

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

BOARD MEETING

Wednesday, March 24, 2004 at 9:30 A.M.
Barnstable Town Hall
Hyannis, MA

A meeting of the Board of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, March 24, 2004 at 9:30 A.M. at the Barnstable Town Hall. In attendance were:

Primary and Alternate Board Members Present:

Noreen Mavro-Flanders, Chair	Dukes County
Robert Whritenour, Steering Comm. Chair	Falmouth, Town of
Jeff Cannon	Barnstable, Town of
Margaret Downey	Barnstable County
Robert Howard	Bourne Recreation Authority
Wendy Cahoon	Brewster, Town of
Jillian Douglass	Brewster, Town of
Karen Scichilone	Cape Cod Lighthouse Charter School
Paula Ainsworth	Cape Cod Regional Transit Authority
Beth Fletcher	Chatham, Town of
Pat Perris	Chatham, Town of
Agnes Murray	Cotuit Fire District
Sheryl McMahon	Dennis Water District
A. Francis (Skip) Finnell	Dennis Yarmouth Regional School District
Judie Jardin	Dukes County
Joan Plante	Eastham, Town of
Peter Bettencourt	Edgartown, Town of
Verna Lafleur	Hyannis Fire District
Joyce Mason	Mashpee, Town of
Karen Walden	Mashpee Water District
Marcia Templeton	Nauset Regional School District
David Withrow	Orleans, Town of
John Fitzgerald	Provincetown, Town of
Bud Breault	Truro, Town of
Walfred Lundstrom	Yarmouth, Town of

Guests Present:

Richard Bienvenue, CPA	Treasurer
Deanna Desroches	Wellness Committee
Tammy Cunningham	Barnstable, Town of
Heather Harper	Falmouth, Town of
Jan Hagberg	Sandwich, Town of
Ward, Anna	Sandwich, Town of
Denys Wortman	Tisbury, Town of
Matthew Bearse	Yarmouth, Town of - IAC
Brian Heaslip	Yarmouth, Town of
Irene Wright	Yarmouth, Town of
Anne Hart-Davies	Blue Cross & Blue Shield of MA (BCBSMA)
Bill Rowbottom	Blue Cross & Blue Shield of MA (BCBSMA)
Paul Lazar	Harvard Pilgrim Health Care (HPHC)
Anne Boisvert	Delta Dental Plan of MA
Carol Cormier	Group Benefits Strategies (GBS)
Joelle Carlberg	Group Benefits Strategies (GBS)

Chair Noreen Mavro-Flanders called the meeting to order at 9:45 a.m.

Approval of the minutes of the Board meeting of February 4, 2004:

Bud Breault moved approval of the minutes of the February 4th Board meeting.

Wally Lundstrom seconded the motion.

Motion

The motion to approve passed by unanimous vote.

Treasurer’s Report:

Financial Reports -

Treasurer, Rich Bienvenue, presented the Treasurer’s Report for month ended February 29, 2004 (unaudited figures). He said the Group was doing well in comparison to the same time last year. He reported total operating cash of \$22 million as of February 29, 2004.

Mr. Bienvenue said that the Investment Committee had helped to open two new bank accounts through Citizens Bank. He said the other accounts earn about 1% interest, whereas the new accounts earn 1.75%.

Mr. Bienvenue reported net income for the trust fund as of February 29, 2004 of \$6,270,926 and \$193,276 for the dental fund. He said the total unreserved fund balance (health and dental) was \$14,427,802. He reminded the Board members that the Group had established a fund balance policy and the goal was to keep the fund balance between 8-12% of claims based on paid claims for the most recent twelve months. He said the fund balance is currently above the goal of the policy.

Mr. Bienvenue talked about the Incurred But Not Reported (IBNR) claims estimate, which is the largest unknown figure on the financial statements. He said it is strictly an estimate. He said in the past, the Group had always used three months of average claims, but then adjusted it to 2 ½ months average claims. He said it is possible that the Group should have stayed with the 3 months average. He said the IBNR estimate is evaluated each year during the audit process. He said there was a change in auditor this year, which is why the process is later than usual. He said he was going to work with GBS to review claims run-out reports to determine at what level the IBNR should be.

