

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

Board Meeting

Wednesday, July 19, 2017, 10:00 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, July 19, 2017 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
Marie Buckner	Town of Sandwich
Deb Heemsoth	Town of Dennis
Nancy Cushing	Barnstable County
Bob Whritenour	County of Dukes/ Oak Bluffs
Susan Wallen	Nauset Regional School District
Joan Plante	Town of Eastham
Lisa Vitale	Town of Brewster
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
Judy Sprague	COMM Fire District
Jillian Douglass	Town of Chatham
Kelly Clark	Town of Truro
Rosemary Moriarty	Town of Wellfleet

Guests Present:

Rich Bienvenue	CCMHG Treasurer
Deanna Desroches	CCMHG Wellness Consultant, Mainland
Krystle Rose	CCMHG Wellness Consultant, Martha’s Vineyard
Mary Casali	Cape Cod Healthy Connections
Brian Callow	Rockland Trust Investments
Barbara Howard	Rockland Trust Investments
Rebecca Tavares	Rockland Trust Investments
Caitlin Lally	EyeMed Vision
Chris Collins	CanaRx
Kate Brewster	Monomoy RSD
Ken Jenks	Dennis-Yarmouth RSD
Laurie Barr	Town of Dennis
Susan Broderick	Town of Brewster
Sarah Gorczyck	Mashpee Water District
Rick Buffington	Barnstable Fire District

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Bill Rowbottom
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 10:10 a.m.

Approval of the minutes of the April 12, 2017 Board meeting:

Christopher Clark moved to approve the minutes of the April 12, 2017 Board meeting as written.

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

Motion

Investment Committee and Investment Manager's Report:

Deb Blanchette, Investment Committee Chair, said that the Investment Committee did not meet prior to the Board meeting. She said the Committee will be meeting next week to review the 3rd more liquid fund and hope to have a recommendation for the Steering Committee to discuss at its next meeting. Ms. Blanchette introduced Brian Callow, Rockland Trust Investment Manager for CCMHG.

Mr. Callow distributed a 4th 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 the CCMHG Rockland Trust managers meet every week and said the funds are reviewed regularly and re-balanced and managed as required. He spoke about current bond and equities markets.

Noreen Mavro-Flanders thanked Mr. Callow and he left the meeting.

Treasurer's report:

Treasurer, Rich Bienvenue, distributed and reviewed the Management Report with data through May 2017 (unaudited figures). Mr. Bienvenue said there was a \$2.5M loss year-to-date as planned to draw down the fund balance. He said the goal of the Board was to reduce the fund balance to the targeted range of between 8% and 12% of claims of the most recent 12 months per the fund balance policy. He said the Trust Fund Balance was \$11M million and noted there would most probably be no funds available to supplement the FY18 rates. 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 \$2.87M and investment income was \$421K.

Mr. Bienvenue said the Dental Fund had a fund balance of \$3.5 million at the end of May.

Mr. Bienvenue said the Steering Committee interviewed three auditors and chose Bill Fraher, CPA to complete the audited financial reports for the next 3 fiscal years. He said confirmation letters will be sent to each unit for their review and signatures.

Noreen Mavro-Flanders referred to the Accounts Receivables report on page 13 of the Management Report and asked each unit to review it and contact the Treasurer about any balance that may be outstanding.

Wellness Committee Report:

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Noreen Mavro-Flanders said the Steering Committee reviewed the Wellness Budgets and will make a recommendation to the Board following the consultant's presentations.

Mainland Wellness Report - Deanna Desroches, wellness consultant for the Mainland, reviewed the proposed FY18 Wellness Budget and said the total budget was slightly under the FY17 budget. She said the Smoking Cessation Program has been termed due to lack of participation, but noted if there was a need, a program could be added. Ms. Desroches said the on-line wellness platform, *aHealthyme* budget was increased to allow for additional incentives. She reported 238 members signed up for the program and said a new campaign to increase participation will be done in September. Ms. Desroches said nutrition and stress reduction programs will be added, as well as vision screenings.

Vineyard Wellness Report - Krystle Rose, Martha's Vineyard wellness coordinator, reviewed the proposed budget for Vineyard programs for FY18. She said there is a 2.7% increase to the budget to pay for the Virtual Mission Challenge. Ms. Rose said this is a new program she did research on and said it has worked very well across the country. Ms. Rose said she would like to try to do a challenge a day walking program. She said the other wellness programs remain the same as they were for FY17.

Ms. Rose reviewed the status of the FY17 programs and said there was a total weight loss of 330 pounds across the 42 participants in the Spring Fitness Challenge. She said the top loser lost 38.8 pounds and noted it was only a 6-week program. Ms. Rose said it was so well received, that about 30 of the participants returned to repeat the program.

There was a brief discussion about following up with the participants to see if they maintained the weight loss.

Ms. Rose continued and said the Tick Borne specialist delivered a presentation that was excellent. She said the presentation was video-taped for those who couldn't attend.

Bob Whritenour said he attended the stress free workshop and said it was great. He said he has been receiving good feedback from the members about the wellness programs on the Vineyard.

