previous motion to recommend all five Disease Management programs to the Board.

Amended Motion

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

HPHC Disabled Dependent Eligibility:

Bill Hickey explained the current HPHC Disabled Dependent Eligibility guidelines stating that coverage would only be allowed if the dependent were disabled while under the age of 19. He said the proposed change would allow dependents to remain covered even if they were to become disabled between the ages of 19 and 26 while a full-time student dependent and would become effective on January 1, 2006, a retroactive date.

Ms. Cormier said the change proposed by HPHC would make HPHC's disabled dependent eligibility rules the same as the BCBS rules.

Following a discussion, Skip Finnell motioned to recommend adopting the new Disabled Dependent Eligibility guideline.

Motion

Maggie Downey seconded the motion.

There was a discussion relative to medical necessity issues.

Bob Canevazzi said he felt this could allow for members to come before the Group for consideration. He said he felt CCMHG would be put in the middle of medical issues and was not comfortable with making decisions based on medical necessity.

Carol Cormier recommended that the Group adopt the new guideline as the other health plans already have it. She said she is opposed to having the CCMHG make decisions about medical necessity. She said that several years ago the CCMHG had adopted a policy to refer such cases to an independent third party review firm that was on the Commonwealth's list of approved reviewers of medical issues.

The motion to adopt the proposed eligibility change was then passed by unanimous approval.

Other Business:

Bill Rowbottom explained that there was another BCBS member issue that he needed the Steering Committee to review and advise BCBS on how it should be handled. He said that since the Network Blue member has been treated with a provider outside of the managed care network he has had to pay for the treatment out of pocket. He gave some information about the case without revealing member identifiers. Mr. Rowbottom asked if the Group were willing to make an exception and allow the service to be covered.

Carol Cormier asked if there were any other providers in the specialty that were in network and capable of providing the same services.

Mr. Rowbottom said that he would check to see if there were any in-network providers that the member could choose.

Skip Finnell motioned to take no action with regard to the member being treated outside of the network.

Bob Canevazzi seconded the motion. The motion was passed by unanimous vote.

Motion

With no other business, Noreen Mavro-Flanders adjourned the meeting at 9:33 a.m.

*Prepared by Lisa Trombly
Group Benefits Strategies*