

**CAPE COD MUNICIPAL HEALTH GROUP**

**STEERING COMMITTEE**

Wednesday, June 11, 2014 at 9:00 AM  
Sandwich, MA

**MEETING MINUTES**

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, June 11, 2014 at Sandwich Town Hall, Sandwich, MA.

The following people attended the meeting:

**Committee Members present:**

Noreen Mavro-Flanders, Board Chair	Dukes County
Gerry Panuczak	Town of Chatham
Marie Buckner	Town of Sandwich
Erin Orcutt	Cape Cod Regional THS
Heather Harper	Town of Falmouth
Susan Wallen, SC Alternate	Nauset Regional High School

**Guests Present:**

Rich Bienvenue, CPA	CCMHG Treasurer
Deanna Desroches	CCMHG Mainland Wellness Coordinator
Suzanne Donahue	Blue Cross Blue Shield of MA (BCBSMA)
Fred Winer	Tufts Health Plan
Carol Cormier	Group Benefits Strategies
Karen Carpenter	Group Benefits Strategies

Noreen Mavro-Flanders, Board Chair, presided and called the meeting to order at 9:10 AM.

**Approval of the minutes of the Steering Committee meeting of April 30, 2014:**

Marie Buckner moved approval of the minutes of April 30, 2014.

Motion

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

**Treasurer's Report:**

Treasurer Rich Bienvenue reviewed the Financial Statements through April 30, 2014 and said that CCMHG is on target to break even at the end of the fiscal year, utilizing some of the excess fund balance to cover the costs as expected. He said that the total Operating Income YTD was \$1.5M at the end of April. Mr. Bienvenue said that the Net Income was \$3.68M.

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Heather Harper joined the meeting.

Mr. Bienvenue said that the Total Equity was up \$3.4M for the year at \$25.3M. He noted that \$2M of the total equity was from other income including the Retiree Drug Subsidy reimbursements. Mr. Bienvenue said that he will update the fund balance analysis through June 30, 2014 for the July meeting.

Mr. Bienvenue said that the last 4 pages of the report are examples of a budget report that he can set up in the Xero software package. He said that he will be able to report on the employer premiums on a monthly basis. He said he hopes to have this in place for July 1, 2014. Mr. Bienvenue asked Ms. Desroches for a copy of the wellness budget.

There was a discussion as to whether or not to report on two years of the wellness budget or one. The Committee decided that a one-year budget would suffice.

Mr. Bienvenue said that he will be able to customize the reports and export it into excel spreadsheets.

Mr. Bienvenue said that he was continuing to work on collecting the Aged Receivables. Mr. Bienvenue said that the Town of Wellfleet does not want to pay the premiums as billed as the Joint Purchase Agreement (JPA) states. He said that there is a total of \$23,754 of receivables that was carried over from the previous treasurer many years ago and said that it is uncollectable. He asked the Committee to consider writing this amount off.

There was a discussion, and the Committee favored writing a letter to the Town of Wellfleet to reiterate the requirement to pay their invoices as billed per their JPA with CCMHG.

Noreen Mavro-Flanders asked Mr. Bienvenue to let the town know that the Committee is discussing adding penalties to their invoice as allowed by the JPA.

Heather Harper said that she favored the request to write off the amounts since the individual amounts are minimal and were incurred long ago.

Erin Orcutt made a motion to approve writing off \$23,754 of the Aged Receivables as presented by the Treasurer.

Motion

Heather Harper seconded the motion. The motion passed by a unanimous vote.

Mr. Bienvenue said that he will be providing the financial auditor with all necessary information. He said that the Xero software will help to expedite the audit process.

**Payments to Treasurer for services:**

Rich Bienvenue said that he contacted the Ethics Commission and found that there isn't a conflict of interest when a Treasurer for a town is also the Treasurer of the health group, CCMHG in this case. He said that the Town of Yarmouth said that they were willing to pay the

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Treasurer through the town through a Memorandum of Understanding (MOU) arrangement. He said he spoke to Skip Finnell and that Mr. Finnell approved of the process, but suggested meeting with sub-committee members Heather Harper and Gerry Panuczak to work on a draft to present to the Steering Committee.

Carol Cormier said that the other Joint Purchase Groups (JPGs), with the exception of one each have a municipal employee as JPG treasurer.