Mr. Bienvenue said the Steering Committee was shown a projected fund balance of \$17 million as of June 30, 2004. He said during the rate setting process, the Committee decided to use a portion of the fund balance in order to subsidize the rates. He said he is comfortable with the fund balance as of February 29th, which is \$14,427,802.

Mr. Bienvenue said that another possible investment option would be to open new Cape Cod Bank & Trust (CCB&T) Navigator accounts with 1.75% interest.

Mr. Bienvenue mentioned that Jeff Cannon and Wally Lundstrom had come up with an RFP for investment management services. He said it should be going out soon and hopefully by July 1st, the Group will have taken some steps on this.

Skip Finnell moved to accept the Treasurer’s Report of February 29, 2004.

Motion

Judie Jardin seconded the motion.

The vote in favor of the motion was unanimous.

Steering Committee Report:

Bob Whritenour said that he and the Steering Committee had quite a few updates for the Board members.

Coronary Health Improvement Project (CHIP) -

Mr. Whritenour said that the Group just wrapped up the first session of the CHIP program, which was held on the Vineyard. He said the next program would be held in the Town of Falmouth. He said Deanna Desroches would discuss this in more detail later in the meeting.

Rate-setting process -

Mr. Whritenour said the Steering Committee reviewed the GBS and health plan rate projections. He said having the fund balance policy was invaluable during this process. He said the Group has been able to maintain its fund balance level and the Steering Committee will recommend use of \$1.8 million of the fund balance to subsidize the rates. He said the Steering Committee is confident with the rates that will be recommended later in the meeting.

Investment Committee -

Mr. Whritenour said that the Group now has an active Investment Committee. He said the Committee consists of Richard Bienvenue, Jeffrey Cannon and Wally Lundstrom. He mentioned, to those that might be interested in serving on the Committee, that it is a great learning process.

He said, as Rich Bienvenue mentioned, the Investment Committee would be issuing an Investment RFP and would be reporting the responses to the Steering Committee in May.

Voluntary Dental -

Mr. Whritenour said there had been some complaints from employers and employees regarding the Delta Dental Voluntary Plan. He said the Steering Committee decided to seek informal quotes. He said the Committee just received the quotes this morning and would be doing an extensive review of the plans at the April 29th Steering Committee meeting.

Annual Independent Financial Audit -

Mr. Whritenour said that Rich Bienvenue had sought proposals from six CPA firms for the FY03 audit. He said the lowest quote was from Bill Fraher, CPA, whom Mr. Bienvenue believes is well qualified to perform the audit. He said the Steering Committee voted to go with Bill Fraher for the FY03 audit, with the option for a second year at the same fee.

Making Benefit Changes -

Mr. Whritenour said the Board must start discussing future benefit changes because of the bargaining obligations.

HPHC Purchasers Services Agreement -

Mr. Whritenour said that the Steering Committee, GBS and HPHC had been working on the language of the HPHC Purchasers Services Agreement. He said the agreement has been finalized and signed. He thanked Paul Lazar and Carol Cormier for their efforts in this process.

BCBSMA High Cost Claim -

Bob Whritenour said that the Group was supposed to receive a credit on the March invoice for the BCBSMA high cost claim from the FY02 policy period. He said the credit had not come through in March, so CCMHG took a credit, in the amount of \$198K, on the April invoice.

Carveout Plans -

Bob Whritenour talked about the Carveout A and Carveout A&B plans. He said these plans have very high premiums and low benefits. He said the Steering Committee has had a discussion about these plan offerings and would like to recommend that the Board vote to discontinue the Carveout A&B plan. He said if the Board voted to eliminate the Carveout A&B plan, the Group would send letters to the retirees that are affected and the Benefit Administrators. He said the Group was also willing to meet with the retirees in order to help educate them on the other senior plan offerings.

Group Benefits Strategies Reports:

Same Sex Marriage -

Carol Cormier said that the Supreme Judicial Court (SJC) ruling that same sex couples can legally marry in Massachusetts is scheduled to take effect on May 17, 2004. She said she has spoken with legal counsel relative to this topic. She said Chapter 32B does not define "spouse" and neither do the Plan Descriptions. She said, therefore, it is her understanding that beginning May 17th, the spouse of a same-sex marriage will be eligible for benefits. She said the marriage would be a qualifying event, so the spouse could come onto the employer group health plan off-anniversary.

