

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

Steering Committee Meeting
Wednesday, March 23, 2016, 9:00 AM
Sandwich Town Hall
Sandwich, MA

MEETING MINUTES

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, March 23, 2016 at 9:00 AM at the Sandwich Town Hall, Sandwich, MA. The following people attended:

Steering Committee Members Present:

Skip Finnell, Steering Committee Chair	Dennis Yarmouth RSD
Noreen Mavro-Flanders, Board Chair	Dukes County
Gerry Panuczak, Board Vice Chair	Chatham, Town of
Marie Buckner	Sandwich, Town of
Susan Wallen	Nauset RSD

Guests Present:

Richard Bienvenue, CPA	CCMHG Treasurer
Deanna Desroches	Wellness Consultant, Mainland
Amy Bullock	Town of Harwich
Bill Rowbottom	Blue Cross Blue Shield of MA (BCBSMA)
William Hickey	Harvard Pilgrim Health Care (HPHC)
Fred Winer	Tufts Health Plan
Nina Conroy	Delta Dental of MA
Carol Cormier	Group Benefits Strategies (GBS)
Karen Carpenter	Group Benefits Strategies (GBS)

Skip Finnell, Steering Committee Chair, called the meeting to order at 9:10 AM.

Approval of minutes of the February 10, 2016 Steering Committee meeting:

Noreen Mavro-Flanders moved approval of the February 10th minutes.

Marie Buckner seconded the motion. The motion passed by a unanimous vote.

Motion

Treasurer’s Report:

Rich Bienvenue distributed and reviewed the financial reports (unaudited) through January 31, 2016. He reported a year-to-date Net Income of \$1.12M. Mr. Bienvenue reported a trust fund balance of \$20.48M at the end of January. Mr. Bienvenue recommended a review of the 3rd Investment fund after the next quarter to assess whether or not to continue with the current deposit amount and schedule.

Rich Bienvenue asked Carol Cormier to send him a copy of the latest MMRA report.

Noreen Mavro-Flanders made a motion to accept the Treasurer’s report.

Motion

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

Investment Committee Report:

Gerry Panuczak said that due to the resignation of Jason Lily from Rockland Trust, he did not have an up to date report. Mr. Panuczak said the next Investment Committee Meeting is scheduled for April 7th at 9:00 AM in Yarmouth. He said that Rockland Trust is replacing Mr. Lily with Brian Callow as the new CCMHG Investment Manager. Mr. Panuczak distributed a biography of Mr. Callow and asked the Committee if it would like to proceed with Rockland Trust or possibly look for a new investment company.

There was a discussion, and Noreen Mavro-Flanders said that she knew that Mr. Callow was working at Rockland Trust for as long a time as Mr. Lily.

Mr. Panuczak said that Mr. Callow has been the investment manager at Rockland Trust for many municipalities. He said he sent Skip Finnell's list of questions to Lori at Rockland Trust and is waiting her reply.

Skip Finnell said he would like to attend the Investment Committee meeting on the 7th.

The Steering Committee took no action.

Mr. Finnell said that Bill Hickey and Bill Rowbottom have meetings and need to leave at 11:00 a.m. He moved the health plan reports up on the agenda.

Health Plan Reports:

Blue Cross Blue Shield – Bill Rowbottom said the health fairs are scheduled to begin next week. He said most of the employers are consolidating their health fair meetings. Mr. Rowbottom said the health fair schedule has been posted to the CCMHG website and noted that the BCBS e-Kits will be available soon.

Carol Cormier said she would contact the EyeMed Account Manager regarding attendance at the health fairs.

Tufts Health Plan – Fred Winer said the government is considering taking funding away from the Medicare Advantage plans, which includes Tufts Medicare Preferred HMO and Medicare HMO Blue plans offered by CCMHG. He said they haven't considered making any cuts to the PDP plans.

Harvard Pilgrim Health Care – Bill Hickey distributed an exhibit regarding an issue that occurred to some members enrolled in the Aetna PDP plan. He said some members were charged a \$50 copay for the mail order prescription third tier copay drugs when the actual copay is \$75. Mr. Hickey said the issue has been corrected and the members affected will be contacted. He said that CMS would like to collect the \$25 and may require Aetna to send a collection letter to those members. Mr. Hickey said if a letter is sent, Aetna will not follow up for the payment.

