

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

**Steering Committee Meeting**  
Wednesday, July 29, 2015, 9:00 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, July 29, 2015 at 9:00 AM at COMM Fire District, Centerville, MA. The following people attended:

**Steering Committee Members Present:**

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

**Guests Present:**

Richard Bienvenue, CPA	Treasurer, CCMHG
Christopher Clark	Harwich, Town of
Deb Heemsoth	Town of Dennis
William Cole	Town of Barnstable
Michael B. Simons	COMM Fire District
R. W. Henson	COMM Fire District
Enrique Arrascue	COMM Fire District
Michael Evaul	Mashpee Fire Dept.
Peter Halliday	Sandwich Fire Dept.
Don Campbell	Sandwich Fire Dept.
Wayne Mayo	Dennis Fire Dept.
Charles Frazier	Eastham Fire Dept.
William R. Piltzecker	Eastham Fire Dept.
Scott Starbard	Falmouth Fire Dept.
Terry Rogers	Falmouth Fire Dept.
Michael Dalmau	Hyannis Fire District
Paul J. Medeiros	Hyannis Fire District
Dave Webb	Hyannis Fire District
Gerry Britt	Yarmouth Police Dept.
Carol Puchett	BMEA President
Erin Porter	Dennis Yarmouth RSD
Jeff Marassi	MA Teachers Assoc.
Brooke Styche	Barnstable Teachers Assoc.
Bill Rowbottom	Blue Cross Blue Shield of MA (BCBSMA)
Fred Winer	Tufts Health Plan
Carol Cormier	Group Benefits Strategies (GBS)
Karen Carpenter	Group Benefits Strategies

Skip Finnell, Steering Committee Chair, called the meeting to order at 9:05 AM.

**Approval of minutes of the July 9, 2015 Steering Committee meetings:**

Noreen Mavro-Flanders moved to approve the minutes of the July 9th meeting.

Motion

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

Susan Wallen joined the meeting.

**Treasurer's update:**

Treasurer Rich Bienvenue, CPA distributed the Management Report with the financials through June 30, 2015. He said that the year-end loss was \$6.37 million. Mr. Bienvenue reviewed the Balance Sheet and said that Total Equity was \$19.3 million at the end of June which was within the target range of the Investment Policy. Mr. Bienvenue noted that it is anticipated that \$5M of the trust fund balance will be utilized to supplement the FY16 rates.

Noreen Mavro-Flanders motioned to accept the Treasurer's report as presented.

Motion

Debra Blanchette seconded the motion. The motion passed by unanimous vote.

**GBS reports:**

*New service from GBS:* Carol Cormier said that employers from the joint purchase groups often request member rosters from GBS's Enrollment and Billing Dept. She said the number of requests is growing and that GBS is going to automate this by providing employers access to their own downloadable monthly member rosters and invoice data in Excel format through a secure web portal. She said employers will be able to create historical records of their enrollment data. She said that there will be an annual fee of \$150 per unit, but that if CCMHG purchases the service for all of the member employers, the annual fee per employer would be \$130. She said that GBS would no longer provide the reports on an *ad hoc* basis.

Noreen Mavro-Flanders suggested a discussion about this at the Board meeting to find out the level of interest.

EyeMed update – Carol Cormier said that she and Karen Carpenter met with Jason Durham, CCMHG's EyeMed Account Manager. She said he and George Barrette, the local Sales Representative reviewed reports on CCMHG's utilization, loss ratio and wellness. Ms. Cormier said she spoke to Mr. Durham about the lack of EyeMed representation at the health fairs due to their 200 person participation requirement. Ms. Cormier said Mr. Durham said they would send reps to the fairs and to state that 200 employees are expected when making the request. She said Mr. Durham is available to come to the October Board meeting and recommended inviting him.

After considering the October meeting agenda, the Committee asked Ms. Cormier to invite Mr. Durham to speak at the October meeting.

