

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

**Board Meeting**

Wednesday, April 29, 2015, 10:00 AM  
COMM Fire District, Centerville, MA

**MEETING MINUTES**

A meeting of the Board of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, April 29, 2015 at 10:00 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
Gerry Panuczak, Board Vice Chair	Chatham, Town of
Debra Blanchette	Barnstable, Town of
Susan Laak	Barnstable Fire District
Robert Howard	Bourne Recreation Authority
Nancy Ward	Bourne Water District
Lisa Vitale	Brewster, Town of
Karen Scichilone	Cape Cod Lighthouse Charter School
Erin Orcutt	Cape Cod Regional Technical H.S.
Judy Sprague	COMM Fire District
Michael Daley	Cotuit Fire District & W. Barnstable Fire Dist.
Melanie Becker	County of Dukes County/Chilmark, Town of
Larry Azer	Dennis Yarmouth RSD
Joan Plante	Eastham, Town of
Denise Coleman	Falmouth, Town of
Christopher Clark	Harwich, Town of
Leanne Gray	Mashpee Water District
Diane Midura	Wellfleet, Town of

**Guests Present:**

Rich Bienvenue	CCMHG Treasurer
Deanna Desroches	CCMHG Wellness Consultant
Jason Lily	Rockland Trust Investments
Linda Loiselle	The Abacus Group
Debb Jardin	The Abacus Group
Tara Way	Barnstable, Town of
Nancy Cushing	Barnstable County
Kate Bruster	Monomoy RSD
William Rowbottom	Blue Cross Blue Shield of MA (BCBSMA)
Bill Hickey	Harvard Pilgrim Health Care (HPHC)
Carol Cormier	Group Benefits Strategies (GBS)

Noreen Mavro-Flanders, Chair, called the meeting to order at 10:13 a.m.

Ms. Flanders said she would be taking some agenda items out of order.

**Investment Committee and Manager's Report:**

Gerry Panuczak, Investment Committee Chair, said that this is the first report that includes the new more liquid investment fund. He said in January \$100K was deposited into the fund and thereafter \$50K per month has been and will be deposited. He said that the markets are still strong. He introduced Jason Lily, Rockland Trust.

Jason Lily, Rockland Trust Investments, said that although the last quarter had been a positive one, it was below the results of the last several quarters and, in fact the last several years. He said that the CCMHG's investments are highly diversified and are in compliance with the Group's investment policy. Mr. Lily reviewed the information on the three investment portfolios, comparing the CCMHG investments to the Peer Group and Benchmark Returns for Fiscal-Year-to-Date, last 12 months, and last two years. He said that the Portfolio Total was \$14,166,597 on March 31. Mr. Lily said that the new asset classes have been a big benefit and that diversification has helped a lot in the last quarter. Regarding the new liquid fund, Portfolio #3, he said that there is currently about \$200k in the fund.

Mr. Lily left the meeting.

**Treasurer's Report:**

Treasurer, Rich Bienvenue, reviewed the Management Report with data through March 31, 2015. He said that there has been an almost \$4 million loss in the Trust (health) fund. He said that the loss is better than anticipated and budgeted. He said that one of the reasons for this is \$1.26 million in Other Income, largely comprised of the Retiree Drug Subsidy (RDS).

Christopher Clark asked about the loss of the RDS resulting from the change to Medicare Part D plans.

Rich Bienvenue said that Mr. Clark was correct in that the self-funded senior plans are no longer eligible for the RDS and that the savings from going to EGWP plans (Medicare Part D plans) goes directly to the employers and retirees through the rates and not as a government reimbursement to the CCMHG. He said that there is the possibility of a distribution to employers of RDS monies currently in the Fund Balance. He said that the Steering Committee will look into this in the fall.

**The Abacus Group Report:**

Linda Loiselle presented the report on the My Medication Advisor® prescription drug program for the first quarter of calendar year 2015. She said cumulative savings were \$208.6K, compared to the projected savings of \$143K. She reminded the Board that the retirees who are on the self-funded Medicare plans lost eligibility for the program on January 1. She said employees who used the program saved \$46.6K collectively in waived co-pays. Ms. Loiselle said that the new medication lists will be released on May 1<sup>st</sup>.

Debb Jardin reviewed the Good Health Gateway Diabetes Program Status Report for the period 9/1/14 – 2/28/15. She said that 46% (352 members) of the diabetics identified have enrolled compared to the municipal average of 42% and the goal of 40%. She said 42% of those enrolled are compliant with all requirements of the program while the municipal average is 46%. She said the estimated savings to the CCMHG from the program for the 6-month period is \$153,489, and members collectively saved \$61,751 in waived co-pays. She reviewed Abacus activities on behalf of the program.

**Approval of the minutes of the February 4, 2015 Board meeting:**

Christopher Clark moved to approve the minutes as written.

Motion
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Melanie Becker seconded the motion. The motion passed by unanimous vote.