Ms. Cormier talked about the federal tax impact on employers and employees since Mass. same-sex marriage will not be recognized by the IRS. She said at this point, employers might want to handle the deductions as if the employee was on an individual plan. She said once she has more information on this topic, she would email the entire Group.

Ms. Cormier called attention to a CCMHG Fact Sheet that was included in the meeting packet. She said that Board members might want to share the Fact Sheet with their Boards and employees.

BCBSMA Level Monthly Deposit - Quarterly Settlement Accounting -

Ms. Cormier said that for two months into the third quarter of FY04, actual BCBSMA paid claims totaled \$9,459,437 and the CCMHG had a debit of approximately \$801K. She said for the second quarter of FY04, BCBSMA owed the Group approximately \$180K.

HPHC Level Monthly Deposit - Quarterly Settlement Accounting -

Ms. Cormier said that for two months into the third quarter of FY04, actual HPHC paid claims totaled \$2,129,564 and the CCMHG had a credit balance of approximately \$31K. She said for the second quarter of FY04, HPHC owed the Group approximately \$246K.

Funding Rate Analysis by Plan for FY04 -

Carol Cormier reviewed the Funding Rate Analysis Report for the Health and Dental plans through February 2004. She said that overall there was a funding surplus for the health plans of approximately \$5,673,398. She said the health plan expenses were 89.3% of the overall funding as of February 29, 2004.

Ms. Cormier said that as of eight months into FY04, the contributory dental plan expenses were 88.6% of the overall funding for the plan resulting in a funding surplus of \$201,674.

Stop Loss Reports -

FY04 Policy Period

Joelle Carlberg reviewed the 7/03-6/04 policy report with claims paid through February. She said that there were three claimants with claims exceeding the specific deductible of \$150K with total claims of \$665K, an increase of over \$247K from the prior month. She said excess claims totaled \$215K. She said the outstanding amount of \$215K would be reviewed and applied against the flexible specific premium, which is \$500K. She said that there were eleven claimants with claims between 50-100% of the specific deductible (\$150K) with claims totaling approximately \$952K, an increase of over \$468K from the prior month.

FY04 Policy Period for Medicare Carveout A Plan

Ms. Carlberg reviewed the stop loss reports for the Medicare Carveout A plan (\$50K deductible) for the FY04 policy period. She said that there was one claimant with claims exceeding the specific deductible of \$50K with total claims of \$70,269, an increase of \$3,217 from the prior month. She said excess claims totaled \$20,269. She said the outstanding amount of \$20,269 would be reviewed and applied against the flexible specific premium. She said there was one claimant with claims between 50-100% of the deductible with claims totaling \$37,734.

FY03 Policy Period

Joelle Carlberg reviewed the 7/02-6/03 policy report with claims paid through December 2003. She said that there were seven claimants with claims exceeding the specific deductible of \$150K with total claims of \$1,675,165, an increase of \$72 from the prior month. She said excess claims totaled \$625K. Ms. Carlberg said that the flexible specific premium had been met. She said total reimbursements were over \$127K and

the outstanding amount was \$612. Ms. Carlberg said that there were 31 claimants with claims between 50-100% of the specific deductible with claims totaling over \$3.3 million.

FY03 Policy Period for Medicare Carveout A Plan

Ms. Carlberg reviewed the stop loss reports for the Medicare Carveout A plan (\$50K deductible) for the FY03 policy period. She said that there was one claimant with claims exceeding the specific deductible of \$50K with total claims of \$54,860 and excess claims of \$4,860. She said total outstanding reimbursements were \$4,860. She said that there was one claimant with claims between 50-100% of the deductible with claims totaling \$30,222.

FY02 Policy Period

Joelle Carlberg said that the FY02 policy period had an outstanding reimbursement of approximately \$200K, which was the result of claims from one member. She said the reinsurance carrier had denied reimbursement on the claim because it fell under their definition of an Experimental and Investigative type procedure, which is not covered under the member's CCMHG plan. She said BCBSMA had agreed to reimburse the Group for this claim and the credit was taken on the April invoice.

