

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

Steering Committee Meeting
Wednesday, June 15, 2016, 10:15 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, June 15, 2016 at 10:15 AM at the Sandwich Town Hall, Sandwich, MA. The following people attended:

Steering Committee Members Present:

Skip Finnell, Steering Committee Chair	Dennis Yarmouth RSD
Noreen Mavro-Flanders, Board Chair	County of Dukes County
Marie Buckner	Sandwich, Town of
Susan Wallen	Nauset RSD
Heather Harper	Town of Falmouth
Debra Blanchette	Town of Barnstable
John Kelly	Town of Orleans
Gerry Panuczak	Town of Chatham
Christopher Clark	Town of Harwich

Guests Present:

Richard Bienvenue, CPA	CCMHG Treasurer
Krystle Rose	CCMHG MV Wellness Consultant
Denise Coleman	Town of Falmouth
Mimi Spahr	Town of Sandwich
Doug Lapp	Town of Sandwich
Garbrielle Pitcher	Blue Cross Blue Shield of MA (BCBSMA)
Bill Rowbottom	Blue Cross Blue Shield of MA (BCBSMA)
William Hickey	Harvard Pilgrim Health Care (HPHC)
Fred Winer	Tufts Health Plan
Nina Conroy	Delta Dental of MA
Carol Cormier	Group Benefits Strategies (GBS)
Karen Carpenter	Group Benefits Strategies (GBS)

Skip Finnell, Steering Committee Chair, called the meeting to order at 10:15 AM.

Approval of minutes of the March 23, 2016 and April 26, 2016 Steering Committee meeting:

Skip Finnell said that since there was a posting issue with the meeting held on May 16, 2016, he would like to re-affirm the acceptance of the March 23, 2016 and April 26, 2016 meeting minutes.

Noreen Mavro-Flanders made a motion to approve the March 23, 2016 and April 26, 2016 meeting minutes.

Gerry Panuczak seconded the motion. The motion passed by unanimous vote.

Motion

Approval of minutes of the May 16, 2016 Steering Committee meeting:

Noreen Mavro-Flanders made a motion to approve the May 16, 2016 meeting minutes.

Gerry Panuczak seconded the motion. The motion passed by unanimous vote.

Motion

Update on PBS and Abacus Reports – Michael Follick & Linda Loiselle:

Program reports - Linda Loiselle distributed and reviewed the Diabetes Care Rewards Program and the myMedicationAdvisor® (MMA) Program reports. She said that the diabetes quarterly report is in a different format and noted that the annual report would be more detailed. Ms. Loiselle said that 47% of the 744 eligible members are enrolled in the program and that 46% are meeting the five care requirements. She said the incentive of the program is that those members are now receiving their diabetes medications and supplies at no cost for being compliant with the program requirements. Ms. Loiselle said that the estimated net savings to CCMHG is \$201,543 for the report period of September 1, 2015 through May 31, 2016. She said the members have saved \$74,490 in waived copays.

Ms. Loiselle reviewed the MMA report and said the number of CanaRx and Alternative Buying Program scripts are on target with the projections. She reported a net savings of \$191,941 for CCMHG and estimated employee savings of \$34,360 for the 3-month period of January-March 2016.

Prescription Benefits Services (PBS) update – Michael Follick, PHD CEO said that Abacus Health Solutions' purchase of PBS was effective on June 1, 2016. Mr. Follick said that PBS is now a subsidiary of MMA. He said they are working with the carriers to insure a smooth transition. Mr. Follick said that they retained Tim McGee who will work in the same capacity as he did for PBS. He noted that the contract is up at the end of this month and said he will forward the renewal to Carol Cormier today.

Mr. Follick said that the pharmacy trends are growing faster than the medical trends and noted that there has been a move to biologically based medications which are costly. He said the specialty medications require special handling and some require refrigeration and additional administration which increases the cost.

Mike Follick said that Ms. Cormier contacted them some time ago with questions about the specialty medications and asked Abacus to provide a report on the costs. Mr. Follick said that Lipitor may be dropped off of the list of eligible medications on the MMA program due to a lower cost generic version.

Skip Finnell thanked Mr. Follick and Linda Loiselle, and they left the meeting.