**Group Benefits Strategies Reports:**

Carol Cormier said that the *Funding Rate Analysis report* and *Level Monthly Deposit Reconciliation reports* with data through March 2015 were previously distributed by email. She said that the composite expense-to-funding ratio for the health plans, on a paid claims basis, was 101.8% with a shortfall of funding of \$1.75 million. She said the expense-to-funding ratio for the dental plans was 95.3% with a funding surplus (paid basis) of \$282K.

Ms. Cormier said that the *reinsurance report* for FY15 lists five claimants who had claims exceeding the specific deductible of \$300K. She said the excess claims amount was \$591K. She said \$528K has been reimbursed to CCMHG, leaving an amount due of approximately \$63K. She said these claims are being paid through the MA Municipal Reinsurance Arrangement (MMRA).

Carol Cormier said she hoped that the employers were finding the CCMHG website useful during Open Enrollment and noted that the Summary Plan Descriptions (SBCs) were downloadable from the site.

**Wellness Program Report:**

Deanna Desroches, Wellness Consultant for the Cape, reviewed her report. She reported on the status of the following programs: Kick Butts Anti-Smoking, Biometric Screenings, Healthy Me, Couch to 5K, the 5K Walk It Off, and Spring Walking Challenge. She said that the Eastham KickButts program finished successfully with an 89% success rate after a full year. She said unfortunately Falmouth did not get enough people to run a Kick Butts program. She said that the CCMHG's *Your Health Matters* newsletter will be out on May 15.

Denise Coleman, Town of Falmouth, said that next year she plans to market the Kick Butts program during Open Enrollment activities in hopes of reaching more people.

**Steering Committee Report:**

Steering Committee Chair Skip Finnell said that the Committee has been very busy. He said that the Committee renewed the agreement with Abacus for the Diabetes Program. He said that Abacus proposed a small fee increase which the Committee accepted since the fees had not changed for six years and Abacus agreed to hold the proposed fee for three years.

Mr. Finnell said that the Committee is watching what the Group Insurance Commission (GIC) does and is proposing some changes for FY17 that are in line with plan design changes the GIC is making for FY16. He said that the Affordable Care Act's so-called Cadillac Tax is looming and that the Committee is going to propose measures to eliminate the employers' exposure to the tax.

Carol Cormier reviewed the Cadillac Tax features noting that the tax will be on the employers and not on CCMHG. She said that Master Health Plus and the PPOs will most likely be subject to the tax if plan design changes are not made.

Mr. Finnell said the Committee is also looking into eliminating the Master Health Plus plan effective 7/1/16. He said it has low enrollments, a high price, and benefits that are no better than the benefits of the other plans offered.

Skip Finnell the March 25<sup>th</sup> meeting with Managers and Superintendents was successful and that there was a very good turn-out. He thanked the Board members for getting the word out. He said that at the meeting the high cost of health care on Cape was discussed and that the Committee plans to reach out to Cape Cod Healthcare Systems to discuss what can be done about this.

*CCMHG Board meeting, 4/29/15*

Mr. Finnell said that the Committee will be reviewing the current Strategic Plan and will bring forth proposals for the Board to consider at the July meeting.

Skip Finnell said the following meetings have been scheduled:

- May 20, Steering Committee at 9 AM;
- June 3, Steering Committee at 9 AM;
- July 29, Steering Committee 9 AM and Board at 10 AM;
- Aug. 26, Steering Committee at 9 AM;
- Sept. 16, Steering Committee at 10 AM on Martha's Vineyard;
- Oct. 21, Steering Committee at 9 AM and Board at 10 AM.

Mr. Finnell said that meeting locations are to be determined.

Carol Cormier reminded the Board members to be sure to have their appropriate public authorities adopt Ch. 32B, Section 21-23 if applicable and if they have not already done so. She said this will be necessary in order for Board members to vote on proposed plan design changes.

**Strategic Plan:**

Noreen Mavro-Flanders said that Mr. Finnell had already addressed this under the Steering Committee report.

**Possible Plan Design Changes:**

Carol Cormier reviewed charts showing the estimated impact on claims if the CCMHG were to adopt the plan design changes that the GIC's benchmark plan will include as of 7/1/15. She said that the health plans provided the estimated claims decrements and that these changes and expected cost impacts were reviewed with the managers at the March 25<sup>th</sup> meeting. She said that proposed changes will need to be voted on at the October quarterly Board meeting in order for employers to have time to bargain with the unions.

**Health Plan Reports:**

Bill Rowbottom, BCBSMA, said he is setting up meetings with people who are on Master Health Plus and discussing how other plans might meet their healthcare needs just as well. He said the health fairs have been busy and that there are a few more weeks of the health fairs to go. He said he brought booklets titled "Planning for Medicare" and said that the Board members can take them and/or request copies.

Bill Hickey, HPHC, said he did not have anything new to report.

**Other Business:**

There was no other business.

Christopher Clark moved to adjourn.

Motion

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

Noreen Mavro-Flanders adjourned the meeting at 11:45 AM.

*Prepared by Carol Cormier  
Group Benefits Strategies*