Skip Finnell made a motion to approve the Martha's Vineyard FY18 budget as proposed.

Motion

Christopher Clark seconded the motion.

Erin Orcutt thanked both of the wellness consultants and the committees for their work and said they have done an excellent job. Ms. Orcutt said she would be voting no on the motion. She stressed that her vote was due to only one program she was opposed to, the Virtual Mission Challenge. Ms. Orcutt said the incentive dollars that would be awarded, would be going to the winning department of a CCMHG unit for purchase of gym equipment. She said all of the past program incentives were awarded to the individual members.

Krystle Rose explained that several of the departments have asked if they could use wellness money to purchase gym equipment. Ms. Rose said this program is a way to encourage participation of a high risk population and also give them support. She said instead of awarding each of the members a certain amount that could be pooled, the total amount would go towards the purchase of equipment.

Rich Bienvenue said several of the wellness programs target certain groups within CCMHG.

John Kelly recommended getting a response from the Ethics Commission.

There was a discussion.

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Bob Whritenour said he knows CCMHG has always worked towards reaching those high risk public safety units. He said he would support the motion, but has no problem obtaining a response from the Ethics Commission.

John Kelly made amended the motion to approve the Vineyard wellness budget, but to reduce the budget amount by \$2,000 until receiving a response from the Ethics Commission.

Amended Motion

Christopher Clark seconded the motion. The amended motion passed by a majority vote, with one opposed.

Steering Committee report:

Steering Committee Delegation by the Board - Skip Finnell, Steering Committee Chair, said the Committee referred to the Joint Purchase Agreement about delegation of certain duties. He said the Committee has authority to approve certain items and is looking at the annual items that may or may not need to be approved by the Board each year. Mr. Finnell said the Committee will be making a recommendation to Board about this after a review.

GBS Contract – Mr. Finnell said the Committee approved renewing the GBS contract for an additional 3-years with no changes to the fees in the first year.

Out-of-Network Claims – Mr. Finnell said the Chairs of the Mass. Municipal Reinsurance Arrangement (MMRA) heard a proposal from Consilium about negotiating OON claims to a lower cost on a contingency fee basis. He said the Steering Committee is looking further into the specifics and will keep the Board updated on its progress.

Eye exam coverage on the High Deductible Health Plans – Mr. Finnell said Carol Cormier will address this later in the agenda.

Special Meeting – Mr. Finnell said following 3 presentations of proposals from auditing firms, the Committee approved Bill Fraher, CPA to complete the audited financial statements for the next 3 years.

GBS Reports:

Funding Rate Analysis (FRA) - Ms. Cormier reviewed the year-end FRA through June and said the summary page is included in the packet. She said the full report was emailed to the Board. Ms. Cormier said that the paid claims and related expenses were 98.7% of the funding rate revenues. Ms. Cormier also said the reinsurance reimbursements and fees are included in the report. She said the reinsurance premiums will increase 8% for FY18 and that an additional 5% of premium will go into the self-funded pool.

CanaRx presentation and vote on alternative prescription drug program service provider:

Ms. Cormier said it has been a busy year for the Committee, in part she said, due to the alternative prescription drug program services issues. She said the Committee has been reviewing and comparing information about the Abacus and CanaRx services associated with the international Rx buying program. Ms. Cormier said the goal is to give the employees and their families' access to medications at no cost to them, while also saving claims cost. Ms. Cormier said CCMHG pays over \$200K per year to Abacus Solutions for services that CanaRx can now provide at no additional cost. She said that the fees to CanaRx are built into the per pill costs regardless of whether the client is having Abacus provide services or having all services provided by CanaRx. She said the CanaRx program is offered on a voluntary basis and no contract has been or would be signed between CanaRx and CCMHG.

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Skip Finnell said the Steering Committee is recommending terminating the myMedicationAdvisor® program through Abacus Health Solutions, with a 90-day prior notice. He said the Committee is recommending moving to CanaRx for all services related to the international Rx buying program on November 1st.

Carol Cormier said Prescription Benefits Services (PBS), now owned by Abacus, made a proposal to offer a specialty drug program. She said PBS would keep a percentage of the savings. Ms. Cormier said CanaRx will do this direct, with no added cost. She noted they are doing it now and the transition to existing members would be seamless. She introduced Chris Collins of CanaRx.

Chris Collins gave a brief introduction and history of how the CanaRx program began. He said all of the CCMHG members enrolled in the current program are enrolled through CanaRx. Mr. Collins said the members recognize the CanaRx name and will continue to receive their medications in the same way. He reviewed the enrollment paperwork and forms, the drug pricing and medication list. Mr. Collins said the medication list will be more extensive and noted that the Epi-pen, for example, which is not available on under the current program, will be included on the CanaRx list of drugs. He said the cost of the pen at local pharmacies is at least \$600 per pen and said 3 pens would only cost the group \$170 through CanaRx. Mr. Collins said CanaRx holds a \$2M insurance policy per member with Lloyds of London and CCMHG is a named insured on the policy.