Investment Committee Report:

Rich Bienvenue said that as stated earlier, the Investment Committee had helped to open two new bank accounts through Citizens Bank, which have a higher interest rate. He said the Investment Committee also came up with an Investment RFP, which would be issued by the end of April. He said the Investment Committee would present the results of the RFP to the Steering Committee in May.

Mr. Bienvenue mentioned that the Investment Committee was continuing to research different investment alternatives.

Wellness Committee Report:

Coronary Health Improvement Project (CHIP) with Thomas Sbarra, M.D. and Amyrose Sager -

Ms. Desroches said she had a meeting scheduled for April 8, 2004 at 10 a.m. in Falmouth with Dr. Sbarra, Amyrose Sager, Noreen Mavro-Flanders, Bob Whritenour and herself to review the CHIP program.

Ms. Desroches said that the Martha's Vineyard CHIP program ended with all 31 members graduating. She said the post program results would be available at the July Board meeting. She said the Falmouth program has begun with 27 members committing to the program. She said the third program would be held in Yarmouthport starting September 30, 2004.

Upcoming Eating Essentials Program and Workshops -

Ms. Desroches talked about the Eating Essentials program, which was another program to promote healthier lifestyles. She said eleven governmental units are participating in this program. She said five units are having a healthy eating demonstration provided by the County nutritionist. She said the program would run through the end of April. She said at that time, employees that completed the kits would be entered into a drawing for prizes.

Upcoming Stress Management Program and Workshops -

Ms. Desroches provided a synopsis of the Stress Management Programs. She said out of the 17 governmental units that committed, 7 returned employee packets for a total of 30 members participating. She said Rita Mitchell, Barnstable County Public Health Nurse, conducted 11 stress reduction seminars. She referred to a list of prizewinners.

Ms. Desroches said she would like feedback on the Wellness programs. She said she would be open to suggestions. She questioned whether or not the programs should be shorter in order to encourage more participation.

Health Fairs -

Ms. Desroches said she has been joining the Barnstable County nurse at the health fairs. She said she has gone to Chatham, Provincetown and Wellfleet and would be going to Brewster this week. She said the most popular handout that she has is for mail order prescription drugs.

Ms. Desroches said that the Walking Program would be in October, not May.

Request from Bourne Recreation Authority to participate in the Contributory Dental Plan:

Carol Cormier said there had been a request from Robert Howard at Bourne Recreation Authority to participate in the Contributory Delta Dental Plan. She said the request is to join the plan through CCMHG effective July 1, 2004.

Noreen Mavro-Flanders asked Robert Howard if he had anything he would like to add.

Robert Howard said that Bourne Recreation Authority currently has a fully insured Delta Dental Premier plan on its own. He said the current calendar year maximum is \$1,500. He said he believes his members would be satisfied with a \$1,000 calendar year maximum, which is what the CCMHG benefit is. He said the CCMHG has a family premium of \$79 and Bourne Recreation Authority's family premium is \$117. He said he would respectfully request that Bourne Recreation Authority be allowed to offer the Delta Dental Contributory plan through CCMHG effective July 1, 2004.

Ms. Cormier said that if the Group chose to allow Bourne Recreation Authority to join the Contributory plan, the calendar year deductible and annual maximum could be handled one of two ways. She said they could come on-Board for July 1st and start from scratch in that the member must meet the deductible for the calendar year, but starts with a calendar year maximum of \$1,000 available in the last 6 months of 2004 or the member's payment to the calendar year deductible would carry over and the charges already paid by the plan towards the annual maximum would carry over.

There was a discussion.

Noreen Mavro-Flanders said that the Steering Committee had voted to recommend the first option, which would be to start from scratch effective July 1st.

Judie Jardin moved to allow Bourne Recreation Authority to join the Contributory Delta Dental Plan through CCMHG effective July 1, 2004. She further moved that Bourne Recreation Authority come on-Board for July 1st, with the understanding that the benefits would start from scratch.

Motion

Bud Breault seconded the motion.

The motion passed by unanimous vote.

