

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

**Steering Committee Meeting**  
Thursday, September 14, 2017, 10:00 AM  
Martha's Vineyard Regional Transit Authority,  
Edgartown, MA

**MEETING MINUTES**

A meeting of the Steering Committee of the Cape Cod Municipal Health Group ("CCMHG") was held on Thursday, September 14, 2017 at 10:00 AM at the Martha's Vineyard Regional Transit Authority, Edgartown, 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
Christopher Clark	Town of Harwich
Debra Blanchette	Town of Barnstable
Denise Coleman	Town of Falmouth
Erin Orcutt	Cape Cod THS

**Guests Present:**

Rich Bienvenue	CCMHG Treasurer
Jody Hoffmann	Town of Provincetown
Angie Grant	MV Regional Transit Authority
Lauren Thomas	MV Regional Transit Authority
Bill Hickey	Harvard Pilgrim Health Care (HPHC)
Garbrielle Pitcher	Blue Cross Blue Shield of MA (BCBS)
Bill Rowbottom	Blue Cross Blue Shield of MA (BCBS)
Fred Winer	Tufts Health Plan (THP)
Nina Conroy	Delta Dental of MA
Carol Cormier	Group Benefits Strategies (GBS)
Chris Nunnally	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 July 19, 2017 meeting:**

Noreen Mavro-Flanders moved to approve the minutes of July 19, 2017 as written.

Motion

Erin Orcutt seconded the motion. The motion passed by majority vote with one member abstaining.

**Treasurers Report:**

Treasurer Rich Bienvenue, CPA distributed the FY17 year-end June 30, 2017 financial statements (unaudited). He reported a Fund Balance of \$10,664,225 and a net loss of \$2,843,521 for the year. He said the Fund Balance is at the lower end of the fund balance policy range of 8% to 12%, but noted the loss was expected.

Mr. Bienvenue reviewed the Accounts Receivables report and said there are three units behind on their premium payments. He said he is working with them to clear up the outstanding balances and noted some of

the issues were due to a change in staff. Mr. Bienvenue said one of the towns have never paid as billed and still owes \$100K, but he said he was going to follow up with the new town manager.

Mr. Bienvenue said he expects the FY17 audit to be completed by the end of October after the September claims run-out numbers are received. He noted that the reports will also be adjusted with any reinsurance reimbursements received.

Mr. Bienvenue said the Dental Fund is doing well and fully funded.

Christopher Clark suggested setting the FY19 rates at their full amount and putting together a plan for the future.

There was a discussion about budgeting for FY19.

Christopher Clark made a motion to accept the treasurers report.

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

**Investment Committee Report:**

Debra Blanchette said the Investment Committee will be meeting on October 13<sup>th</sup> at 10:00 AM in Yarmouth. She said they will be discussing a strategy and will be making a recommendation for the third fund.

**Wellness Program Report:**

Noreen Mavro-Flanders said there was an error on the FY18 MV Wellness Budget presented previously. She said the total budget should have been \$51,413, an increase of \$3,341 over the FY17 budget. Ms. Mavro-Flanders said Krystle Rose, Wellness Consultant for MV would like to keep the additional \$2,000 scheduled for the Vertual Mission Program incentive prizes to members. She said there was an issue at the Board Meeting with how the incentives were going to be given out, so the prizes will now be awarded to individuals rather than at the unit level.

Christopher Clark made a motion to approve the amended budget as presented.

Debra Blanchette seconded the motion.

There was a discussion and it was noted that the Wellness Consultants email contact list for the employers needs to be updated to be current, as some of the employers are not receiving her mailings.

Noreen Mavro-Flanders said she will be sure to share the issues brought up at the next Wellness Committee meeting.

A vote was taken on the motion and passed unanimously.

Carol Cormier noted that a copy of the Mainland Wellness report is in the meeting packet.

**Abacus reports – Mike Follick:**

Mr. Follick thanked the Steering Committee for allowing him to speak at the meeting. He said he would like to give an update on the Diabetes Rewards Program, report on the survey results of the program and propose enhancements Abacus has made to the program.