Gerry Panuczak said he and Ms. Harper met with Mr. Bienvenue. Mr Panuczak distributed a copy of a draft MOU that could be used between CCMHG and the Town of Yarmouth. He said that the monthly invoice to the town would include \$2,700 for the Treasurer's services and \$50 per month for the Xero software fee. Mr. Panuczak reviewed the scope of services and said that they added the following to the current services: a). recommending financial policies and procedures to include a monthly procedure list; b). processing member payments and reporting payment activity to the central benefits administrator; and c), filing of annual 1099 forms. Mr. Panuczak said that any unusual expenses will be brought before the Steering Committee for approval. Mr. Panuczak said that there is an outstanding payment due of \$5K for the purchase of Xero.

Noreen Mavro-Flanders asked Mr. Bienvenue to send the Xero invoice to be added to the next warrant.

Heather Harper noted that the Town of Yarmouth is a very progressive and responsive employer.

Gerry Panuczak made a motion to approve the MOU as written.

Motion

Heather Harper seconded the motion. The motion passed by a unanimous vote.

Mr. Bienvenue said that the Town of Yarmouth will invoice CCMHG through the warrant process.

**Wellness report:**

Deanna Desroches reviewed the Cape mainland's wellness programs in progress and said that the anti-smoking program members have been smoke free for 3 months. She said that she attended several health fairs and reported good attendance. Ms. Desroches said that the Brown Bag Lecture series program in Mashpee was canceled due to lack of participation. She said that the Healthy Me programs have ended and reported that the members are continuing on a healthy track and their weights are down. She said that the Couch to 5K program ended and said 11 members achieved their goal of running 3.1 miles. Ms. Desroches said that the 5K Walk-It-Off program and the Spring Walking challenge are completed. She said that the Incentive program phone calls to members and postcards were mailed out in May.

Noreen Mavro-Flanders reviewed the Martha's Vineyard wellness programs and said that the Public Safety Challenge was completed and noted that the members of the Weight Loss Challenge lost over 25 lbs. collectively. She said that they will be following up with a

nutritionist. Ms. Mavro-Flanders said that the participants of the program posted pictures of the foods they were eating on Facebook as motivation to keep on track. She said that Krystle Rose, MV Wellness Coordinator, and the Committee are working on presenting a Lyme Disease seminar during the summer. She said that they want to include the general public since the illness is so prevalent on the Island. Ms. Mavro-Flanders said that the FY15 MV Wellness budget will be similar to last year's budget and said that the \$2,800 budgeted for FY14 for the Lyme Disease will carry over into the FY15 budget.

**GBS reports:**

Carol Cormier said that there were no updates to the regular reports since the last meeting.

*PCORI fee update* – Ms. Cormier said that she sent the IRS 720 form to the Treasurer for payment of the FY13 PCORI fee. She said that the fee of approximately \$20K is due on July 1, 2014. The treasurer gave Form 720 to Ms. Mavro-Flanders for her signature. Ms. Cormier noted that the Transitional Reinsurance fee is \$63 per member.

**GBS Proposed 3-Year Contract:**

Carol Cormier said that the current contract for central benefits administration and consulting services expires on June 30, 2014. She said that the proposed contract fees are increases of 2% for the health and dental plans, and the COBRA fee proposal is a \$0.02 cents/subscriber/year increase. She said that there is no increase to the Retiree Drug Subsidy account management fees and that the information regarding the EERRP program was deleted since the program has ended.

Heather Harper asked if and what the last contract increase was and asked Ms. Cormier how the increase was determined.

Ms. Cormier said that the work involved has become much more complex due to the Affordable Care Act new regulations and requirements and state municipal health reform legislation. Ms. Cormier said that additional projects such as the Mass. Municipal Reinsurance Arrangement project are very time consuming and provided for at no additional cost to CCMHG.

Heather Harper said that she agrees that GBS provides excellent service. She said the Committee must do its due diligence when considering contracts. She said this is an important vote and noted 5 out of the 9 committee members were in attendance.

Gerry Panuczak made a motion to approve the GBS 3-year contract as presented.

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

Motion

Fred Winer said that the additional government fees were very costly to a lot of companies, including the health plans which needed to upgrade their computer systems to accommodate the changes.

*HIPAA Agreement with GBS* – Noreen Mavro-Flanders said that she received a new HIPAA agreement from GBS and asked Ms. Cormier to provide the former agreement with the changes highlighted.

