

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

Steering Committee Meeting
Wednesday, March 18, 2015, 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 Wednesday, March 18, 2015 at 9:00 AM at Sandwich Town Hall, Sandwich, MA. The following people attended the meeting:

Steering Committee Members Present:

Skip Finnell, Steering Committee Chair	Dennis Yarmouth RSD
Debra Blanchette	Town of Barnstable
Marie Buckner	Town of Sandwich
Erin Orcutt	Cape Cod Regional THS
Joyce Mason	Town of Mashpee
Gerry Panuczak	Town of Chatham
Susan Wallen	Nauset RSD

Guests Present:

Deanna Desroches	CCMHG Wellness Consultant, Mainland
Monica de la Hoya	Sandwich Public Schools
Linda Loiselle	The Abacus Group
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 Senior Plans
Carol Cormier	Group Benefits Strategies (GBS)
Karen Carpenter	Group Benefits Strategies (GBS)

Skip Finnell, Steering Committee Chair, called the meeting to order at 9:04 AM.

Approval of the Minutes of the February 25, 2015 meeting:

Marie Buckner motioned to approve the minutes of February 25, 2015.

Motion

Erin Orcutt seconded the motion. Joyce Mason and Gerry Panuczak abstained.
The motion passed by majority vote.

Investment Committee Report:

Gerry Panuczak, Investment Committee Chair, said that US stocks are up 1.0% and midcaps are up 2.0%. He said bonds are up 1.0%. Mr. Panuczak said that the CCMHG investments are diversified sufficiently which helps cushion the fluctuation of the markets. He said that Jason Lily, CCMHG’s Investment Manager, has no concerns at this time. Mr. Panuczak said that the third fund was recently added to the portfolio, and \$50K is being transferred to that fund each month as planned. He said he will send Karen Carpenter a copy of the Investment Policy for the CCMHG files and to be uploaded to the CCMHG website.

Wellness Committee Report:

Deanna Desroches said that the Wellness Meeting for the Benefits Administrators held on March 13th was a success. She said 14 of the 21 administrators who signed up attended the meeting. She said she brought in a nutritionist who gave a live cooking demonstration at the meeting. Ms. Desroches said it was her opinion based on what she is hearing from the employees, that they do not realize that improper utilization of health care, such as going to an emergency room for non-emergency services can impact the rates. Ms. Desroches said her focus going forward is to get support for the wellness programs from the town managers. She said that there is a perception by the members that they do not feel the support of upper management.

Ms. Desroches distributed an article published in the *New York Times* about Aetna's CEO, Mark Bertolini, who had a near-fatal ski accident and attributed his recovery to Yoga classes. She said he began to promote Yoga and Meditation within the company. Mr. Bertolini reported that more than one-quarter of the company's workforce of 50,000 has participated in the classes, and the company reports on average a 28% reduction in stress levels, 20% improvement in sleep quality and 19% reduction of pain. He said the employees have become more productive on the job, gaining an average of 62 minutes per week of productivity each, which Aetna estimates is worth \$3,000 per employee per year.

Skip Finnell said that the article should be included in the March 25th Manager's Meeting materials.

Ms. Desroches reviewed the current wellness programs to include the *Smoking Cessation* program in the Town of Falmouth and the *Couch to 5K* in the Town of Dennis.

GBS Reports:

Funding Rate Analysis (FRA) – Carol Cormier reviewed the summary page of the FRA and said that the expense-to-funding ratio was 100.8% through February 2015, which she said was up from 101.2% the prior month. Ms. Cormier said the Blue Care Elect PPO plan was underfunded by \$1.8M, but said the overall funding exceeded expenses by \$708K. She said the Dental expense-to-funding ratio was 92.8%.

Level Monthly Deposit Reconciliations - Ms. Cormier said CCMHG has a \$43.8K credit with BCBSMA for the first 2 months of the 3rd quarter of FY15. She said there was a \$762K credit balance with HPHC through February.

Stop Loss Reports - Karen Carpenter reviewed the Stop Loss Reports for FY15 and said three claimants had exceeded the Specific Deductible of \$300,000 with claims totaling \$1.44M. She said that there is total reimbursements of \$40,125 due CCMHG. She said 14 claimants are on the report of 50% with total paid claims of \$2.90M through December.

Ms. Carpenter said there were no changes to the FY14 Stop Loss Reports since the last meeting.

There was a discussion about the high claims level for the Blue Care Elect Preferred PPO plan as shown on the Funding Rate Analysis.

Bill Rowbottom said he talks to many employees and thinks that the unlimited chiropractic benefit is a significant factor in why people are choosing the PPO plan. He said it is more common to have a 20-visit limit.