Carveout A&B:

Noreen Mavro-Flanders said that the Steering Committee had voted to recommend elimination of the Carveout A&B plan effective for July 1, 2004.

Carol Cormier talked about the reasons that the Group should consider eliminating the Carveout A&B plan. She said the premiums are very high because the members are in an isolated risk pool. She said the benefits are lower than the other senior plans that CCMHG offers. She said if the Group chose to eliminate the Carveout A&B plan, employers would not need to bargain the change, unless bargaining language for retiree plans is written in the employer's collective bargaining agreements. She said she is not aware of any units in the Group that have this language.

Skip Finnell said that he is in favor of eliminating the Carveout A&B plan. He said the Group would send letters to the members to educate them on the other plan offerings and letters to the Benefit Administrators to instruct them how to counsel the members.

Mr. Finnell moved to accept the recommendation of the Steering Committee to discontinue the Carveout A&B plan effective July 1, 2004. He further moved that GBS and the Steering Committee draft letters to send to the members and Benefit Administrators.

Mr. Whritenour seconded the motion.

Karen Walden talked about meeting with the retirees for one-on-one education.

Judie Jardin said that she agrees with setting up meetings to meet with the retirees.

Beth Fletcher talked about the Cape Cod SHINE program. She said the SHINE counselors would probably be willing to meet with the retirees and review the different options through CCMHG. She said the SHINE counselors would be a help to members who need additional reassurance. She said every Council on Aging on Cape Cod, Nantucket and Martha's Vineyard, except Eastham have SHINE counselors. She said she would be willing to provide Ms. Cormier with SHINE contact information.

Ms. Cormier thanked Ms. Fletcher and agreed that it would be a good idea for Carveout A&B members to speak with a SHINE representative. She said if Ms. Fletcher provided the contact information, GBS could call the SHINE representatives.

John Fitzgerald expressed his concerns with canceling the Carveout A&B plan. He said he would prefer to wait until July 1, 2005. He said he currently has 16 members on Carveout A and 33 on Carveout A&B. He said he feels that it would be extremely hard to educate all of the members in time for open enrollment and require them to change. He suggested waiting until July 1, 2005.

Judie Jardin suggested that the Group start the process now by notifying the members and Benefit Administrators. She said employers could try to move as many members as possible for July 1, 2004 and then eliminate the plan July 1, 2005.

Mr. Fitzgerald moved to amend the previous motion to go into effect on July 1, 2005.

Motion

Mr. Whritenour seconded the motion.

Mr. Whritenour pointed out that the retirees rely on the employers and the Board members provide plans with value. He said the retirees make their decisions based on what the Group gives them for options. He said the Carveout A&B plan has premiums that are 25% higher than the other senior plan options. He said the benefits are not as good as the other senior plan options. He said he doesn't understand why the Group would offer plans to retirees that require them to pay more for less. He said he recognizes the concerns that employers have, including Mr. Fitzgerald, but in his opinion, the best thing would be to eliminate the Carveout A&B plan for July 1, 2004.

Ms. Cormier mentioned that the Steering Committee chose to subsidize the rates for the Carveout A and Carveout A&B plans, because they were concerned for the seniors.

There was a discussion about what steps would be taken to help the seniors if the Group chose to eliminate the Carveout A&B plan.

John Fitzgerald withdrew his amended motion.

Withdrawn Motion

Noreen Mavro-Flanders called for a vote on Mr. Finnell's motion to eliminate the Carveout A&B plan effective July 1, 2004.

Skip Finnell said that he would add to his motion that the letters to employees and Benefit Administrators include the SHINE information.

The vote in favor of the original motion was unanimous.

Approval of health and dental plan rates for July 1, 2004:

Carol Cormier said that GBS and the health plans do independent rate projections. She said the Steering Committee was shown both projections. She said GBS had a higher projection than BCBSMA, which was a difference of about \$800K - \$1million in projected annualized funding. She said this year, the Steering Committee chose to use the lower of the projections, whereas, in the past, the higher projection was typically used.

Ms. Cormier said the Steering Committee thought the Group should use some of the fund balance to subsidize the rates. She said the Committee decided on \$1.8 million surplus to subsidize the rates. She talked about the different expenses that are factored into the rates including, projection of claims, administrative fees, projection of reinsurance fees and wellness program costs.

