

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

**Board Meeting**

Wednesday, October 21, 2009, 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, October 21, 2009 at 9:30 AM at the COMM Fire District, Centerville, MA. The following people attended the meeting:

**Committee Members Present:**

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| Noreen Mavro-Flanders, Chair             | County of Dukes County                               |
| David Withrow, Vice Chair                | Town of Orleans                                      |
| Bob Whritenour, Steering Committee Chair | Town of Falmouth                                     |
| A. Francis Finnell                       | Dennis-Yarmouth RSD                                  |
| Marie Buckner                            | Town of Sandwich                                     |
| Gerry Panuczak                           | Town of Chatham                                      |
| Lisa Vitale                              | Town of Brewster                                     |
| Nan Balmer                               | Town of Harwich                                      |
| Marcia Templeton                         | Nauset Regional School District                      |
| Linda O’Brien                            | Town of Provincetown                                 |
| Dawn Rickman                             | Town of Wellfleet                                    |
| Robert Howard                            | Bourne Recreational Authority                        |
| Joan Plant                               | Town of Eastham                                      |
| Barbara Meehan                           | Upper Cape Cod Regional Vocation THS                 |
| Nancy Ward                               | Bourne Water District                                |
| Judy Sprague                             | Centerville Osterville Marston’s Mills Fire District |
| Robert Sanborn III                       | Cape Cod Regional Technical School                   |
| Robert Cecil                             | Barnstable Fire District                             |

**Guests Present:**

|                        |                                     |
|------------------------|-------------------------------------|
| Richard Bienvenue, CPA | Treasurer, CCMHG                    |
| Deborah Heemsoth       | Town of Dennis                      |
| Michelle LaCasse       | Barnstable County                   |
| Robin Cherry           | Town of Sandwich                    |
| Beverly Haley          | Dennis-Yarmouth RSD                 |
| Suzanne Donahue        | Blue Cross Blue Shield of MA (BCBS) |
| Bill Hickey            | Harvard Pilgrim Health Care (HPHC)  |
| Jason Lily             | Rockland Trust                      |
| Lorrie Garcia          | Rockland Trust                      |
| Carol Cormier          | Group Benefits Strategies (GBS)     |
| Karen Carpenter        | Group Benefits Strategies (GBS)     |

Noreen Mavro-Flanders, Board Chair, called the meeting to order at 9:40 a.m.

**Election of Officers and Steering Committee for CY2010:**

Bob Whritenour said that the current officers and Steering Committee members are as follows:

Board Chair – Noreen Mavro-Flanders, County of Dukes County;

Board Vice Chair – Dave Withrow, Town of Orleans;

Steering Committee:

Chair – Robert Whritenour, Town of Falmouth,  
Noreen Mavro-Flanders, County of Dukes County,  
Margaret Downey, Barnstable County,  
Debra Blanchette, Town of Barnstable,  
Francis “Skip” Finnell, Dennis Yarmouth RSD,  
David Withrow, Town of Orleans,  
Marie Buckner, Town of Sandwich,  
Gerry Panuczak, Town of Chatham,  
Sue Milne, Town of Yarmouth.

Marcia Templeton moved to nominate the current slate of officers and Steering Committee members.

Dawn Rickman seconded the motion.

Motion

There were no other nominations.

Robert Whritenour moved to close nominations.

Skip Finnell seconded the motion.

Motion

There was a vote on the motion to elect the current officers and Steering Committee. The motion carried by unanimous vote.

**Approval of the minutes of the July 29, 2009 Board meeting:**

Marie Buckner motioned to approve the minutes of the meeting of July 29, 2009.

Motion

Nan Balmer seconded the motion. The motion was passed by unanimous vote.

**Investment Manager’s Report- Rockland Trust:**

Jason Lily distributed and reviewed the Rockland Trust investment report for the first quarter ending 09/30/09. Mr. Lily said that the S&P was up by 18% and noted that this was an exceptional quarter, but noted that government bonds were down a little. Mr. Lily said that the fiscal year-to-date total return on investment was \$806,407 as of September 30, 2009. Mr. Lily said that the portfolio balance is \$9,708,448 and the original investment was \$8M. He said that this is a 20% increase on the initial investment.

