

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

Steering Committee Meeting
Thursday, February 16, 2017, 9:00 AM
Sandwich Town Hall, Sandwich, MA

MEETING MINUTES

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Thursday, February 16, 2017 at 9:00 AM at the Sandwich Town Hall, Sandwich, MA. The following people attended:

Steering Committee Members Present:

Skip Finnell, Steering Committee Chair	Dennis-Yarmouth RSD
Denise Coleman	Town of Falmouth
Erin Orcutt	Cape Cod Technical High School
Christopher Clark	Town of Harwich
Marie Buckner	Town of Sandwich
Deb Heemsoth	Town of Dennis
Debra Blanchette	Town of Barnstable
Susan Wallen	Nauset RSD

Guests Present:

Rich Bienvenue	CCMHG Treasurer
Deanna Desroches	CCMHG Wellness Consultant
Michael Follick	Abacus/PBS
Linda Loiselle	Abacus/PBS
Jody Hoffmann	Town of Provincetown
Jeff Morassi	Mass. Teachers Association
Scott Starbard	Fire Fighters #1397
William Hickey	Harvard Pilgrim Health Care (HPHC)
William Rowbottom	Blue Cross Blue Shield of MA (BCBSMA)
Fred Winer	Tufts Health Plan – Senior Products
Carol Cormier	Group Benefits Strategies (GBS)
Karen Carpenter	Group Benefits Strategies (GBS)

Skip Finnell, Steering Committee Chair, called the meeting to order at 9:10 AM.

Approval of minutes of the January 19 and January 25, 2017 Steering Committee meetings:

Marie Buckner moved to approve the January 19 and January 25, 2017 minutes.

Motion

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

Treasurer’s Report:

Treasurer Rich Bienvenue. CPA reviewed the financial reports as of December 31, 2016 (unaudited figures). He reported a Health Trust Fund balance of \$15,267,988. Mr. Bienvenue said that the health claims IBNR is calculated by taking 0.9% of the average monthly claims from the most recent four months.

There was a discussion about the reinsurance costs in the Mass. Municipal Reinsurance Arrangement (MMRA) and the accounting of these costs. Mr. Bienvenue said that the collateral was considered an asset but

some of it is now in the liabilities category. He said that what remains of the collateral from the first year of participation, FY15, will be transferred to cover part of the required collateral for the FY18 policy year.

In response to a question about the premium amounts, Carol Cormier reminded the Committee that prior to joining the MMRA, the reinsurance policies had a \$500K aggregating specific deductible (ASD). She said the ASD was eliminated when CCMHG joined the MMRA creating a richer policy but with somewhat higher premiums. She said that the CCMHG has had an unusual amount of high cost claims compared to the other groups participating in the MMRA, particularly in the second year. She said all MMRA-participating groups pay the same reinsurance rates regardless of their claims experience.

Mr. Bienvenue said he could do an analysis of reinsurance costs versus receivables.

Mr. Bienvenue reviewed the dental plan financials noting a \$309,570 profit through December.

Investment Committee Report:

Deb Blanchette, Investment Committee Chair, said the Committee met on January 31st. She reported that the balance of the three portfolios as of January 31, 2017 was \$14.67 million. She said that Brian Callow and Laurie Leonard, both of Rockland Trust, will attend the next Board meeting to give the investment report.

Wellness Committee Report:

Deanna Desroches, Wellness consultant for the mainland, distributed a handout and reviewed the status of each wellness program. She said that the Wellness newsletter, “Your Health Matters”, is going out next week.

Marie Buckner, Wellness Committee Chair, said that she would like to have CCMHG recognize Beverly Haley at the next Board meeting or at the Benefits Administrators meeting for all of the work she did on the Wellness Committee. She said Ms. Haley recently retired.

Ms. Buckner said that Laurie Barr from Dennis will be a new Wellness Committee member.

Abacus Health Solutions/ Prescription Benefits Services (PBS) reports and proposal:

Linda Loiselle reviewed the Diabetes program report and the calendar year-end My Medication Advisor® (MMA) report. She said the savings from MMA were higher than projected for the CCMHG and for the employees who purchased medications through the program.