There was discussion about possibly changing the PPOs to POS plans for people who live within the health plans' service areas.

The Abacus Group reports and proposed Diabetes Rewards Program fees for 7/1/15:

MMA and Diabetes Rewards Program reports - Linda Loiselle distributed and reviewed the Diabetes Rewards® and myMedicationAdvisor® (MMA) reports. Ms. Loiselle said that the prescription counts on the 2015 MMA budget were reduced to reflect the drop in participation due to the change to Medicare Part D senior plans on January 1, 2015. Ms. Loiselle reviewed the final report for CY2014 and said that the CanaRx script counts exceeded the expected numbers with a net savings of \$1,015,819. She said the employee copays waived totaled \$271,376. As an example about how the program savings is calculated, Ms. Loiselle reviewed an article regarding the varied cost of Zovax depending on whether it was purchased with or without insurance or purchased internationally.

Ms. Loiselle said the Diabetes Rewards Program® report period was September 1, 2014 to February 28, 2015. She said the participation dropped by about 300 members due to the introduction of the Medicare Part D senior plans which made the senior plan members ineligible for the Diabetes Rewards Program. Ms. Loiselle said that there are 352 participants currently enrolled, which is 46% of the CCMHG diabetic active employee plan population. She said that 149 (42%) of enrollees are compliant with all five requirements of the program. She reported an estimated savings net of fees and pharmacy copayments of \$153,489 and employee copays waived of \$61,751.

Ms. Loiselle reviewed a participant survey that was recently conducted by The Abacus Group. Ms. Loiselle said there is a list of all of the promotions, on-site visits, mailings and phone calls to members on the back page of the report.

Abacus proposed Diabetes Rewards Program fees for 7/1/15 - Ms. Loiselle said the current fee charged by Abacus to administer the Diabetes Rewards Program is \$1.12 per contract per month (pc/pm). She said effective July 1, 2015, Abacus is proposing to increase the fee to \$1.16 pc/pm and referred to Exhibit B, amending the original agreement. She said is the first increase to the fee since the inception of the program in 2009 and said Abacus has agreed to guarantee the rate for 3-years as requested by the Committee.

Erin Orcutt made a motion to approve the proposed Diabetes Program fee increase as described above.

Joyce Mason seconded the motion. The motion passed by a unanimous vote.

Motion

Ms. Loiselle said she would send a scanned copy of the diabetes article to the Committee.

The Committee thanked Ms. Loiselle and she left the meeting.

Review of actuarial estimates of impact of GIC FY16 plan design changes and feasibility of adding POS plans:

Carol Cormier said she asked the health plan account executives to obtain actuarial estimates of the impact on CCMHG claims if, at some point, CCMHG were to make the plan design changes that the GIC will make to its Benchmark plan on 7/1/15. She reviewed the estimated claims decrements by plan design feature for each active employee plan offered by CCMHG. She reviewed the expected claims impact if the PPO plans were changed to POS plans for those who live inside the health plan service area. She said under this scenario, the PPO plans would be restricted to those who live outside the service area. She said the POS plans have a residency requirement but do have the same out-of-network benefits that the PPOs have. Ms. Cormier explained the differences between PPO, POS, and HMO plans. She said that these plan design changes would not bring the PPO rates down to the level needed to avoid the Cadillac Tax in 2018.

There was a discussion about the possible elimination of the Master Health Plus plan on 7/1/16.

Carol Cormier said enrollment in Master Health Plus is down to 100 and that many employers no longer offer it.

The Steering Committee members agreed that they wanted to discuss this proposal to eliminate Master Health Plus next year at the Meeting for Managers on March 25.

Review of agenda and handouts for the March 25th Managers Meeting:

The Committee reviewed and approved the agenda items and discussed who would be presenters for each item.

Health Plan reports:

Blue Cross Blue Shield - Gabrielle Pitcher told the Committee that BCBS has identified 484 CCMHG members who may have been affected by the Anthem BCBS data breach. She said letters went out to the members informing them of the breach and offering them two years of free credit protection.

Bill Rowbottom said the health fair dates and locations have been set. He said that there will be consolidation of the health fairs, combining several employers. He said that Debb Jardin from Abacus will have tables set up at the fairs. He said Master Health Plus members have been notified that that they should meet with him.

Harvard Pilgrim Health Care – Bill Hickey said he had nothing new to report.

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

Other Business:

There was no other business.

Marie Buckner moved to adjourn.

Motion

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

Chair Skip Finnell adjourned the meeting at 11:48 AM.

*Prepared by Karen Carpenter and Carol Cormier
Group Benefits Strategies*