

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

STEERING COMMITTEE

Wednesday, March 24, 2004, 9:00 A.M.
Barnstable Town Hall

MEETING MINUTES

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, March 24, 2004 at the Barnstable Town Hall. The following people attended the meeting.

Committee Members Present:

Robert Whritenour, Chairman	Town of Falmouth
Jeffrey Cannon	Town of Barnstable
Francis “Skip” Finnell	Dennis Yarmouth Regional School District
Judie Jardin	Dukes County
Noreen Mavro-Flanders	Dukes County
David Withrow	Town of Orleans

Guests Present:

Richard D. Bienvenue, C.P.A.	Treasurer
Jan Hagberg	Town of Sandwich
Anne Hart-Davies	Blue Cross Blue Shield of MA (BCBSMA)
Paul Lazar	Harvard Pilgrim Health Care (HPHC)
Anne Boisvert	Delta Dental Plan of Massachusetts
Carol Cormier	Group Benefits Strategies (GBS)
Joelle Carlberg	Group Benefits Strategies (GBS)

Chairman Robert Whritenour called the meeting to order at 9:09 a.m.

Approval of the Minutes of the February 25, 2004 meeting:

Noreen Mavro Flanders moved to approve the minutes of the February 25, 2004 meeting.

Motion

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

April 2004 Warrant Summary:

Carol Cormier reviewed the invoice from Dr. Thomas Sbarra for the CHIP program on Martha’s Vineyard. She said there were some questions about the additional charges, including ferry expenses, which totaled \$1,072.25. She suggested that the Steering Committee approve the Warrant without the additional charges until the issue can be resolved.

Skip Finnell moved acceptance of the April 2004 Warrant Summary, minus the Dr. Sbarra payment, with expenses totaling \$5,945,015.13.

Motion

David Withrow seconded the motion.

There was a discussion.

Noreen Mavro-Flanders suggested approving payment to Dr. Sbarra, with the exception of the \$1,072.25 for the additional charges, resulting in a payment of \$9,100.

Withdrawn
Motion

Skip Finnell withdrew his motion.

Skip Finnell moved acceptance of the amended April 2004 Warrant Summary, with expenses totaling \$5,954,115.13.

Motion

David Withrow seconded the motion. The vote in favor of the motion was unanimous.

CHIP Invoice - Proposal regarding extra expenses related to Vineyard program:

Carol Cormier suggested that the Committee vote on the proposal from Dr. Sbarra to split the extra expenses related to the Vineyard program equally.

Noreen Mavro-Flanders moved to agree to split the additional charges equally with Dr. Sbarra.

Motion

Judie Jardin seconded the motion. The motion passed by unanimous vote.

It was agreed that the invoice for the additional charges would be reviewed with Dr. Sbarra before the CCMHG pays its fifty percent.

Carveout Plans:

Carol Cormier said that at the last meeting, the Committee had asked her to determine which governmental units had adopted Section 18 of MGL Chapter 32B. She presented a list and said it listed only four that responded. She said there were 64 Carveout A policies and 118 Carveout A&B policies.

Bob Whritenour said that he would be in favor of eliminating Carveout A&B. He said there are other senior plans for the retirees that have Parts A&B. He said the other options have better benefits and are less expensive. He said he would not eliminate the Carveout A.

Ms. Cormier said that the enrollments are dwindling on these plans. She said she believes the Carveout plans will eventually phase out. She said the Carveout plans use the Master Medical plan benefit schedule.

David Withrow suggested sending a letter to the Carveout A&B members to inform them of the other options available.

Skip Finnell agreed with Mr. Withrow. He said the Group could send a letter to the members with a copy to the employers. He said the letter should explain that the Group decided to eliminate the Carveout A&B plan and that there are other options available. He said the letter should state that members could be getting better benefits for less money. He said a letter should also be sent to the Benefit Administrators, so there is an understanding as to how to handle these retirees. He said communication is critical.

There was a discussion.

Skip Finnell moved to make a recommendation to the Board to eliminate the Carveout A&B plan and to have GBS draft letters to the Carveout A&B members and the Benefit Administrators. He further moved that during the next year's rate-setting process, the Carveout A plan be pooled with the Medex plan.

Motion

Noreen Mavro-Flanders seconded the motion.

The vote in favor of the motion was unanimous.

There was a question about collective bargaining for retiree plans.

Ms. Cormier said her understanding is that there are no bargaining obligations for retiree plans.

Voluntary Dental Quotes:

Carol Cormier said that the Steering Committee had voted to seek informal quotes for the Voluntary dental plan. She said GBS had received quotes from three carriers: Delta Dental of MA, Unimerica (a United Health Group Company) and Altus Dental Insurance Company. She reviewed the summary of quotes.

Ms. Cormier said that GBS had just received the quotes yesterday, the 23rd, and did not yet have time to do an extensive review. She said the Committee might need to schedule another meeting, due to lack of time, to discuss this.

Ms. Cormier mentioned that with the Delta Dental renewal, Anne Boisvert had included information on a new Voluntary Premier Enhanced Plan.

Anne Boisvert said that late yesterday afternoon Delta Dental received, approval from the Massachusetts Department of Insurance (DOI) for the new Voluntary Premier Enhanced Plan. She said she did not have any marketing materials or formal quotes, since it was just approved by the DOI. She said essentially, the new enhanced plan will be the Voluntary Premier Plan, but with Type I services covered at 100%. She mentioned that the Table of Allowance would be at the increased 10% level. She said the cost of this plan would be \$30.00 for an individual policy and \$76.00 for a family policy.

Bob Whritenour said that the Voluntary Dental Quotes should be an item on the next Steering Committee meeting agenda. He also requested that GBS prepare a Benefit Comparison of all the plans that had submitted quotes for the next meeting.

Ms. Cormier mentioned that if the Group decided to change carriers, then it would need to bargain with unions.

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, it would also be a two-year quote. She said she would provide this in writing at the next Steering Committee meeting. She said she would also bring marketing materials to the next meeting.

Other Business:

Jeff Cannon mentioned that the Investment Committee had sent an RFP for investment management services and the responses are due by the end of April. He said the Investment Committee would make recommendations to the Steering Committee in May.

Carol Cormier 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. She said the credit had not come through in March, so GBS took the credit, in the amount of \$198K, on the April invoice. She said that Anne Hart-Davies was reviewing the additional ~\$38K.

Richard Bienvenue talked about his concern with the IBNR estimate. He said he thought maybe the Group should have stayed with the old method of calculating IBNR.

Ms. Cormier said that she would provide Mr. Bienvenue with run-out reports from different time periods.

There was no other business.

Bob Whritenour adjourned the meeting at about 9:43 a.m.

*Prepared by Joelle Carlberg
Group Benefits Strategies*