Michael Follick presented a Specialty Drug program proposal. He said that there is an opportunity for additional savings by adding certain specialty drugs to the MMA medication lists. He said that there is no one definition for specialty drugs but that they are expensive and often require special handling. Dr. Follick gave some examples of specialty drug costs.

Linda Loiselle said that Abacus is proposing to have the specialty meds dispensed in 30-day supplies rather than 90-day to avoid the possibility of waste. She said Abacus has added a full-time pharmacist for specialty medications and that the pharmacist will make outreach calls to members to assure adherence. She said that Abacus will need claims feeds for medical claims as well as for prescription drugs.

Carol Cormier requested a report showing the number of medications filled from each of the four Tier One countries used in the program.

Skip Finnell and Chris Clark suggested working with physicians to build awareness of the program.

Linda Loiselle said that there will be proposed contract changes with the addition of the specialty medications program.

Mike Follick said that Abacus met with CCMHG, MNHG and WSHG representatives in December to review the proposal. He said he suggested that the three groups consider the proposal and revised contract together.

Mr. Finnell said that the Committee members will discuss the proposal before committing to the proposed program. He said that the groups will review it together but cannot guarantee that all will agree.

Linda Loiselle said that Abacus would like to promote the program in May at the health fairs. She said that Abacus is requesting electronic medical claims data from BCBS in addition to the prescription drug claims. She said Harvard Pilgrim provides the medical and prescription drug claims now. She said she hopes the Steering Committee will approve this so that Abacus will have sufficient time to prepare for communications in May.

The Steering Committee agreed to authorize BCBSMA to release the requested medical claims data to Abacus/PBS in addition to the prescription drug data that BCBSMA has been providing.

Group Benefits Strategies (GBS) reports:

Website maintenance agreement - Carol Cormier said that the website maintenance agreement expired November 30, 2016. She said that GBS proposes the new agreement with no changes to fees or services.

Erin Orcutt moved to approve the proposed GBS website maintenance agreement.

Motion

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

Funding Rate Analysis (FRA) – Carol Cormier reviewed the report with data through January 2017. She said the expense-to-funding ratio was 95.5% for the health plans and 91.2% for dental.

Reinsurance reports – Karen Carpenter reviewed the FY16 excess claims report with claims updated through January 17, 2017. She said that there were 21 claimants who exceeded the \$300K specific deductible with total claims of \$9.44 million and excess claims of \$3.14 million. She said CCMHG has received \$2.41 million in reinsurance reimbursements and is owed an additional \$726,671.

Ms. Carpenter reviewed the FY17 excess claims report with claims updated through January 17th. She said that there were two members with claims exceeding the deductible. She said total claims are \$691,268 and excess claims are \$91,268. She said no reimbursements have been received to date.

GIC update:

Carol Cormier said that she learned that GIC voted to exempt Haverill and Hingham from the frozen enrollments for three major plans for 7/1/17. She said that these towns had recently negotiated going into the GIC for 7/1/17. She said that Fred Winer sent her an email with a summary of some of the proposed changes.

Fred Winer described GIC changes to the senior plans.

Carol Cormier said that she would forward Mr. Winer’s email to the Committee.

Programs to introduce the FY18 plan design changes and the new health plans being offered:

Karen Carpenter said the meeting for Benefits Administrators will be on March 2nd at 10 AM at COMM Fire District.

Bill Rowbottom said educational meetings for employees are being scheduled. He said that Stephanie Burke will do a presentation on HSAs and Health Equity at the Benefits Administrators meeting.

Carol Cormier asked about Account Education Lines.

Bill Rowbottom said that they would be discussing that at BCBS on Wednesday. He said they will get back to GBS about it.

Health plan reports:

There were no reports.

Other Business:

There was no other business.

Chris Clark moved to adjourn the meeting.

Motion

Erin Orcutt seconded the motion. The motion passed by unanimous vote.

Skip Finnell adjourned the meeting at 11:12 AM.

*Prepared by Carol Cormier
Group Benefits Strategies*