**Town of Bourne interest in CCMHG membership:**

Carol Cormier said that the Town of Bourne sent a letter of interest to CCMHG. She said that the Town Manager and the town's consultant requested rate information and sent the town's subscriber enrollment information for their health and dental plans.

Heather Harper asked if the town had adopted Sections 21 to 23 of the MA General Laws, Chapter 32B. She said that since the town has had interest in CCMHG in the past and chose not to join, she would like to know if they are seriously interested.

Noreen Mavro-Flanders agreed with Ms. Harper and said that preparation of the information and the analysis is time consuming if the town isn't really interested.

There was a discussion about sending a letter to the town to determine if they are seriously considering joining CCMHG. The Committee also considered a possible date of entry.

Erin Orcutt made a motion to consider the Town of Bourne's request to join CCMHG for a July 1, 2015 entry date contingent on receiving additional information and commitment from the town.

Motion

Heather Harper seconded the motion.

Carol Cormier said that she will speak to the Town's consultant and will draft a letter to Thomas Guerino, Town Administrator for the Town of Bourne.

A vote was taken on the motion and passed unanimously.

**Affordable Care Act update:**

Noreen Mavro-Flanders said that this topic was addressed earlier in the meeting and there was nothing further to add.

**Health Plan reports:**

*BCBS* – Suzanne Donahue said that the open enrollment forms have been processed and said that the process was pretty smooth since the benefit design changes were made the previous year.

Carol Cormier asked Ms. Donahue to request a review of the CCMHG Level Monthly Deposit amount for the next meeting.

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*Tufts Health Plan* – Fred Winer said that due to an increase in medical trend, reduced funding of the Medicare Advantage plans and the high cost of medications, rates are likely to increase for the CY15 senior plans.

Carol Cormier noted that approximately 55-65% of retiree plan claims are prescription claims. She asked Ms. Donahue and Mr. Hickey when the earliest would be for getting proposed CY15 EGWP rates for Medex and Medicare Enhance plans.

Suzanne Donahue said she expects to receive the senior plan EGWP rates in late August and said that she could do an exhibit of possible increases. She said that subscribers on the EGWP plans will not be eligible for the myMedicationAdvisor® and Diabetes Rewards programs, but said that the rate of the plans are significantly lower than the current rates.

Carol Cormier suggested scheduling a Board meeting later in September if CCMHG is considering moving to EGWP plans. She said that the usual timing of late October will not work since open enrollment activities begin around then for the January 1 anniversary date of senior plans.

**Other Business:**

*REquest for records* – Carol Cormier said that in addition to the previous letters sent to some of the Joint Purchase Groups (JPG), the MA Independent Pharmacists Association (MIPA) has sent letters to individual JPG units. Ms. Cormier read Atty. Leo Peloquin’s opinion regarding MIPA’s request to the units stating that the units do not have an obligation to respond since they do not have the documents MIPA is requesting. Ms. Cormier asked the Committee if they would like her to forward the attorney’s opinion to the Board members with text on how they should respond.

The Committee agreed that Ms. Cormier should send the information to the Board representatives of the units.

The next CCMHG meetings scheduled to be held:

- July 23, 2014 – Steering Committee at 9:00 a.m. and Board at 10:00 a.m. at COMM Fire District, Centerville, MA;
- September 17, 2014 – Steering Committee on Martha’s Vineyard, location and time to be determined.
- CCMHG Board meeting on October 1, 2014 at 10:00 a.m. with a Steering Committee meeting at 9:00 a.m., location to be determined.

Carol Cormier suggested sending an email to the Board to “save the date” for the October 1<sup>st</sup> Board meeting to prepare for the CY15 senior plan open enrollment. She said that this will be the CCMHG’s annual organizational meeting as well.

Erin Orcutt asked to add extended meeting dates to the agenda. She said she thought it would make it easier for members with busy schedules to schedule the meetings in advance.

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Carol Cormier said that she will send the MMRA final documents for signatures once they are received by her and reviewed by her and by legal counsel. She noted that the next MMRA meeting is scheduled for October 23, 2014 at noon.

There was no other business.

Gerry Panuczak moved to adjourn the meeting.

Motion

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

Noreen Mavro-Flanders adjourned the meeting at 10:50 AM.

*Prepared by Karen Carpenter  
Group Benefits Strategies*