

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

**STEERING COMMITTEE**

Friday, December 17, 2004, 8:30 a.m.  
Sandwich Town Offices at 16 Jan Sebastian Drive  
Sandwich, Massachusetts

**MEETING MINUTES**

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held at 8:30 a.m. on Friday, December 17, 2004 at the Sandwich Town Offices at 16 Jan Sebastian Drive, Sandwich, MA. The following people attended the meeting.

**Committee Members Present:**

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

**Guests Present:**

Richard Bienvenue, CPA	CCMHG Treasurer
Deanna Desroches	CCMHG Wellness Coordinator
Anne Hart-Davies	Blue Cross & Blue Shield of MA (BCBSMA)
Bill Hickey	Harvard Pilgrim Health Care (HPHC)
Carol Cormier	Group Benefits Strategies (GBS)

Chairman Bob Whritenour called the meeting to order at 8:50 a.m.

**Wellness Committee Report:**

Maggie Downey summarized the discussion on wellness efforts from the last Steering Committee meeting. She said the Committee met with Deanna Desroches to discuss enhanced outreach efforts to promote the Coronary Health Improvement Project (CHIP), specifically the upcoming program in Eastham. She said that a problem had arisen regarding the timing of the Eastham classes. Ms. Downey said that Amyrose Sager was unable to be in Eastham before 5:30 p.m. and it had been the CCMHG’s wish to start the classes at 4:30 p.m. for employee convenience. Ms. Downey said that although in the short-term this can probably be worked out, Ms. Sager’s limited availability because of her job presents a problem for the CCMHG.

Carol Cormier said that the West Suburban Health Group (WSHG) has decided to send it Wellness Coordinator to Illinois to be trained as a CHIP facilitator so they will not be dependent on the schedules of outside contractors. She said that this also cuts program costs.

Bob Whritenour said it comes down to how do you find someone who does nothing all day and is available at 4:30 p.m. just for the CHIP program.

Maggie Downey said she thought it would be possible to find someone.

Skip Finnell suggested that the Wellness Committee pursue this and report back to the Committee.

There was a discussion about the idea of a “premium holiday” or something similar for people who successfully complete the CHIP program.

It was agreed that Carol Cormier would ask Attorney Kevin Feeley to review this concept to make sure it is permissible under Chapter 32B and the joint purchase agreement.

Maggie Downey said that for the Eastham program, the Group should go with a start time of 5:00 or 5:30 p.m. and get someone at Eastham Town Hall to set up the room.

Skip Finnell moved to start the Eastham CHIP classes at 5:30 p.m. and to give a “premium holiday” of a flat amount of \$600 split 50/50 between the employee and the employer provided the employee successfully completes the program where successful completion is defined as attending at least 11 out of 12 sessions. He further moved that the “premium holiday” be subject to legal review.

Motion
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Noreen Mavro-Flanders seconded the motion.

The motion passed by unanimous vote.

Maggie said that the Wellness Committee would report at the February meeting.

Noreen Mavro-Flanders said that when arrangements are made for the next Vineyard CHIP program, careful consideration should be given to the scheduling to minimize travel costs.

Ms. Downey suggested starting the Eastham CHIP program on February 1<sup>st</sup> and ending on March 15 and then starting the Vineyard program the first week in April.

David Withrow said that the big question is still how to promote the program to get better participation.

Bob Whritenour said that the focus should be on what the CCMHG wants to do and then the group can talk with Dr. Sbarra and Ms. Sager.

Maggie Downey said she would talk with the County nurses about their interests in the program and suggestions.

Anne Hart-Davies said that Jayne Schmitz, former Wellness Coordinator for BCBS, would like to work part-time now and could possibly play a role in a wellness program.

Deanna Desroches said that the Wellness Workshop and Fair for Benefits Administrators would take place on February 25<sup>th</sup> at the Wixon Middle School in Dennis. She said the focus would be on the CHIP program. She asked the Committee if union representatives and IAC members should be encouraged to attend and about promotional mailings to the Board, School Superintendents and Town Managers.

Bob Canevazzi said he would send out a communication about CHIP via email to the town managers.

Deanna Desroches said she would send the written materials to Mr. Canevazzi for distribution to the managers.

Ms. Desroches said that the County Wellness Fair held at Dennis Yarmouth RSD had gone very well. She also reported that 130 CCMHG members had returned forms for the Walking Program.

**Approval of the minutes of the November 23, 2004 meeting:**

David Withrow moved approval of the minutes of the November 23, 2004 meeting as written.

Motion
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Bob Canevazzi seconded the motion. The motion passed by majority vote. Ms. Mavro-Flanders and Ms. Jardin abstained.

**Treasurer's Report:**

Treasurer Richard Bienvenue reviewed the financial statements of November 30, 2004 (unaudited figures). He reported an unreserved fund balance of \$13.8 million (Health and Dental) and Net Income of \$2.5 million.

Mr. Bienvenue pointed out that he thinks that Harvard Pilgrim erred in the settle-up and ignored a credit of over \$48,000.

Ms. Cormier said that GBS would look into this.

Mr. Bienvenue said after conferring with the Investment Committee, he moved \$2 million to Rockland Trust Investments and \$4 million to Sovereign Bank money market fund that has a 2.6% rate. He said this money was transferred out of Citizens Bank.

Mr. Bienvenue reported a cash surplus for November of \$545 thousand and said he estimates \$250K/month surplus in the cash flow projection for the remainder of the fiscal year. He pointed out that October claims had been high.

