

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

Board Meeting

Wednesday, April 12, 2017, 10:30 AM

Centerville, Osterville, Marstons Mills Fire Dept., Centerville, MA (COMM Fire District)

MEETING MINUTES

A meeting of the Board of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, April 12, 2017 at 10:30 AM at the Comm Fire District, Centerville, MA. The following people attended the meeting:

Board Members and Alternates Present:

Noreen Mavro-Flanders, Board Chair	County of Dukes County
A. Francis (“Skip”) Finnell, Steering Committee Chair	Dennis-Yarmouth RSD
Carol Woodbury	Dennis-Yarmouth RSD
Marie Buckner	Town of Sandwich
Kathleen Isernio	Monomy Regional School District
Deb Heemsoth	Town of Dennis
Nancy Cushing	Barnstable County
Kathy Logue	Dukes County/Town of Tisbury
Rosemarie Costa	Veterans Services of Cape Cod
Robert Howard	Bourne Recreation Authority
Susan Wallen	Nauset Regional School District
Joan Plante	Town of Eastham
Lisa Vitale	Town of Brewster
Ray Pirrone	Cotuit Fire Dist. & West Barnstable Fire Dist.
Beth Deck	Cape Cod Collaborative
Verna LaFleur	Hyannis Fire District
Jody Hoffman	Town of Provincetown
Erin Orcutt	Cape Cod Reg. Technical High School
Deb Blanchette	Town of Barnstable
Christopher Clark	Town of Harwich
John Kelly	Town of Orleans
Denise Coleman	Town of Falmouth

Guests Present:

Beverly Haley	Formerly Dennis Yarmouth RSD & Wellness Comm.
Rich Bienvenue	CCMHG Treasurer
Deanna Desroches	CCMHG Wellness Consultant, Mainland
Brian Callow	Rockland Trust Investments
Barbara Howard	Rockland Trust Investments
Larry Azer	Dennis-Yarmouth RSD
Carlton Crocker	COMM Fire District Prudential Committee
Sarah Gorczyck	Mashpee Water District
Rick Buffington	Barnstable Fire District
Margaret Downey	Cape Cod Light Compact
Briana Kane	Cape Cod Light Compact
Garbielle Pitcher	Blue Cross Blue Shield of MA (BCBSMA)
Bill Rowbottom	Blue Cross Blue Shield of MA (BCBSMA)
Stephanie Burke	Blue Cross Blue Shield of MA (BCBSMA)

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Jerome Fallon
Bill Hickey
Fred Winer
Carol Cormier
Karen Carpenter

Blue Cross Blue Shield of MA (BCBSMA)
Harvard Pilgrim Health Care (HPHC)
Tufts Health Plan (THP)
Group Benefits Strategies (GBS)
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Noreen Mavro-Flanders, Chair, called the meeting to order at 10:35 a.m.

Approval of the minutes of the January 25, 2017 Board meeting:

Christopher Clark moved to approve the minutes of the January 25, 2017 Board meeting as written.

Kathy Logue seconded the motion. The motion passed by unanimous vote.

Motion

Wellness Committee Report:

Skip Finnell said that the Steering Committee and Wellness Committee wanted to take this opportunity to thank Beverly Haley, now retired, for the fantastic job she did working on the CCMHG Wellness Committee for many years.

Deanna Desroches, Wellness Coordinator, said Beverly Haley pioneered wellness and walking programs. She recognized Ms. Haley and presented her with a bouquet and plant.

Margaret Downey, Wellness Committee, thanked Beverly Haley for her hours of service and dedication.

Beverly Haley thanked the Board members for their recognition.

Mainland Wellness Report - Deanna Desroches said there is an opening on the Steering Committee.

Ms. Desroches, mainland wellness coordinator, distributed a summary report on the wellness programs and reviewed the report. She said participation in the programs was up from last year's participation. She said that employees can record their participation in programs on the wellness portal and receive points.

Vineyard Wellness Report - Kathy Logue reported for Krystle Rose the Martha's Vineyard wellness coordinator. She distributed Ms. Rose's summary report of the programs. She said that they are hoping to have another tick-bourne illness presentation in May or June. She said the Vineyard Wellness Committee is working on the FY18 draft budget.

Noreen Mavro-Flanders said that the Spring Fitness Challenge filled up even with a \$50 enrollment fee which is new this year.