Mr. Hickey said Roberta Herman has been named the new Executive Director for the GIC. He noted that she was the Chief Operations Officer at HPHC until 2013.

Mr. Hickey said there has been a restructuring of the Sales and Marketing Departments at HPHC and noted that Beth Roberts is now head of that area, replacing Vin Capozzi.

Delta Dental of MA – Nina Conroy said there has been a turnover of Human Resource staff at several CCMHG units. She suggested hold a Benefits Administrators' Meeting to inform the new people of procedures.

It was noted that the last Benefits Administrators' Meeting was held in January 2016.

Noreen Mavro-Flanders said there has been a change in the staff at the Towns of Edgartown and Tisbury. She suggested a meeting on Martha's Vineyard next time.

Wellness Committee Report:

Mainland Report – Deanna Desroches said the February newsletter was distributed and added to the CCMHG website. She said that 6 members who participated in the Town of Mashpee’s biometric screenings were referred for hearing screenings. She said participation was low at the Town of Brewster and noted that they may skip that event there next year. Ms. Desroches said the screenings have been scheduled through the end of the year. She reviewed the current programs to include the *Couch to 5K* and *5K Walk It Off* programs. Ms. Desroches said the *Incentive Program* is running smoothly and right on budget. She said the *Maintain Don’t Gain* program was successful and all of the prizes have been delivered to participants. Ms. Desroches said the *Spring Walking Challenge* dates have been set for April 24th through June 18th with a kickoff at Marathon Sports.

Martha’s Vineyard Report – Noreen Mavro-Flanders presented the report for Krystle Rose and said the next Wellness Committee meeting is scheduled for April 6th. She said the holiday *Maintain Don’t Gain* program went well and said that the *Spring Fitness Challenge* is scheduled to begin on May 2nd. Ms. Mavro-Flanders said Ms. Rose will be attending the health fairs and will be presenting the Wellness Report at the next Board Meeting.

GBS Reports:

Funding Rate Analysis - Carol Cormier reviewed the Funding Rate Analysis summary page and said that the expense-to-funding ratio through February 2016 was 95.8%. She said there was an surplus of funding in the amount of \$3.7M. Ms. Cormier said that the dental funding is doing well with excess of funding in the amount of \$324K.

Reinsurance reports - Karen Carpenter reviewed the FY16 stop loss reports with data through February and said there were 8 members that exceeded the deductible with excess claims and expected reimbursements in the amount of \$577, 019. She said that no reimbursements have been received yet. Ms. Carpenter said there were 20 members on the 50% report with a claims total of \$3.9M.

Ms. Carpenter reviewed the FY15 stop loss reports and said there were 15 members with claims exceeding the deductible with total excess claims of \$1.696M. She said reimbursements of \$1.6M have been received and there are outstanding reimbursements in the amount of \$88,876.

Steering Committee Vacancy:

Skip Finnell asked Carol Cormier to send an email to the Board asking if anyone is interested in serving on the Steering Committee.

There was a discussion about adopting a practice that when there is a Steering Committee vacancy the Committee would recommend to the Board that the alternate Steering Committee member fill the vacancy and that a new alternate member be elected.

It was noted that Christopher Clark’s contract was extended with the Town of Harwich.

Noreen Mavro-Flanders made a motion to recommend to the Board to approve Christopher Clark as a full Steering Committee member and to seek an alternate member.

Motion

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

Meeting with the Managers:

Skip Finnell said that Christopher Clark and Erin Orcutt were working on this and that Mr. Clark sent letters to the legislators regarding the issues and inequities that face municipalities in providing affordable health benefits. He referred to a sample letter in the meeting packet.

On an aside, Mr. Finnell noted that Heather Harper had drafted a letter for him to send to Michael Lauf, President & CEO of Cape Cod Health Care, to suggest a meeting.

Carol Cormier said that the Committee canceled the March 4th meeting with municipal and school managers and said that a fall meeting will be set up.

Mr. Finnell said he would follow up with Mr. Clark.

Noreen Mavro-Flanders suggested holding small meetings with the legislators.

Carol Cormier said she remembered a discussion about setting up meetings with two Committee members and each legislator. She asked if the Committee was still in favor of doing that.

Marie Buckner suggested postponing the discussions until Mr. Clark and Ms. Orcutt were present.