Mr. Whritenour noted that the Group has been earning five times as much in investment income this year compared to last year.

Rich Bienvenue said that the public officials bond will expire in February and is currently a \$250K bond. He said that as instructed by the Committee, he would renew it at \$1 million.

Rich Bienvenue said that the CCMHG is getting charged bank fees and late charges at BankNorth and that he will call and ask to have the fees waived as has been done in the past.

Regarding the independent financial audit of the FY04 financial statements, Mr. Bienvenue said that he had received the run-out claims data from GBS and sent it to the auditor, Bill Fraher. He said that Mr. Fraher would attend the next meeting.

Bob Whritenour asked Mr. Bienvenue to request that Mr. Fraher provide a draft audit report for the Committee to review and have him attend a meeting other than the January meeting. He said the Committee would then have an exit interview with Mr. Fraher.

**Investment Committee Report:**

Mr. Bienvenue said that there was nothing additional to report.

**GBS Reports:**

Carol Cormier said that since this meeting was held earlier than usual in the month, GBS had not received the BCBS data to update reports. She said she had only updated stop loss reports and an updated Harvard Pilgrim Quarterly Accounting report.

HPHC Level Monthly Deposit- Quarterly Accounting Report – Ms. Cormier said that at the end of November the group had a \$422,810 debit balance with HPHC.

Stop Loss Reports –

*FY05 Policy Period* – Ms. Cormier said that there were no claims exceeding the stop loss deductible of \$150K but that there were five claimants with claims between 50% and 100% of the deductible and one claimant that had exceeded 50% of the lower Carveout A plan deductible.

*FY04 Policy Period* – Ms. Cormier said that 10 members had exceeded the \$150K deductible with total claims of \$1,889,010 and excess claims of \$589,010. She said that there had been almost no change since the prior month of reporting. She said that the Group had met the \$500,000 aggregating specific deductible and is owed \$89,010. She said that 32 members had claims between 50% and 100% of the deductible with claims totaling over \$3 million.

Ms. Mavro-Flanders noted that the Committee had not reviewed the Warrant Summaries for November and December.

Carol Cormier said she would email the Warrant Summaries to the Committee and be sure to include them on future agendas.

Maggie Downey said she had spoken with Carol Cormier about the County's interest in co-sponsoring a GASB45 seminar on the Cape.

Ms. Cormier said that GBS could probably get the Angell Pension Group to do a presentation since they had been speakers at GBS's recent GASB45 seminar in Worcester.

Rich Bienvenue said he would be interested in being a speaker. He said that an alternative approach to dealing with GASB45 is to not disclose the retiree liability and to take a qualified audit opinion.

It was agreed that there was sufficient interest to pursue the seminar.

Jeff Cannon arrived at this time.

Bob Canevazzi left the meeting at this time.

**Member Appeal:**

Carol Cormier reviewed the Committee's position on this appeal from the last Steering Committee meeting. She said the Committee had put the onus on the member to document that he had been given an ongoing benefit exception from Harvard Pilgrim. Ms. Cormier said that the member had produced some documents and that Mr. Hickey would review the additional information that has come to the Committee's attention.

Bill Hickey said that the member is asking for a reimbursement of \$449.65 based on what is a misunderstanding. He said that the exception was for restorative services and not preventive services but it seems that the member has not made that distinction and that perhaps this was not sufficiently explained.

Maggie Downey suggested that the Group pay the claims and write a letter to the member clarifying what is and is not covered going forward.

There was a discussion.

Maggie Downey moved to pay the \$449.65 in appealed claims denial and to send the member a letter articulating the differences between restorative and preventive services and specifying what is and is not covered.

Motion
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Judie Jardin seconded the motion.

The motion passed by unanimous vote.

**Update on Alternative Prescription Drug Purchasing Analysis:**

Anne Hart-Davies said that BCBS would get the required electronic Rx claims data to The Abacus Group in early January.

Mr. Hickey said that HPHC was almost ready to do the data dump to The Abacus Group.

**Health Plan Reports:**

BCBSMA Report - Anne Hart Davies said that BCBS was working on the Patient Safety Initiative with the Commonwealth and hospitals.

Ms. Hart-Davies said that BCBS anticipates claims savings from Disease Management programs as follows:

1 <sup>st</sup> Qtr. 2004:	Cost = \$0.74 pmpm; ROI = \$1.60 pmpm;
FY05 projected:	Cost = \$1.16 pmpm; ROI = \$2.97 pmpm; and
FY06 projected"	Cost = \$1.34 pmpm; ROI = \$3.99 pmpm.

Ms. Hart-Davies pointed out that there are no disease management programs for Master Health Plus or Master Medical.

Maggie Downey left the meeting at this time.

Harvard Pilgrim Report – Bill Hickey talked about the positive results from the combination of predictive modeling and targeted calling to members identified at risk.

Mr. Hickey said that HPHC President, Charlie Baker works hard at creating transparency in the medical community.

**Other Business:**

Mr. Hickey talked briefly about Consumer Driven Health Plans.

It was agreed that the Steering Committee should entertain presentations from BCBS and HPHC on consumer driven health plans (CDHPs).

Ms. Cormier pointed out the information in the packet regarding the new Medicare Part D. She said that employers would have to make decisions about this by September 2005.

There was a brief discussion of Medicare Part D, and it was agreed that as soon as more information is known about the options for employers, this should be on a meeting Agenda.

There was no other business.

Mr. Whritenour adjourned the meeting at 11:15 a.m.

*Prepared by Carol Cormier  
Group Benefits Strategies*