

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

**Steering Committee Meeting**  
Wednesday, February 4, 2015, 9:30 AM  
COMM Fire District, Centerville, MA

**MEETING MINUTES**

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, February 4, 2015 at 9:30 AM at COMM Fire District, Centerville, MA. The following people attended the meeting:

**Steering Committee Members Present:**

Skip Finnell, Steering Committee Chair	Dennis Yarmouth RSD
Noreen Mavro-Flanders, Board Chair	County of Dukes County
Gerry Panuczak	Town of Chatham
Debra Blanchette	Town of Barnstable
Marie Buckner	Town of Sandwich
Joyce Mason	Town of Mashpee
Maggie Downey	Barnstable County
Erin Orcutt	Cape Cod Regional THS
Susan Wallen	Nauset RSD

**Guests Present:**

Rich Bienvenue	CCMHG Treasurer
Melanie Becker	Town of Chilmark
Garbrielle Pitcher	Blue Cross Blue Shield of MA (BCBSMA)
Bill Rowbottom	Blue Cross Blue Shield of MA (BCBSMA)
Bill Hickey	Harvard Pilgrim Health Care
Fred Winer	Tufts Health Plan
Carol Cormier	Group Benefits Strategies (GBS)
Karen Carpenter	Group Benefits Strategies (GBS)

Skip Finnell, Steering Committee Chair, called the meeting to order at 9:30 AM.

**Approval of the Minutes of the January 21, 2015 meeting:**

Noreen Mavro-Flanders motioned to approve the minutes of January 21, 2015.

Motion
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Marie Buckner seconded the motion. The motion passed by majority vote.

**Treasurer’s Report:**

Treasurer Richard Bienvenue, CPA distributed the financial reports through December 31, 2014 (unaudited figures) and said that he added a reinsurance receivable of \$500K for FY15. He said the group subsidized the FY15 rates with \$8M of the trust fund surplus and said he expects \$6.64M of the \$8M will be used by June 30, 2015.

Mr. Bienvenue said the trust fund balance is \$21.5M. He said \$4.9M of that is above the top range of the Fund Balance policy. He suggested trying to keep the balance at the top end of the 8% to 12% policy range when determining whether or not to subsidize the FY16 rates.

**FY16 funding scenarios and vote on recommendation to the Board:**

Carol Cormier said the Steering Committee reviewed the rate projections at the last meeting and asked her for scenarios with composite increases of 9.8%, 10.5% and 11%. Ms. Cormier referred to Scenarios E, F and G included in the packet.

Ms. Cormier reviewed the following rate projection scenarios:

- Scenario E – 9.8% increase to all active health plan rates, 3.2% composite increase for dental and use of \$5M fund balance surplus;
- Scenario F – 10.5% increase to all active health plan rates, 3.2% composite increase for dental and use of \$4.1M fund balance surplus;
- Scenario G - 11% increase to all active health plan rates, 3.2% composite increase for dental and use of \$3.58M fund balance surplus

Skip Finnell said he would rather err on the side of setting the rates a bit on the high side and give a premium holiday or RDS distribution, rather than setting them too low and underfund the expenses. He said he is also concerned about a rate spike in a following year.

Noreen Mavro-Flanders agreed with Mr. Finnell.

There was a discussion about the impact of further plan design changes on the rates in the future.

There was a discussion about the GIC deficit and what it plans to do about it.

Bill Hickey said the GIC is looking at raising the deductibles and copay levels and also replacing the PPO plans with POS plans. He said the GIC will announce its plan at a meeting to be held on February 14, 2015.

There was a discussion about the PPO plans out-of-network, out-of-pocket maximum.

Carol Cormier reminded the Committee that CCMHG will have to make changes to Master Health Plus and the PPO plan designs for FY18 in order to avoid the Cadillac Tax on employers.

Skip Finnell asked to add these items to the Manager’s Meeting Agenda.

Carol Cormier said she has requested alternative plan designs from each of the health plan carriers.

Heather Harper made a motion to recommend to the Board a 10% increase to the active plans, utilizing approximately \$5M trust balance surplus and rounding the rates up to the nearest dollar.

Motion

Maggie Downey seconded the motion.

Carol Cormier said that the estimated annual funding would be \$130,230,100. She reminded the Committee that the amount of fund balance at risk is based on the funding required in Scenario C, the lower of the carrier and GBS projections. She said it is optimal to keep at least a 15% differential between the PPO and HMO plan rates.

A vote on Ms. Harper’s motion was taken and passed by a majority vote of 7 in favor, 2 opposed.

**Other Business:**

*Next meetings* – The following meetings were scheduled:

- Steering Committee on February 25<sup>th</sup> , March 18<sup>th</sup>, both at 9:00 AM to be held at the Sandwich Town Hall, Sandwich, MA
- Manager’s Meeting, March 25<sup>th</sup> at 9:00 AM, at Cape Cod Regional Tech HS.  
It was agreed that a buffet breakfast will be available at the March 25<sup>th</sup> meeting.

There was no other business

Noreen Mavro-Flanders motioned to adjourn the meeting.

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

Chair Skip Finnell adjourned the meeting at 10:05 AM.

*Prepared by Karen Carpenter  
Group Benefits Strategies*