Debra Blanchette noted that Michael Lauf, Cape Cod Healthcare (CCHC) President and CEO will not be able to attend the CCMHG October Board meeting. She said she will contact Chris Brown, Vice President of Special Projects and Health Systems Integration at CCHC about coming to the October meeting.

*Funding Rate Analysis* - Carol Cormier reviewed the Funding Rate Analysis report with data through June. She said the expense-to-funding ratio was 103.7% at the end of June. She said there is a funding shortfall of almost \$4.7 million on a paid basis. She said the dental plans ran well with an expense-to-funding ratio of 94.7% and a funding surplus of \$308K.

Carol Cormier said that the Delta Dental working capitol deposit was increased by \$25K. Noreen Mavro-Flanders made a motion to approve the working capitol deposit of \$25K for the Delta Dental plans.

Motion

Debra Blanchette seconded the motion. The motion passed by unanimous vote.

Carol Cormier briefly reviewed the stop loss reports with reimbursement information as of June 30, 2015. She said for the *FY15 policy period* there were 12 claimants exceeding the \$300K specific deductible with total claims of \$4.9M and excess claims of \$1.36M. She said that the CCMHG has received \$862,591 in reinsurance reimbursements and that there is \$504K outstanding.

**Review of possible plan design changes and other changes for FY17 and vote on recommendations to the Board:**

Carol Cormier said that some of the plan design changes that the Committee has contemplated adopting require using the traditional bargaining process. She said the remaining plan design changes that are eligible for Ch. 32B, Section 21-22 bargaining will yeild an approximate 2% savings as estimated by Blue Cross Blue Shield ad Harvard Pilgrim..

Ms. Cormier said that the Master Health Plus (MHP) plan will be hit by the Cadillac Tax in 2018 in the amount of \$3,000 per employee enrolled, assuming 7% rate increases per year. She said that the Committee has discussed sending letters to notify the 15 employers that offer MHP of the tax and its implications. Ms. Cormier said the CCMHG PPO plans will also be impacted by the tax. Ms. Cormier said she agreed with the Committee's proposal to recommended maintaining the MHP plan as a CCMHG offering and leaving it to the 15 employers to address this issue through collective bargaining.

Ms. Cormier recommends that all CCMHG employers adopt Ch. S. 21-22 prior to any CCMHG Board vote on plan design changes. She noted that many of the units have already adopted the sections.

Carol Cormier said another consideration was to either add a BCBS Point-of-Service (POS) plan for FY17 or replace the PPOs with the POS plan for employees that live within the service area.. She said the PPO plan would be maintained for the early retirees and employees that live outside of the service area or are required to cover family members who live outside the area.

In response to a question, Ms. Cormier said that there are higher Cadillac Tax thresholds for individuals in certain high risk professions and higher age groups.

Ms. Cormier said the Committee is also looking at adding incentives to the HMO plans to attract new members. She said the incentives include possibly adding a chiropractic benefit with a 12 visit limit and increasing the fitness reimbursement amounts to \$300 per year. Ms. Cormier suggested emphasizing how important the employer's health plan contribution rate is when looking at cost saving strategies.

Carol Cormier reviewed the plan design changes and reductions in claims as estimated by BCBS and HPHC that had been discussed at previous meetings. She clarified which changes would require Ch. 150 E bargaining and which would be eligible for Ch. 32B, Section 21-22 bargaining.

Skip Finnell said he favors the Steering Committee addressing all of the changes at one time with the Board and not some this year and others next year. He said the Board would need to make its decision by October for a FY17 implementation.

Marie Buckner said if CCMHG adds a POS plan, the employers will be able to decide independently as to whether they want to offer it or not.

Christopher Clark suggested asking BCBS to give a presentation about the POS plan and how it works at the next Steering Committee meeting. He said then the Committee will be able to better determine its value and whether or not to make a recommendation to the Board.

**Other Business:**

There was no other business.

Noreen Mavro-Flanders made a motion to adjourn.

Motion
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Marie Buckner seconded the motion.

Chair Skip Finnell adjourned the meeting at 9:57 AM.

*Prepared by Karen Carpenter  
Group Benefits Strategies*