

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

STEERING COMMITTEE

Wednesday, November 20, 2013 9:00 AM
Sandwich Town Hall
130 Main St., Sandwich, MA

MEETING MINUTES

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, November 20, 2013 at the Sandwich Town Hall, Sandwich, MA.

The following people attended the meeting:

Committee Members Present:

A. Francis (“Skip”) Finnell, Chair	Dennis-Yarmouth RSD
Noreen Mavro-Flanders	County of Dukes County
Gerry Panuczak	Town of Chatham
Marie Buckner	Town of Sandwich
Debra Blanchette	Town of Barnstable
Erin Orcutt	Cape Cod Regional THS
Heather Harper	Town of Falmouth
Joyce Mason	Town of Mashpee
Susan Wallen	Nauset Regional School District

Guests Present:

Rich Bienvenue	CCMHG Treasurer
Deanna Desroches	CCMHG Wellness Consultant
Suzanne Donahue	Blue Cross Blue Shield (BCBS)
Bill Hickey	Harvard Pilgrim Health Care (HPHC)
Nina Conroy	Delta Dental of MA
Carol Cormier	Group Benefits Strategies (GBS)

Skip Finnell, Chair, called the meeting to order at 9:06 AM.

Approval of the Minutes of the October 9, 2013 meeting:

Gerry Panuczak motioned to approve the minutes of the October 9, 2013 meeting.

Motion

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

Steering Committee reorganization for CY14: , if any

Skip Finnell said he thought the Committee should reorganize each year.

Noreen Mavro Flanders motioned to nominate Skip Finnell as Chair for CY14.

Motion

Marie Buckner seconded the motion. There were no other nominations.

The motion to elect Skip Finnell as Chair was approved by unanimous vote.

Investment Committee Report:

Investment Committee Chair Gerry Panuczak said that stocks have continued to rise but that the CCMHG's portfolio diversification pulls CCMHG's earnings down a bit compared to benchmarks. He noted that the portfolios are continually rebalanced. Mr. Panuczak said that as of September 30th the investments totaled \$13,278,000 and at the end of June 2013 the total was \$12,662,000. He said the portfolio continues to grow, and there have been no withdrawals from investments.

Heather Harper asked if the Investment Committee had given any thought to reallocating more into stocks.

Gerry Panuczak said that the committee had not had that discussion recently.

Skip Finnell asked Gerry Panuczak to raise Ms. Harper's question with the representatives of Rockland Trust before the January 22nd Board meeting.

Deb Blanchette said she had volunteered to serve on the Investment Committee.

Mr. Panuczak said the Investment Committee members are Erin Orcutt, Deb Blanchette, Rich Bienvenue and himself.

Wellness Committee Report:

Marie Buckner, Wellness Committee Co-Chair, said that Laura Scroggins from Town of Barnstable joined the committee and that Deb Heemsoth, Town of Dennis, retired from the committee.

Deanna Desroches, CCMHG Wellness Consultant for the mainland, distributed her report on the status of wellness programs. She reviewed status of the *Kick Butts* Anti-smoking, the *Health Improvement Project (HIP)*, *Healthy Me*, *Couch to 5K*, and *5K Walk It Off* programs as well as the biometric screenings, brown bag lecture series, and newsletter.

Ms. Desroches talked about her work with retirees on wellness programs and said that they are very grateful for the CCMHG's programs and are making good strides.

Noreen Mavro Flanders said that the Committee needed to take a vote on the request from the Wellness Committee to buy two cholesterol machines for use on Martha's Vineyard. She noted that this had been discussed at a previous Steering Committee meeting and at the last Board meeting. She said the machines costs about \$1,700 each. She said that the money would come out of the Vineyard's wellness program budget.

Ms. Mavro Flanders made a motion to purchase the two cholesterol measurement devices.

Motion

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

Noreen Mavro Flanders said that Krystal Rose, Wellness Consultant for the Vineyard, has started the *Maintain, Don't Gain* program and that there is a blog associated with it. She said that Ms. Rose would like this to be linked to the CCMHG website.

Treasurer's Report:

Treasurer, Richard Bienvenue, CPA, said that the Xero accounting system installation and operations have been going well. He said there are still some issues but that those are being worked on.

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Mr. Bienvenue said that he is now making wire-transfer payments to BCBSMA on the first of the month and will be extending the practice to most vendors.

Mr. Bienvenue reviewed the Xero Management Report of November 20, 2013 in detail with data on July, August, and September 2013. He said that year-to-date the Trust Fund was up \$1.7M.

Mr. Bienvenue noted the few participating governmental units that have outstanding balances due, are chronically late or do not pay as billed.

Skip Finnell asked that these payment problems be put on the January Board agenda.

Mr. Bienvenue said that he thinks there might have been a problem with the July Delta Dental billing and said he would follow up on this.

Mr. Bienvenue said that with the Xero accounting system in place he will be ready to address the financial reporting practices and procedures at the December 18th meeting. He said that the auditor Bill Fraher will attend that meeting for the exit interview on the FY13 audit.