Cape Cod HealthCare (CCHC) update:

Skip Finnell said that when the sub-committee last met with CCHC executives, the hospital asked for group number data to do an analysis and provide a list of opportunities on which they may be able to work with CCMHG. Mr. Finnell said that there hasn't been a response since that meeting. He said that he will follow up with CCHC CEO, Mike Lauf, and Carol Cormier said that she would contact Chris Brown for an update.

Martha's Vinyard (MV) Wellness Budget Proposal:

Skip Finnell said that this item was not included on the agenda, but said that Krystle Rose, MV Wellness Consultant has some questions regarding the budget.

Noreen Mavro-Flanders said that Ms. Rose did not utilize \$15K of last year's \$40K budget due to some personal issues. She asked if the Committee would consider rolling the \$15K into the FY17 budget.

Krystle Rose reviewed the wellness programs that she is proposing for FY17 to include the Fitness Challenge, cooking classes, biometric screenings, Maintain, Don't Gain program and brown bag lectures. She also included projected costs for the Wellness Assistant and the Wellness Consultant pay. Ms. Rose noted that the Tick borne disease lecturer did not charge for last year's seminar. She said he just wanted to get the word out. She said she would like to propose adding an additional trainer for the Fitness Challenge so that she can increase the participation. Ms. Rose said that the program is very popular and that the current program filled

up within two days. She said that the MV Wellness Committee is thinking about charging a small fee to the participants to insure that they follow through with the entire program.

There was a discussion about the *pros* and *cons* of charging a fee to participate in a wellness program versus offering an incentive to participate. It was also discussed that if a fee was charged, that it could be returned to the participants who complete the program.

Skip Finnell said he is in favor of the proposed budget without the rollover of the \$15K that was not utilized. He asked the Committee members for their thoughts.

Heather Harper said she would like to see regular or quarterly reports or updates on the progress of the Vineyard programs.

Marie Buckner said that Ms. Rose is doing exactly what the Wellness Committee and Steering Committee has asked her to do. She said the budget amount that Ms. Rose is proposing is relatively small and asked that the Committee be flexible.

Christopher Clark asked that the proposal be added to the next meeting agenda since it was not listed on today's meeting agenda.

The Committee agreed that Ms. Rose would not need to be in attendance at the July 14th meeting since she already submitted and reviewed her proposed budget. They thanked Ms. Rose for her proposal and her work.

Skip Finnell asked Ms. Rose to give quarterly reports on the programs' progress.

Treasurer's Report:

Treasurer Rich Bienvenue reviewed the financial reports (unaudited) through April 30, 2016 and said there was a loss of \$2.5M at the end of April and YTD loss of \$3.5M. Mr. Bienvenue reported an overall Fund Balance of \$16,800,101. He said the fund balance for the health trust fund was \$13,852,789 and for the dental fund it was \$2,947,312.

Christopher Clark made a motion to accept the Treasurer's report.

Motion

Noreen Mavro-Flanders seconded the motion. The motion passed by unanimous vote.

Steering Committee Vacancy:

Skip Finnell said that Heather Harper is taking a new position with Barnstable County and wished her well.

Noreen Mavro-Flanders said she valued the work she did while serving on the Committee.

Heather Harper asked what the process would be for the Town of Falmouth to continue having representation on the Committee.

Noreen Mavro-Flanders said that the Board will be notified about the Steering Committee vacancy and asked for nominees.

GBS Reports:

Funding Rate Analysis - Carol Cormier reviewed the Funding Rate Analysis summary page and said that the expense-to-funding ratio through April 2016 was 99.2%. She reminded the Committee that the data on the

report was on a paid claims basis. She said there was a surplus of funding in the amount of \$877,919. Ms. Cormier said that the dental funding is doing well with excess of funding in the amount of \$270K.

Reinsurance reports - Ms. Carpenter reviewed the FY15 stop loss reports and said there were 15 members with claims exceeding the deductible with total excess claims of \$1.7M. She said reimbursements of \$1.64M have been received and there are outstanding reimbursements due in the amount of \$89,612. Ms. Carpenter said the FY16 reports were not included in the packet and said she would send them to the Committee.

Plan Design and other cost saving measures:

Carol Cormier said that like the CCMHG, the West Suburban Health Group (WSHG) is also interested in the HSA with high deductible plans. She said that the WSHG Board heard from Jim Mellen, Cafeteria Plan Advisors yesterday and after a discussion, the Board voted to move forward with developing HSA-qualified plan offerings for FY18. Ms. Cormier said that WSHG proposed to add the has-qualified plans as an option for 7/1/17 and employers may bargain individually.

