

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

STEERING COMMITTEE

Thursday, September 7, 2006
Vineyard Transit Authority
Edgartown, MA

MEETING MINUTES

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Thursday, September 7, 2006, at the Vineyard Transit Authority, Edgartown, MA. The following people attended the meeting.

Committee Members Present:

Bob 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
Sheryl McMahon	Dennis Water District

Guests Present:

James Weiss	Martha’s Vineyard Public Schools
Lauren Thomas	Vineyard Transit Authority
Judie Jardin	M.V. Wellness Coordinator
Margaret Serpa	Martha’s Vineyard Regional High School
Lynn Rebello	Martha’s Vineyard Regional High School
Sharon Willoughby	Town of Edgartown
Kathy Logue	Town of West Tisbury
William Hickey	Harvard Pilgrim Health Care (HPHC)
Suzanne Donahue	Blue Cross Blue Shield
Carol Cormier	Group Benefits Strategies (GBS)
Lisa Trombly	Group Benefits Strategies (GBS)

Chair, Bob Whritenour called the meeting to order at 9:35 a.m. He said Dr. Jim Weiss was named as alternate Board member for Dukes County. He asked everyone in attendance to introduce themselves, which they did.

Approval of the Minutes of the Steering Committee meeting of July 26, 2006:

Noreen Mavro-Flanders moved to approve the minutes of the July 26, 2006 meeting as written.

Motion

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

Treasurer’s Report:

Mr. Whritenour said that Treasurer, Rich Bienvenue, was unable to attend today’s meeting.

Dave Withrow distributed the Treasurer’s Report.

Bob Whritenour noted that the financial statements of July 31, 2006 (unaudited figures) were unremarkable. He said the fund balance, as of July 31, 2006, was \$18,263,358.

Mr. Whritenour said the FY06 Audit process was scheduled to begin September 26, 2006.

Investment Committee Update:

Sheryl McMahon said that the 3rd quarter investment returns are looking much better than the previous quarter.

Bob Whritenour asked about the corrections to the investment policy. He asked if the diversification now was in line with the policy language and if the benchmark has been sufficiently updated to remain flexible enough to allow for the diversification.

Sheryl McMahon said the portfolio has 50% split 60/40 with equities and bonds (portfolio 1); whereas, the other 50% is split 75/25 conservative and aggressive funds (portfolio 2). She said she would check with Wally Lundstrum regarding the investment policy language update. Ms. McMahon said she would have more to report at the next Steering Committee meeting.

Wellness Committee Report:

Maggie Downey, Wellness Committee Chair, said that the candidates for the Martha's Vineyard Wellness Coordinator position have been interviewed, and the Wellness Committee recommendation is for Judie Jardin to fill the position. Ms. Downey said Ms. Jardin has the experience, knowledge, and understanding needed for this position. She said since the CHIP program would begin in 2007 along with a Walking and Family Wellness day and night, time doesn't allow for extensive training for an individual without these skills.

Ms. Downey said the Wellness Committee is asking the Steering Committee to authorize a contract for Judie Jardin to start as Martha's Vineyard Wellness Coordinator.

Bud Breault motioned to approve the contract to hire Judie Jardin as Martha's Vineyard Wellness Coordinator under the terms in the written contract.

Dave Withrow seconded the motion.

Motion

Bob Whritenour welcomed Judie Jardin to the meeting.

Noreen Mavro-Flanders explained the needs of the CHIP program and said that Judie Jardin was involved in previous sessions and knows whom to contact and how to promote the program.

After brief discussion, the vote was unanimous to authorize a contract for Judie Jardin to start as Martha's Vineyard Wellness Coordinator.

Request for Special Open Enrollment – Town of Yarmouth:

Carol Cormier explained that she received a notice from Wally Lundstrom, Town of Yarmouth, advising that during Union Negotiations the Town of Yarmouth offered that the unions drop the Master Health Plus plan. Mr. Lundstrom asked that the Steering Committee approve this change as a qualifying event in order to allow members enrolled in Master Health Plus to enroll in the PPO or EPO.