Ms. Mavro-Flanders said it would be beneficial to brief the legislators on the issues prior to inviting them to a meeting.

Gerry Panuczak said that with Ch. 32B, S. 21-22 employers can only change plan design up to the GIC level and this means the governmental units are always a year behind the GIC on plan design changes.

There was a discussion about the GIC not releasing plan design changes in time for CCMHG to make changes during the same year as the GIC.

Noreen Mavro-Flanders said that the CCMHG must have a concrete proposal on plan design changes to present to the legislators.

Carol Cormier suggested having a sub-committee work with Counsel to think out and write a proposal.

Gerry Panuczak, Skip Finnell and Marie Buckner offered to serve on the sub-committee.

Skip Finnell said he would contact Heather Harper and set up a meeting with the sub-committee.

Carol Cormier said she would contact Attorney Leo Peloquin.

The Committee agreed to keep the sub-committee small, about 4 members and to come up with some concrete solutions and strategies as to how to deal with the unlevel playing field between the GIC and municipalities.

Carol Cormier suggested hiring a high level consultant to do an analysis if the Committee gets into discussions with Cape Cod Healthcare.

Status of proposals for RDS re-openings:

Carol Cormier referred to the RDS proposal response summary in the meeting packet and said that 3 proposals were received to include Part D Advisors, In-Tech Health Ventures, and RDS Services. Ms. Cormier said all three companies charge fees on a contingency basis, and In-Tech's proposal was the lowest. She said there is no charge if additional subsidy is not found. Ms. Cormier said GBS received positive references on all three companies.

There was a discussion.

Gerry Panuczak made a motion to approve In-Tech Health Ventures to complete a RDS re-opening audit on two years of the RDS applications.

Motion

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

Discussion about plan design for FY2018 and schedule for communications and decision-making:

Carol Cormier said she added this to the agenda to keep up the discussions and not fall behind if the Committee wants to make plan design changes for FY18.

Susan Wallen said she has concerns about Affordability as required by the ACA.

Carol Cormier said that many employers would rather pay the \$3,000 penalty than to assume the cost of adding a new plan which might draw off the healthiest members, i.e. result in adverse selection. Ms. Cormier said that the total household income is considered when the government calculates affordability; whereas, the employer has only the employee information.

Skip Finnell said to keep this item on the agenda to discuss when the health plan representatives give their presentations on alternative plan designs. He also said that he would like to let the Board know at the next that the Committee is going to review other plan designs.

Review of Joint Purchase Agreement and suggested amendments:

Carol Cormier referred to the amended agreement and said that the yellow highlighted sections were the changes the Committee suggested at the last meeting. She said everything in red was agreed to at the last meeting.

Ms. Cormier asked Rich Bienvenue to review and comment on the changes made on page 6 regarding the definition of “proportionate share” of a governmental unit for its accuracy.

Mr. Bienvenue said that it didn’t state exactly what it was meant to say.

Ms. Cormier said she will re-review it again and make the necessary adjustments. She said proportionate share is defined under Article 12.

It was noted that in Article 12, there were several “refer to Article 12” mentions that need to be corrected.

Noreen Mavro-Flanders said she would like to add the language, “all governmental units to pay as billed, and adjustments will be made on future invoices” somewhere on page seven.

The Committee decided to have the first reading at the July Board Meeting and a vote taken at the October Board meeting. They planned to have a final document approved by the Steering Committee in May.

Carol Cormier said she would update the agreement and send a copy, both with and without the changes, to the Committee. She said if there is a decrease in the fund balance during the last year of a unit’s participation in the CCMHG, the unit would not be entitled to any share of the fund balance. She said if there is an increase, the unit would get its proportionate share of the increase. Ms. Cormier also noted that if there is a deficit in the fund balance when a unit leaves, the unit would need to pay its proportionate share. She said the calculation for proportionate share is the same.

Skip Finnell asked to add this to the next meeting agenda.

Other Business:

The Committee asked Ms. Cormier to send out an email to the Committee to see if either May 11th or May 16th would work for everyone for the next meeting, with a preference on the 16th.

Carol Cormier reviewed the Diabetes Rewards Program and MMA total spend exhibits.

There was no other business.

Chair Skip Finnell adjourned the meeting at 11:40 AM.

*Prepared by Karen Carpenter
Group Benefits Strategies*