Mr. Lily said that the appraisal reports were located at the back of the investment report.

**Treasurer’s Report:**

Treasurer Richard Bienvenue, CPA, distributed the financial reports through June 30, 2009 (unaudited figures) and said that the Steering Committee has already reviewed the report, but he wanted the Board to have a copy as well.

Mr. Bienvenue said that the rates that were set for FY09 covered the claims costs for the year and said that the final year-end reports will be submitted to the auditor.

Mr. Bienvenue said he added a new item to the monthly Cash Analysis report which helps to reconcile with the Warrant amount. He said that in addition to emailing the Warrant to the Steering Committee, this also helps with the Group’s efforts to improve Internal Controls.

Mr. Bienvenue said that a new bank account was opened for the EyeMed vision plan and noted that the dental plan has its own account too. Mr. Bienvenue said that anyone who hasn't received bank deposit tickets for the EyeMed vision plan account should contact the bank's Government Services Department.

**Steering Committee Report:**

Bob Whritenour said that the Steering Committee meeting held its annual Martha's Vineyard (MV) meeting last month and thanked Noreen Mavro-Flanders and Judie Jardin for their efforts in coordinating the events of the day. Mr. Whritenour said that making trip to Martha's Vineyard reminds the Steering Committee what the MV members go through in order to attend each meeting. Mr. Whritenour extended his appreciation.

Bob Whritenour said that there is a new Early Intervention Mandate that would remove the \$5,200 benefit cap on intervention services for children age 1 to 3 years of age. Mr. Whritenour said the mandate will help to give those children a better start when entering school. Mr. Whritenour said that the health plan account executives told the Committee that the cost of removing the cap is so small that it is immeasurable. Mr. Whritenour said that the Committee has voted to recommend to the Board to adopt the mandate.

Mr. Whritenour said that the Committee renewed the Group Benefits Strategies (GBS) Memorandum of Understanding for the Retiree Drug Subsidy Account Management for FY10.

Mr. Whritenour said that the Committee reviewed the savings for the senior plans for the RX import program compared to the 28% RDS that the CCMHG could receive if the retirees were purchasing their medications through their health plan's program. Mr. Whritenour said that the CCMHG might save a little more if the seniors purchased them through their health plans, so the Committee is now looking into a separate formulary for seniors so that only those for which there is a savings above the savings through RDS would be on the import list.

Mr. Whritenour said that the Committee has signed an agreement with The Abacus Group for them to administer a diabetes incentive program. Mr. Whritenour said the Committee reviewed a presentation of the program, the costs and the data. Mr. Whritenour said that the statistics show that people do not necessarily follow the guidelines necessary to control their diabetes which can lead to serious medical complications. Mr. Whritenour said that it is an expensive program and that exposure to higher costs will be minimized in the long term. He said that the incentive for the members who follow the guidelines is receiving free diabetic supplies and medications.

Mr. Whritenour said that the Committee voted to approve Harvard Pilgrim to be the fiduciary for its self-funded health plans at a fee of \$2.27 per employee per month. Mr. Whritenour said that means that HPHC will be the sole decision maker on claims and appeals for coverage. Mr. Whritenour said the Committee does not have the medical expertise or knowledge to be able to make these decisions. Mr. Whritenour said that HPHC will also bear the potential liability of the decisions that are made. Mr. Whritenour said that Blue Cross Blue Shield is already designated as the fiduciary for the plans that it administers.

**Wellness:**

Wellness Committee Report –

Marie Buckner said the Wellness Committee is continuing to receive the Wellness Participation Agreements from employers and said that there are still some units that have not sent in their agreements. Ms. Buckner said that anyone who needs a copy of the agreement or needs additional information, should see her at the conclusion of the meeting. Ms. Buckner said that some of the units are using their grants to purchase hand sanitizers, tissues and other preventative supplies for each employee's workspace to help to prevent the spread of the H1N1 flu virus.