Christopher Clark said that he brought up the concept at the last Managers Meeting and said it was well received.

Bill Rowbottom said it will be important to have educational sessions with the employees as well as with the benefits people.

Carol Cormier said once people hear that the employer will be partially funding the HSA and understand how it works, they may be open to it. She said she does not expect that the transition will be easy.

Bill Hickey said that the medical trend is increasing at a higher rate than was expected during the FY17 renewal projections. He said it is unit cost increases and utilization that are the cost drivers.

Heather Harper made a motion to move forward with the HSA-qualified plans with a \$2,000 Individual and \$4,000 Family deductible plans for July 1, 2017.

Motion

Christopher Clark seconded the motion. The motion passed by a unanimous vote.

Christopher Clark asked for a dedicated one-hour time slot on the July 20th agenda to discuss and make decisions regarding the HSA-qualified plans.

Garbrielle Pitcher reviewed the BCBS alternative plan design exhibits and said she removed all copays after the deductible and all services are subject to the deductible except for the preventative services. She said Option 2 is the HMO exhibit and Option 4 is the PPO exhibit. Ms. Pitcher said that the Out-of-Pocket (OOP) maximums will need to be set. She said the deductible and Rx copays will count towards the OOP maximums.

Bill Hickey said that HPHC has found that 25% of members reach the \$2,000 Individual deductible and 50% of members reach the \$4,000 Family deductible.

There was a discussion about the Master Health Plus plan.

Gerry Panuczak made a motion to eliminate the Master Health Plus plan when the HSA-qualified plans are added on July 1, 2017 to be able to bargain both changes at the same time.

Motion

John Kelly seconded the motion.

There was a discussion.

Gerry Panuczak amended his motion to include a 3-year window to eliminate the Master Health Plus plan by June 30, 2020.

Motion

John Kelly seconded the amended motion. A vote was taken and passed by a majority of 8 in favor and 1 opposed.

John Kelly made a motion to pursue moving the current deductible plan to a GIC look-a-like plan utilizing the middle co-pay tier as allowed in the case of network tiering, increasing the deductible to \$300/\$900, increasing outpatient surgery copay to \$250, specialist copay to \$45, and Rx copays to \$10/\$30/\$65 Retail and \$25/\$75/\$165 Mail Order.

Gerry Panuczak seconded the motion.

The Committee recommended asking Attorney Leo Peloquin to attend the July 20th meeting.

Skip Finnell said to be prepared for the meeting to run until 2 or 3 o'clock.

The motion passed by a unanimous vote.

Subsequently it was decided to have two Steering Committee meetings prior to the July 27th Board meeting, one on July 14th and one on July 20th, both at 9 AM at Sandwich Town Hall.

Meetings with legislators and managers:

There were no updates on these topics.

HPHC Telehealth program:

Bill Hickey said the telehealth business is rapidly growing, and HPHC will be adding a telehealth program to the CCMHG HPHC plans July 1, 2016 at no charge to CCMHG. He said it is named “Doctors on Demand” and members can download an APP to their phone or tablet. He said members can have an online PCP visit for certain services such as respiratory infections and earaches. Mr. Hickey said the regular PCP copay will be charged, and it may save money by ER avoidance. He said the telehealth doctors can prescribe medications that are non-narcotic. Mr. Hickey said the program is not available yet to Medicare eligible members. He noted that the service is not available during the hours of 11 PM and 7 AM. Mr. Hickey said that *American Well* is the vendor.

Proposed amendments to the Joint Purchase Agreement:

Debra Blanchette said she would send Carol Cormier her editorial suggestions.

Skip Finnell asked that the Joint Purchase Agreement be listed at the top of the next agenda.

Other Business:

There was no other business.

Marie Buckner suggested inviting the Managers to the July 20th Steering Committee meeting.

The Steering Committee agreed with Ms. Buckner’s suggestion.

Marie Buckner made a motion to adjourn. Deb Blanchette seconded the motion.

CCMHG Steering Committee Meeting Minutes – June 15, 2016

Chair Skip Finnell adjourned the meeting at 12:45 PM.

*Prepared by Karen Carpenter
Group Benefits Strategies*