Mr. Bienvenue said that he checked with Cape Cod 5 and that it is up to each unit to set up wire transfer arrangements to pay the monthly CCMHG invoices. He said that he will send a communication on this an other topics to each unit in January.

Noreen Mavro Flanders moved to accept the Treasurer's Report.

Motion

Erin Orcutt seconded the motion. The motion passed by unanimous vote.

GBS Reports:

Carol Cormier said that the Funding Rate Analysis had not been updated since the last meeting because GBS had not received the Harvard Pilgrim data for October. She said she would send the report as soon as it is completed.

Ms. Cormier reviewed the Stop Loss reports for FY13 noting that almost \$400K in excess claims had come in since the last report and that there were new reimbursements of almost \$300K. Ms. Cormier said claims on the excess report came from 15 claimants and totalled almost \$6.5 million. She said that there were almost \$524K in new claims for 25 claimants on the 50% report and that total claims between 50% and 100% of the stop loss deductible were \$5.66M.

Website Maintenance Contract:

Ms. Cormier said that the website maintenance contract with GBS expires on November 30. She said that GBS proposes no change to the current agreement. She said the proposed fee is \$1500 for the year, the same as the current fee.

Noreen Mavro-Flanders moved to approve the contract proposal from Group Benefits Strategies for website maintenance for December 1, 2013 through November 30, 2014.

Motion

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

Planning for FY15 Rate Development:

Carol Cormier said that the rates for FY15 are to be voted on at the January 22nd Board meeting. She said that she would like to have the Steering Committee review the projections at least a week prior to the

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Board meeting. She also said she would like guidance on the amount of fund balance, if any, to use to reduce the rates.

Skip Finnell set a Steering Committee meeting for January 14, 2014 at 9 AM at Sandwich Town Hall in order to review FY15 health and dental plan rate projections.

It was agreed that Richard Bienvenue will prepare projections on the Fund Balance for the December 18th meeting.

BCBSMA Emergency Room and Ambulance Utilization Report:

Carol Cormier said that Harvard Pilgrim had presented an ER and ambulance utilization reports at the last Board meeting and that BCBSMA had agreed to provide similar reports.

Suzanne Donahue, BCBSMA, distributed and reviewed the reports comparing FY12 and FY13 and said that there had been a significant reduction in ER utilization after introduction of the deductibles. She said visits per 1000 members decreased 22.4% which led to a \$1.1 million reduction in ER expenses for the CCMHG. Ms. Donahue noted that ambulance costs are about 1% of total costs for CCMHG's BCBS population.

Deanna Desroches asked if the ER utilization could be broken down by adult vs. child.

Ms. Donahue said that she thought that could be done but noted the top reasons for ER utilization on the report show that most top reasons for ER visits were related to conditions particular to adults.

Reinsurance Pooling Arrangement update:

Skip Finnell said that he and Noreen Mavro Flanders have attended meetings of a small advisory committee comprised of representatives West Suburban Health Group (WSHG), Minuteman Nashoba Health Group (MNHG), as well as CCMHG. He said the Committee has been meeting with representatives of Gallagher Benefits Services, Group Benefits Strategies, and most recently Berkley Insurance. He said that the three joint purchase groups would pool together for reinsurance just as the towns and districts now pool together to purchase health benefits services. He said the pool would become effective 7/1/14. Mr. Finnell pointed out that reinsurance expense is just a bit over 1% of CCMHG's total expenditures but said that it has been becoming increasingly difficult to get reinsurance companies to bid on the municipal business.

Mr. Finnell reviewed the timing for making a decision and said that the Board would have to approve joining the MLRPA at its January 22, 2014 meeting. He said that Gallagher is going to come to the Dec. 18th Steering Committee to review the proposal and that the Steering Committee will decide on its recommendation to the Board. He said the other joint purchase groups have similar schedules.

Health and Dental Plan Reports:

Delta Dental – Nina Conroy said that Delta has a new Enrollment Analyst with IT and web experience who is working with Ruth Lynch at GBS to resolve some issues.

Ms. Conroy said that she will have the FY15 renewal to GBS by January 9th.

Harvard Pilgrim – Bill Hickey said that HPHC will begin reimbursing members who made copayments for orally administered chemotherapy drugs back to January 1, 2013 as required by the state mandate. He said that the refunds will start to show up on the CCMHG's billing statements from HPHC.

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BCBSMA – Suzanne Donahue said the Division of Insurance (DOI) announced yesterday that it will not allow carriers to re-open health plans that were cancelled according to the Affordable Care Act even though President Obama has now said these non-group plans can be restored for a year.

Bill Hickey said that HPHC has spent untold amounts of money on re-tooling for the Affordable Care Act, and restoring what the company had undone would be even more costly.

Other Business:

There was no other business.

Noreen Mavro Flinders moved to adjourn the meeting.

Motion

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

Skip Finnell adjourned the meeting at 10:47 AM.

*Prepared by Carol Cormier
Group Benefits Strategies*