Mr. Collins said CanaRx will provide quarterly reports of utilization and a list of medications ordered and the savings. Mr. Collins said separate lists for each health plan will be produced quarterly. He said the invoice for reimbursement to CanaRx for the cost of the drugs will be mailed to GBS to be added to the warrants.

Carol Cormier said the current Mt Medication Advisor (MMA) program includes the CanaRx and Alternative Savings Program (ASP). She said those currently utilizing the ASP will be affected because that program was managed totally by Abacus. She said the termination of the contract with PBS/Abacus will terminate the ASP. She noted there is low utilization in that program. Ms. Cormier said the Diabetes Rewards Program run by Abacus will not be affected by these Rx program changes.

Mr. Collins said CanaRx only obtains medications from countries designated as Tier 1 countries. He said these countries have the same or higher standards as the FDA and all medications will be labeled in English. Mr. Collins noted that the US pharmacies are obtaining the medications from the same countries since almost all brand name drugs are not imported from other countries into the US. He said a CanaRx pharmacist based in the US will be available 24/7 to answer questions from members.

There was a brief discussion.

Christopher Clark made a motion to terminate the contract with PBS/Abacus with an effective date of midnight October 31 providing the required a 90-day advance notice, and obtaining all services associated with the international prescripton drug purchasing program from CanaRx.

John Kelly seconded the motion. The motion passed with a unanimous vote.

Motion

High Deductible Health Plans (HDHPs):

Enrollment- Carol Cormier reviewed the enrollments into the HDHPs as of July 11, 2017 and said there were 189 subscribers across the 22 employers offering the HPHPs. She noted that the Towns of Orleans and Barnstable have the highest enrollments so far.

Plan Design Clarification – Ms. Cormier said she learned that HPHC does not classify the routine eye exam benefit as an ACA preventative exam, therefore the deductible would apply before the insurance would cover it. She said it was the intention of the Board to cover the annual exam as preventative, so HPHC has updated

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their system to treat it as such. Ms. Cormier said the comparison charts on the website have also been corrected, and the deductible will not apply.

Meetings with Managers:

Noreen Mavro-Flanders said the Manager Meetings that CCMHG has for the past 2 years have been very informative and she asked the Board if they thought they were helpful.

The Board members agreed they were beneficial in getting the word out to all of the communities.

Ms. Mavro-Flander said the Steering Committee will work on organizing another meeting in the fall, possibly in September.

Discussion about health fairs and other open enrollment activities:

The health plan representatives reported low attendance at the health fairs and open enrollment activities.

It was agreed that part of the reason for low attendance may have been because of the employee meetings that were held separately to educate about the high deductible health plans.

Bill Rowbottom suggested trying to come up with ideas on how to increase participation.

Some of the ideas included looking at holding the fairs later in the day and providing incentives and food. Another idea was to survey the employees to see when they would be most inclined to attend or to schedule appoints 5 minutes apart with employees, rather than waiting in line to ask their questions.

There was a discussion and Noreen Mavro-Flanders asked the Board to send their suggestions to the carriers and to also bring up the topic at the Manager's Meeting.

Health Plan Reports:

Harvard Pilgrim Health Care (HPHC)— Bill Hickey said HPHC is changing its prescription mail order vendor from Walgreens to Med-Impact Direct on October 1, 2017. He said refills will be transferred automatically, but new prescriptions will need to be filled with the new vendor.

EyeMed— Noreen Mavro-Flanders introduced Caitlin Lally and said she worked with EyeMed to keep the vision rates level for another four years. She said that will be 8 years total with the same rate, and she thanked Ms. Lally. Ms. Mavro-Flanders noted the vision plan does not include an eye exam since the carriers cover the exam.

Caitlin Lally said she grew up in Sandwich, MA and said she would like to get out and meet with the employers. She said employers should contact her for posters or with any questions.

Carol Cormier said Ms. Lally gave a presentation to the Steering Committee and that GBS will send the deck out electronically to the Board.

Karen Carpenter suggested that Deanna Desroches include a section in the CCMHG Newsletter for EyeMed, similar to what she does with the health plans carriers.

BCBSMA – Bill Rowbottom said all is going smoothly with the enrollments in the HDHP's. He said the Senior open enrollment health fairs will be scheduled soon and said the combined health fairs work really well.

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Tufts Health Plan – Fred Winer said the Medicare ID numbers will be changing to a generic number next year. He said everyone will be getting new cards. Mr. Winer said he will provide more information as it becomes known to him.

Other Business:

Noreen Mavro-Flanders said the next Steering Committee meeting is scheduled for September 14th at the Martha's Vineyard Regional Transit Authority Building in Edgartown. The next Board Meeting was scheduled for October 18, 2107 at 10:00 a.m.

There was no other business.

Skip Finnell moved to adjourn the meeting.

Motion

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

Noreen Mavro-Flanders adjourned the meeting at 12:10 PM.

*Prepared by Karen Carpenter
Group Benefits Strategies*