Noreen Mavro-Flanders motioned to allow open enrollment with an effective date of November 1, 2006.

Dave Withrow seconded the motion.

Motion

Marie Buckner said that the Town of Sandwich may be making a similar request in the near future.

Margaret Downey said that Barnstable County already eliminated Master Health Plus.

Bob Whritenour said that if more and more units approach the Steering Committee with requests like this, then the Steering Committee is going to have to think about consolidating the effective dates.

Ms. Downey said she thought all open enrollments needed to be done in the spring.

Carol Cormier said that different circumstances allow for special open enrollment periods if approved by the Committee.

After brief discussion, it was unanimously approved to allow open enrollment for the Town of Yarmouth for an effective date of November 1, 2006.

Ms. Cormier advised that a CCMHG participating employer inadvertently failed to hold an Open Enrollment period in the spring and needed to know if the health plans could extend the retroactivity period for some extra days.

Margaret Downey asked if the town could just hold it at the same time as the Town of Yarmouth.

Ms. Cormier said it is a possibility. She said she will check into this option and keep the Steering Committee informed.

myMedicationAdvisor® Report:

Carol Cormier reviewed the July figures of the myMedicationAdvisor® report and said that the program is running at a loss with just the Canadian portion. She said the projected figure was a loss of \$5K but that the actual was a loss of \$8K. She said the Alternative Generic Savings Program is expected to go live on October 1, 2006.

Kathy Logue said that she came up against tremendous resistance. She said her impression is that members think it is too complicated and they don't want to take business away from their local pharmacies.

Carol Cormier said the savings of the program would not be visible in the rates because the amount projected for savings is small compared to the overall health expenditures. She said some members have trouble affording their co-pays so this program would work for them. Ms. Cormier said the program should be re-evaluated in another 6 months to see how it is doing.

Bob Whritenour said he considered himself the biggest critic to the program but now is amazed by how much participation has picked up.

There was a discussion.

Adopting M.G.L. Chapter 32B, Section 18 and the GIC Option:

Carol Cormier explained the process of adopting Section 18 of M.G.L. Chapter 32B. She said Massachusetts is the only place where a municipal retiree can be eligible for Medicare Parts A & B but still stay on a plan for active employees. She said GBS has been filing the Retiree Drug Subsidy (RDS) applications for retirees on the active plans, but it has become very complex requiring setting up new group numbers with the health plans so that the pharmacy benefit manager can isolate and report their prescription drug claims.. Ms. Cormier said that the Group pays considerable money for claims for these people that Medicare should be paying. Ms. Cormier said the Adoption of Section 18 for a town is by Town Meeting vote or, in the case of a regional school district, by School Committee vote. She said if passed, all eligible retirees who would be enrolling in Part B late would need to elect Medicare Part B between January and March to be effective for July 1st. She said for all those who did not pick up Medicare Part B when they were first eligible there would be a Part B premium penalty for which the employer would be responsible but which would be minimal compared to the savings.

Dave Withrow asked if a team could be put together in order to discuss questions and answers during a debate.

Carol Cormier said that was a great idea and that she would be available.

There was a discussion.

Bob Whritenour asked what the Group could do to help employers adopt Section 18.

Ms. Cormier said that the Group could make it policy that if any new member wants to join the CCMHG it would have to adopt Section 18 before joining. She further stated that the Group could make it policy for existing members to adopt Section 18 by a certain date.

Noreen Mavro-Flanders said she could not see why an employer would not want to adopt Section 18.

There was further discussion with regard to encouraging employers to adopt Section 18.

GIC Option: Carol Cormier explained the legislative proposal that would amend Ch. 32B, Section 19 regarding transfer of municipal employees to the Group Insurance Commission (GIC) for purposes of receiving health benefits. She said Section 19 requires coalition bargaining through a Public Employee Committee. She said that when management and labor agree to Section, the unions give up their rights to bargain independently. She said currently if employers choose the GIC option, employees are put into a separate risk pool, which is not as favorable as the risk pool for state employees. She also said that currently the municipalities would have to contribute the same proportions as the state contributes for state employees. Ms. Cormier said that the legislation proposed would pool the municipality's employees with the state employees and that the municipality would contribute at its own rate of contribution. She said that there would be a 3-year commitment to staying with GIC. She said that BCBS would not be available through the GIC. Ms. Cormier said it was important to inform the CCMHG of the proposed GIC option even though at the present time this option may not be a good fit for the employers in the CCMHG.