Ms. Cormier reviewed the comparison of carrier administrative fee proposals. She mentioned that BCBSMA added disease management programs effective July 1, 2004, for which they had previously charged self-funded accounts. She mentioned that the Delta Dental administrative fee increase has remained consistent over the years.

Ms. Cormier reviewed the recommended funding rates, which uses \$1.8 million of the fund balance applied proportionally and is a 7.4% aggregate increase (including health and dental plans).

There was a discussion.

Skip Finnell moved to accept the FY05 rates, with the exception of the Carveout A&B plan, as recommended by the Steering Committee, using \$1.8 million of the fund balance, which is a 7.4% aggregate increase with the rates rounded to the nearest whole dollar.

Motion

Bud Breault seconded the motion.

The vote in favor of the motion was unanimous.

Pat Perris said that she had come across a Fidelity Investment article, which talks about the overall health insurance increases nationwide. She said the article was based on national data, but nevertheless, it shows that CCMHG is doing well with its health insurance increases.

Ms. Noreen Mavro-Flanders thanked Ms. Perris for sharing the article.

Ms. Cormier reviewed the 2004 Senior Plan Rates.

Skip Finnell questioned why the Secure Horizons rate was significantly lower than the Blue Care 65 rate, since both plans are funded by the government.

Ms. Hart-Davies said she would assume that it is because Tufts Secure Horizons has been in the business longer with this plan and has a larger pool of members.

Mr. Finnell moved to accept the senior plan rates for July 1, 2004.

Motion

Sheryl McMahon seconded the motion.

The vote in favor of the motion was unanimous.

Carol Cormier suggested that the Board vote to adopt the proposed administrative fees. She said CCMHG has good administrative fees as compared to other GBS clients.

Skip Finnell moved to accept the proposed administrative fees for July 1, 2004.

Motion

Sheryl McMahon seconded the motion.

The vote in favor of the motion was unanimous.

Ms. Cormier said that she would send the entire rate package to whoever is interested in seeing it.

Voluntary Dental Plan:

Noreen Mavro-Flanders said that as Mr. Whritenour mentioned earlier, there had been some complaints about the current Voluntary Dental plan. She said the Steering Committee had voted to seek informal quotes for Voluntary Dental only. She said GBS was going to prepare a Benefit Comparison and review the quotes with the Steering Committee at the April 29th meeting.

Anne Boisvert said that Delta Dental had just received approval from the Massachusetts Department of Insurance (DOI) for their new Voluntary Premier Enhanced Plan. She said essentially, the new enhanced plan will be the Voluntary Premier Plan, but with Type I services covered at 100%. She mentioned also that the Table of Allowance would be at the increased 10% level. She said the cost of the plan would be \$31 for individual and \$76 for family.

Ms. Boisvert pointed out that the proposal for the current plan was a two-year quote. She said if the Group chose to offer the new Enhanced product, she was fairly certain that it would also be a two-year quote.

Ms. Boisvert said she would get the materials for this new plan to Carol Cormier in the near future so that she could include it in her analysis.

Guidelines for making benefit changes:

Noreen Mavro-Flanders called attention to the document in the meeting packet titled, "Guidelines for making changes to CCMHG health plans". She said Carol Cormier prepared this as a suggested guideline to follow when making health plan changes. She said it is recommended that employers discuss the guideline with their Insurance Advisory Committee's (IACs) and legal counsel. She said the Board would continue to discuss this at future meetings.

BCBSMA Changes:

Anne Hart-Davies reviewed *Optional* Benefit Changes for 2004, which included adding 12 visits per calendar year to the Network Blue for Chiropractor Services.

Ms. Hart-Davies said the other *Optional* Benefit Changes for 2004 that apply to both Network Blue and Blue Care Elect PPO are adding \$150 cash back program for Weight Watchers or any hospital based weight reduction program and new standard prescriptions set at \$10/25/45 for 30-day retail and 90-day mail order.

Ms. Hart-Davies reviewed BCBS Mandatory Administrative Changes, which would have no price impact to the Group. She reviewed formulary drug changes and the Healthy Vision Discount Program, which included benefits such as discounts on laser surgery. She said the Physical Therapy outpatient changed from 60 consecutive days allowed to 60 visits allowed per calendar year.