Investment Committee and Investment Manager's Report:

Deb Blanchette, Investment Committee Chair, said that the Investment Committee meets on a quarterly basis, or as needed. She said the Committee Members, Erin Orcutt, Christopher Clark, Rich Bienvenue and herself, met with Rockland Trust recently. She said that they decided to continue, under the Treasurer's guidance, the \$100K monthly deposits into the third portfolio and to revisit the issue of continued deposits in the fall. Ms. Blanchette introduced Brian Callow, Rockland Trust Investment Manager for CCMHG.

Brian Callow introduced Barbara Howard, Rockland Trust Vice President and Relationship Manager.

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Mr. Callow distributed a 3rd Quarter report and reviewed the three CCMHG funds: (1) Income and growth, (2) Balanced, and (3) Current income. He reviewed the performances of the three funds compared to the benchmarks. He said that starting on page 10 of the report, it shows the asset weightings as requested at the last meeting. Mr. Callow said the funds are reviewed regularly and re-balanced and managed as required.

Treasurer's report:

Treasurer, Rich Bienvenue, distributed and reviewed the Management Report with data through February 2017 (unaudited figures). For the Trust Fund (the health fund) he reported total assets of \$25.8 million at the end of February, a steady yearly decrease as planned to reduce the fund balance to the targeted range. He said the Trust Fund Balance was \$14.18 million, \$699K up from the beginning of the fiscal year. He reviewed the Income Statement and said the revenue was \$102.4 million and claims less reinsurance refunds, administration and fixed premiums were \$99.1 million. He said that there was an operating loss of \$432K and investment income was \$276K.

Mr. Bienvenue said the Dental Fund had a fund balance of \$3.48 million, up \$63K for the year.

Steering Committee report:

Skip Finnell, Steering Committee Chair, said that in addition to the work associated with the addition of the HSA-qualified High Deductible Health Plans, the Committee has been working on a number of projects.

EyeMed renewal – Mr. Finnell said EyeMed agreed to hold the premiums at the current levels for another four years.

Meeting with Lt. Governor – He said the Committee is working with GBS to set up a second meeting with the Lt. Governor and that it will probably be in the Fall after the GIC's RFP has gone out.

Cape Cod Healthcare (CCHC) – Mr. Finnell said that the Committee recently received an update from CCHC which basically said that CCHC received the data from the health plans and is working on analyzing it.

Agreement with PBS/Abacus – Mr. Finnell explained that PBS, now owned by Abacus, proposed a new agreement that included increasing the number of specialty medications available through CanaRx. He said that the big savings are in the specialty meds. He said that Abacus has proposed taking 20% of the additional savings in addition to their per-subscriber-per-month fees. He explained that the Committee is looking into possibly going with CanaRx direct without Abacus/PBS. He said that the Committee heard a presentation from Abacus prior to the Board meeting and will invite the CanaRx representative to the next Steering Committee meeting and then will report to the Board at the July meeting. He said that the Diabetes Rewards program is administered by Abacus, but currently no change to that program is being recommended; however, he said that this will be reviewed.

GBS Reports:

Funding Rate Analysis(FRA) - Ms. Cormier said the summary page of the FRA is included in the packet and said the full report was emailed to the Board. Ms. Cormier said that through February 2017, the paid claims and related expenses were 95.6% of the funding rate revenues. Ms. Cormier also said if the additional expense for claims paid through the myMedicationAdvisor® (MMA) and Diabetes Rewards Programs were included in the report, it would increase the expense-to-funding ratio. She said these claims are not included in the FRA report.

Ms. Cormier said that the dental fund is doing well on a paid claims basis with an expense-to-funding ratio of 90.2%.

Abacus reports - Carol Cormier said that the Total Spend reports from Abacus including the Diabetes Program and the My Medication Advisor programs were in the packets. She noted that the largest claims expense is from the Diabetes Rewards program. She said based on claims data provided to CanaRx by BCBS, if all of the meds eligible for the CanaRx program went through the CanaRx program, the CCMHG would have a 65% savings over all on those meds for the BCBS plans. She said the employee and the CCMHG both save money through this program. She said getting people to use the program takes a lot of education and outreach.

John Kelly said that the CCMHG should work on getting wider spread employee knowledge about the program.

Clarification and confirmation of vote on plan design changes for FY18:

Carol Cormier said she was asked if Master Health Plus was included in the FY18 plan design changes. She said that the Steering Committee agreed that it is included and that the intent was that all the plans have the same changes. She said one exhibit omitted the Master Health Plus name.

John Kelly moved to clarify and confirm that the FY18 plan design changes apply to Master Health Plus as well as to the HMOs and PPOs.

Motion

Chris Clark seconded the motion. The motion passed by unanimous vote.