Ms. Buckner said that Deanna Desroches is the contact for worksite screenings.

Marie Buckner said that the employers will not be taking on additional work in conjunction with the Diabetes Incentive Program of which Mr. Whritenour spoke. Ms. Buckner said that The Abacus Group will be identifying and contacting eligible members. Ms. Buckner said that Abacus provides management for the alternative prescription drug program and is an independent third party. She said Abacus will identify eligible members through their prescription claims data. Ms. Buckner said that the employers will not have access to the information, and that the program will be conducted within the HIPAA requirements. Ms. Buckner said that employers can schedule informational meetings by contacting The Abacus Group.

Ms. Buckner said that the Health Improvement Program (HIP) is going to be held in Mashpee in the Spring of 2010. She said that additional details will be forthcoming.

Ms. Buckner said that the Wellness Committee has added a new program called the Healthy Lunch Bunch. Ms. Buckner said that each CCMHG unit within Barnstable County will be eligible to host a one-hour nutritional session sponsored by Barnstable County's Nutrition Educator. Ms. Buckner said that the program is held during lunch hour and consists of a short presentation, a healthy cooking demonstration and a question and answer session.

### **GBS Reports:**

Carol Cormier said that the GBS reports were emailed to the Board prior to the meeting as requested. Ms. Cormier said the composite expense-to-funding ratio for the health plans was 91.4% and 96.5% for the dental plans through August 31, 2009.

A question was asked about budgeting for the FY11 health plan rates.

Ms. Cormier said that \$3.5M of the trust surplus was applied to the funding rates last year, but suggested using at least a 10% increase to the rates at this stage.

### **Medicare HMO Blue renewal for January 1, 2010:**

Suzanne Donahue said that the Medicare HMO Blue plan renews on January 1, 2010 and said that the premium would be increasing from \$223.50 to \$345.33. Ms. Donahue said that the increase in the rate is dictated by the claims data. Ms. Donahue said that in addition to the premium increase, several of the benefit co-pays would be increasing. Ms. Donahue said among the co-pays increased are those applied to Skilled Nursing Facility; Durable Medical Equipment; Outpatient Surgery and Diagnostic Services; Primary and Specialty Care provider services; Outpatient Mental Health and Substance abuse services; Routine Dental, Vision and Hearing exams; and Routine Podiatry and Chiropractic services. She said that the co-pay for Outpatient Rehabilitation would be decreasing by \$5 and that the eyewear allowance was increasing to \$150 and said that the Fitness and Weight Loss program allowances would be increasing to \$300 per calendar year. Ms. Donahue distributed a comparison chart which outlined the changes in benefits.

Ms. Mavro-Flanders said that due to the significant increase in premium and co-pays for the Medicare HMO Blue plan and the elimination of the Private Fee For Service (PFFS) plans effective January 1, 2010, the Steering Committee is recommending a Special Open Enrollment for January 1, 2010.

Ms. Cormier said that the special open enrollment would be for those members currently enrolled in one of the PFFS plans or the Medicare HMO Blue plan.

Dave Withrow made a motion to approve a Special Open Enrollment for January 1, 2010 for members of the PFFS plans and the BC Medicare HMO Blue plan only.

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| Motion |
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Gerry Panuczak seconded the motion. The motion was passed by unanimous vote.

### **Early Intervention Mandate –**

Noreen Mavro-Flanders said that there is a new state Early Intervention Mandate that would remove the \$5,200 benefit cap on early intervention services. She said these services apply to children under 3 years of

age. Ms. Mavro-Flanders said that as Mr. Whritenour explained earlier, the health plan account executives have said that the cost impact to the group is immeasurable.

Bob Whritenour made a motion to recommend to the Board to remove the \$5,200 cap effective January 1, 2010.

Motion

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

**Michelle's Law –**

Noreen Mavro-Flanders said that a new federal law goes into effect October 9, 2009 which provides for continuation of health coverage for dependents who are on a medically necessary leave of absence from a college or university.