"Total Purchasing" Concept:

Noreen Mavro-Flanders said that the Steering Committee has decided not to recommend to the Board that all governmental employers be required to offer all CCMHG health plans. She said employers would continue to choose which plans they would like to offer.

Bob Whritenour said that the Steering Committee had wanted feedback from the governmental units in regards to this concept. He thanked the Board members for giving feedback. He said the original thought was to require employers to offer all plans in the hopes that some Indemnity Plan members would transfer to the PPO plans, which would make the PPO plans more credible in terms of rating purposes.

Other Business:

Skip Finnell thanked Carol Cormier and Joelle Carlberg, GBS, for their hard work and dedication to the Group.

Bud Breault asked if anyone had information relative to the “call firefighter” issue.

Carol Cormier said the new category of eligibility under Chapter 32B, Section 2, is optional. She said it permits the legislative body of a governmental unit to agree to allow call firefighters and other emergency personnel to be eligible for the employer’s group health insurance. She said call firefighters and emergency personnel must pay 100% of the premium and the employer may not contribute to the cost of this insurance.

Ms. Cormier said if a governmental unit decides to adopt this eligibility category, she would strongly urge the governmental unit to adopt Rules and Regulations under Chapter 32B, Section 14 to administer this in a way that avoids potential problems. She said since it is likely that the people who would pay 100% of costly health insurance are those with substantial health care needs in their families, it would therefore be possible for people to sign up for call firefighting solely to access the insurance.

Ms. Cormier said some suggestions that governmental units might consider are that a probationary period is required before an individual is eligible, that proof of continuous coverage is required and that the individual and spouse have no eligibility for insurance with other employers.

There was a brief discussion on this new optional eligibility category of Chapter 32B.

Ms. Cormier said that she would send an email to the Board members in regards to this issue. She went on to say that most communication from GBS to Board members is done through email. She requested that employers notify GBS of any changes in email addresses.

Paul Lazar said that his replacement, a new hire, would be at HPHC next week. He said in the meantime, people should continue to contact him via email or by phone.

Mr. Lazar said there were some formulary prescription drug changes, which are made at HPHC twice a year. He said a targeted mailing would be sent to those members that are affected.

Mr. Lazar said he had a supply of enrollment forms with him in case anyone needed them for the upcoming open enrollment period.

Anne Boisvert said she also had a supply of enrollment forms with her.

Ms. Mavro-Flanders said that Matthew Bearse from the Town of Yarmouth IAC would like to address the Board.

Matthew Bearse talked about the Heart Walk on Sunday, April 18th, which is to raise money for the American Heart Association. He said he and his wife lost their daughter, Katelynn, last June when a heart donor for her could not be found. He said the Walk is dedicated to his daughter. He said it begins at 10 a.m. and registration is at 9 a.m. on April 18th for those that are interested.

A number of the Board members expressed interest in finding out how to participate in the Heart Walk and/or how to make a contribution to the fund.

Carol Cormier said that if Mr. Bearse would send her the information via email, she would forward it along to the Board members if the members want her to do that.

Mr. Bearse thanked Ms. Cormier. He said he would send her a web address link for members to sign up online or make a donation to Katelynn. He said the donations for Katelynn should be put under his wife’s name, Ann Bearse.

Ms. Cormier said that she recently learned that the City of Worcester was moving forward with a prescription drug-purchasing program. She said the City of Boston was issuing an RFP for prescription drug purchasing. She reminded the Board members that purchasing drugs from Canada remains illegal, but she wanted to keep the Group informed on the topic.

Ms. Cormier talked about two companies, Canusa Health and The Abacus Group, who are working together. She said GBS is forming a separate company to deal with purchasing drugs from alternative sources.

There was no other business.

Motion

Bob Whritenour moved to adjourn the meeting.

Skip Finnell seconded the motion.

The motion to adjourn passed by unanimous vote.

Chairman Noreen Mavro-Flanders adjourned the meeting at 11:50 a.m.

*Prepared by Joelle Carlberg
Group Benefits Strategies*