Requests for CCMHG membership:

Noreen Mavro-Flanders said that CCMHG received two requests from governmental units to be considered for CCMHG membership. She said the requests were from the Cape Light Compact and from Greater Attleboro Regional Transit Authority (GATRA).

Mr. Finnell said the Steering Committee reviewed the requests and is recommending that Cape Light Compact be granted membership effective July 1, 2017. He said all employees of the Compact are currently Barnstable County employees covered through the CCMHG plans.

Skip Finnell moved to grant CCMHG membership to the Cape Light Compact effective July 1, 2017 without conditions.

Motion

Chris Clark seconded the motion. The motion passed by unanimous vote.

Ms. Mavro-Flanders said that the Steering Committee recommends not granting membership to GATRA. She said that among the reasons are that GATRA is not located on the Cape or Vineyard and that being able to participate in the CCMHG wellness programs and other programs is important and GATRA employees would not be easily able to do that.

Skip Finnell moved that CCMHG not offer membership to GATRA because it is not a good fit.

Chris Clark seconded the motion. The motion passed by unanimous vote.

Motion

Employer HSA contributions – legal opinion regarding retiree-owned HSAs, pro-rating for new hires and other possible exceptions:

Noreen Mavro-Flanders said CCMHG requires employers that offer the HSA-qualified plans to contribute 50% of the deductible to the employees' HSAs. She said questions have come up about certain situations.

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Carol Cormier said that Attorney Leo Peloquin has provided his opinion on employer contributions to HSAs owned by non-Medicare eligible retirees. She said that Atty. Peloquin states that in his opinion there is no legal requirement that the employer contribute the same amount, or any amount, toward the HSAs of retirees.

Chris Clark made a motion to clarify the October 19th, 2016 Board vote requiring employers offering HSA-qualified high deductible health plans to contribute 50% of the deductible to the HSAs, such that the requirement apply only to HSAs held by active employees and that contributions to HSAs held by non-active employees or spouses of former employees, be a matter of local decision.

Motion

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

Carol Cormier said that there are other questions that have come up about the contributions to the HSAs, such as pro-rating the contribution for new hires when the employer has contributed all or the majority early in the plan year. She said following Atty. Peloquin's logic, this should be a matter for local decision just as the timing of contributions into the HSA is handled at the local level.

Skip Finnell said that the Steering Committee agreed that the circumstances mentioned by Carol Cormier are local decisions.

Alternative Prescription Drug program:

Noreen Mavro-Flanders said that Skip Finnell spoke about this under Steering Committee Reports. She said that the Committee will report to the Board with its recommendation after hearing the CanaRx presentation at its next meeting.

She said the next Steering Committee meeting is May 11th at 9 AM at Sandwich Town Hall.

Medex Fitness Benefit:

Ms. Mavro-Flanders said the Steering Committee recommends adding the \$150 Fitness/\$150 weight loss benefit to Medex. She said all of the other health plans have fitness benefits.

Skip Finnell motioned to add the Fitness/weight loss benefit to Medex as described by Ms. Mavro-Flanders and effective July 1, 2017.

Motion

Chris Clark seconded the motion. The motion passed by unanimous vote.

Health Plan Reports:

BCBSMA – Gabrielle Pitcher said that Stephanie Burke and Jerome Fallon of BCBS need a finalized list by May 1st of the CCMHG units that will offer the HSA-qualified High Deductible Health Plans for FY18.

Stephanie Burke said that she sent out the paperwork to establish the HSAs for each unit that she knows of that will offer the plans. She said each unit will receive instructions on HSA administration and enrollment processing.

It was agreed that GBS will send the benefits administrators contact list to Ms. Burke, and she will then send the HSA templates to each employer.

Harvard Pilgrim Health Care (HPHC)– Bill Hickey said that everything about setting up the HSA accounts that was said and agreed upon for BCBSMA applies to HPHC as well.

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Tufts Health Plan – Fred Winer said he had nothing new to report.

Other Business:

Noreen Mavro-Flanders said the next Steering Committee meetings are May 11th and June 8th at 9 AM at Sandwich Town Hall. She said the CanaRx representative will attend the May 11th meeting. She said on July 19th there will be a Steering Committee meeting followed by a Board meeting, both at COMM Fire District.

There was no other business.

Chris Clark moved to adjourn the meeting.

Motion

John Kelly seconded the motion. The motion passed by unanimous vote.

Noreen Mavro-Flanders adjourned the meeting at 12:05 PM.

*Prepared by Carol Cormier
Group Benefits Strategies*