Funding Rate Analysis Report:

Carol Cormier said the FY07 rates and premiums went into effect on July 1, 2006. She said only Network Blue is running at a deficit. Ms. Cormier said the Delta Premier plan is running well.

Ms. Cormier said that the Coalition of the Joint Purchase Groups meeting is tentatively scheduled for Friday, October 13, 2006 at the Best Western Royal Plaza Hotel & Trade Center in Marlborough, MA. She asked that the Steering Committee think about items they would like to have discussed by other at the meeting.

A discussion followed with regard to Wellness and the agenda for the Coalition meeting.

Ms. Cormier suggested discussing the possibility of changing benefit copays and gave an overview of the Berkshire Health Group (BHG) efforts for benefit changes.

Health Plan Reports:

Blue Cross Blue Shield – Suzanne Donahue said that BCBS is sponsoring forums for municipal employers to be held in October. She said the nearest one to the Cape was in Braintree on October 12. She said during the forums BCBS will be looking at utilization, disease management, and new programs available.

Bob Whritenour asked Ms. Donahue if someone were not able to make it to the forum on October 12 if BCBS would be willing to give a review to the CCMHG privately.

Ms. Donahue said she would consider doing a private forum for the CCMHG.

Suzanne Donahue announced the new product, Blue Value Rx. She said this is a new prescription drug formulary program weighted towards generics and distributed a question-and-answer flyer about the product.

Carol Cormier asked if any municipalities had adopted the Blue Value Rx program yet.

Ms. Donahue said they had not.

Suzanne Donahue distributed a flyer on “making informed choices about coverage”. She said the program is available on the Blue Cross Blue Shield website to assist members with comparative choices if they were to switch health plans. Ms. Donahue also stated that members can take the Personal Health Assessment (PHA) on line but that currently there is no incentive to do this. Ms. Donahue distributed information on a new plan offered by Blue Cross Blue Shield in the private sector, which is called HMO Blue Premier Value. Ms. Donahue said this private sector plan is a good indicator of just how good the benefits are through CCMHG.

Harvard Pilgrim Health Care – Bill Hickey said the Disease Management programs went into effect on September 1, 2006 and he should have some reports available soon. He will advise the Steering Committee at the next meeting.

Other Business:

Margaret Serpa said she wanted to commend the Steering Committee and CCMHG for a great job. She said the Steering Committee put the CCMHG in a great financial position and made it more stable with the rate increases and better environment.

Bob Whritenour said he appreciated the recognition.

Kathy Logue asked if there were any other dental possibilities being reviewed.

Carol Cormier said that CCMHG went out to bid for Voluntary Dental about two years ago but that Delta Dental ended up having the best proposal.

Bud Breault asked about the recent vaccines for shingles and cervical cancer. He asked if offering them would need to be voted upon.

Suzanne Donahue said medical policy is usually established by BCBS about 6 months after the FDA approval so would be forthcoming.

Bill Hickey said that HPHC has a similar approach to approving new therapies.

There was a discussion.

Noreen Mavro-Flanders asked about the status of the retiree with the high cost claims for prescriptions discussed at the previous meeting. She asked if the member had switched plans and if doing so resolved the member’s issue.

Suzanne Donahue and Bill Hickey confirmed that the member has switched and the issue has been resolved.

CCMHG Website – Dave Withrow asked if a link could be added to the Disease Management programs now offered.

Bob Whritenour said the website should be announced to the Board in a week so the members can have a chance to review it prior to the Board Meeting of October 25, 2006. He said he would like the website to be officially presented at this time.

Bob Whritenour said the next Steering Committee meeting would be held on October 25, 2006 at 8:30 a.m. prior to the Board meeting.

With no other business, Bob Whritenour adjourned the meeting at 11:55 a.m.