Ms. Mavro-Flanders said that self-insured groups have the option as allowed by law to implement the law on the date of their anniversary or on October 1, 2009.

Dave Withrow made a motion to implement the law retroactively back to October 1, 2009.

Motion

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

Suzanne Donahue said that Blue Cross Blue Shield will be implementing the new law for all of its self-insured groups on the date of their anniversary, which for CCMHG is July 1, 2010.

Skip Finnell asked if CCMHG could opt out of implementing the new law.

Carol Cormier said that she thought the CCMHG had to adopt the mandate because it's a federal law, not a state mandate in which CCMHG has the option to adopt or not. She noted that BCBS disagrees with this interpretation regarding state mandates.

Skip Finnell asked if a list of the benefits and mandates added to the plans for the last three years could be provided.

Carol Cormier said that the information is contained within the CCMHG meeting minutes and she gave a few examples of some of the mandates added.

Noreen Mavro-Flanders said that there was a motion and a second made, and she called for a vote on the motion.

The motion was passed by a unanimous vote.

**Legal Matter:**

Noreen Mavro-Flanders said that the Steering Committee would be going into mediation to recover the amount that should have been reimbursed for a high cost claim. Ms. Mavro-Flanders said that unfortunately she could not give further details outside of an Executive Session Meeting.

**Health Plan Reports:**

Bill Hickey, Account Executive for Harvard Pilgrim Health Care (HPHC), said that HPHC is working on a new Health and Wellness campaign called "More Ways to Better". Mr. Hickey said that the focus is on giving members more ways and resources to make small changes to their lifestyles that will have a significant impact on their health. Mr. Hickey said that the link is available to members from the HPHC homepage.

Mr. Hickey said that the search for a new HPHC CEO to replace Charlie Baker is being conducted far and wide. Mr. Hickey said that Bruce Bullen is the acting CEO and has been with HPHC as long as Mr. Baker and has helped build the organization.

Suzanne Donahue, Account Executive for Blue Cross Blue Shield (BCBS) said that once the H1N1 vaccine is available that it will be free to eligible members.

Suzanne Donahue distributed and reviewed information about an optional generic prescription program offered by BCBS for the Board to consider. Ms. Donahue said that BCBS is focusing on cholesterol drugs such as Lipitor and will give members an incentive to switch to generic drugs. Ms. Donahue said that when a member chooses a generic medication instead of a brand name medication they are currently taking, the generic co-pay would be waived for the first 3 months. She said after the 3 months, the member would pay the plan's generic co-pay. Ms. Donahue said that BCBS will send letters to the members that are currently taking a brand-name drug and will inform them of the generic alternative and also about the savings. Ms. Donahue said that the cost of sending each letter is \$1.25 which would be charged to the CCMHG.

Ms. Donahue said that the Board would need to opt into the program.

Carol Cormier said that it is a worthwhile program, similar to what the myMedicationAdvisor® (MMA) program does.

Suzanne Donahue said that this program will not affect the MMA program since those members do not obtain their prescriptions through BCBS and they will not be contacted.

Bob Whritenour made a motion to approve the program and implementation date of January 1, 2010.

Dave Withrow seconded the motion.

Motion

Dawn Rickman asked if there was a similar program through Harvard Pilgrim Health Care (HPHC).

Bill Hickey said that HPCH already looks at the higher cost drugs and doctors will prescribe the lower cost drugs.

The motion was passed by unanimous vote.

**Other Business:**

The next Board meeting was scheduled to be held on January 27, 2010 at 9:30 AM at COMM Fire District.

Bill Hickey noted that the H1N1 vaccine will also be free to HPHC members once it becomes available. Mr. Hickey said that members will need to obtain the vaccine through a contracted provider and said that HPHC is not contracted with Walgreens. He said that they contract with CVS and that the seasonal vaccine is available at a \$5 copay and that the H1N1 vaccine will be free at CVS once it becomes available.

Bob Whritenour made a motion to adjourn the meeting.

Motion

Dave Withrow seconded the motion. The motion was unanimously approved.

The meeting adjourned at 11:24 a.m.