Mr. Follick reported 327 out of the 729 eligible members of CCMHG are participating in the program, and of that 327, 152 members are meeting all five of the care requirements. He noted there were 548 participating in the program, but the movement of the retirees to the EGWP plans decreased participation. Mr. Follick reported \$82,363 waived copays and 3,343 scripts ordered. He said the estimated savings for year eight of the program at \$254,049 and a total estimated savings over the eight years of \$1,931,358.

Mr. Follick reviewed the survey of the participants and said 76% reported feeling healthier, 70% were testing their blood sugar more regularly and 71% reported an improvement of their A1C level.

Ed Aberger reviewed the program enhancements to include a new blood glucose monitor, Accu-Chek®, which would electronically monitor the participants glucose levels. Mr. Aberger said the monitor is capable of transferring the numbers to the members computer and the member can also bring the record of the readings to their physician. He said the participant will also be assigned to the Abacus Care Team members. He said the results are recorded and an analysis of the readings can pinpoint where a member may be having issues that could be addressed. Mr. Aberger gave an example of a members results before and after analysis and a diabetes health action plan developed for that member. In addition, Mr. Aberger said a clinical pharmacist has been hired to provide medication therapy when necessary.

Mr. Aberger said Abacus is working with a new company to obtain a lower cost for the test strips which will provide CCMHG with additional savings. He said Abacus will need claims data from the health plans and updating of the necessary confidentiality agreements. Mr. Aberger also suggested removing the diabetes medications from the CanaRx lists which would work against the diabetes program.

Carol Cormier said the diabetes medications are not currently on the CanaRx lists.

Skip Finnel thanked Mr. Follick and Mr. Aberger and asked them to send a summary of the enhanced program to Carol Cormier for the Steering Committee's consideration. He said they would vote a recommendation at the next meeting.

**GBS reports:**

Carol Cormier gave a brief summary of what the Group Insurance Commission (GIC) RFR included. She said they are looking at reducing the number of health plan carriers and carving out prescriptions from the health plans.

Chris Nunnally said they are expected to make their decisions in January.

*Funding Rate Analysis (FRA)* – Carol Cormier reviewed the report with data through year-end, June 30, 2017. She said the expense-to-funding ratio was 98.7% for the health plans. She said the dental plans expense-to-funding ratio was 91.6% for dental, down from the prior month. Ms. Cormier reviewed the FY18 report with one month of claims and said the expense-to-funding ratio was 81.3%. She noted one month does not make a trend.

*Reinsurance reports* – Karen Carpenter reviewed the FY16 excess claims report with claims updated through June, 2017. She said that there were 21 claimants who exceeded the \$300K specific deductible with total claims of \$9.47 million and excess claims of \$3.17 million. She said CCMHG has received \$2.79 million in reinsurance reimbursements and is owed an additional \$388,984.

Bill Rowbottom, BCBS said the reinsurance carrier has been provided the necessary information for the carrier to process the remaining reimbursement.

Ms. Carpenter reviewed the FY17 excess claims report with claims updated through July 2017. She said that there were 19 members with claims exceeding the deductible. She reported total claims of \$8.42 million and excess claims of \$2.72. She said reimbursements of \$2.58M have been received to date.

*High Performance Health Plan concepts* - Carol Cormier introduced Chris Nunnally from GBS and said he is spearheading a project to enhance the health plans. She said GBS has been meeting with vendors and will narrow them down to those that may be a good fit for CCMHG and other clients.

Chris Nunnally said the plan is to implement a plan that will have an immediate effect on claims. He said the initiatives include the CanaRx program, carving out the prescription benefits manager, chronic care and procedure care management. In addition, he said GBS is looking at Telemedicine and Pay for Play wellness programs. He gave a brief description of each of the initiatives and asked the Steering Committee for permission to obtain the claims data from the health plans to complete an analysis. Mr. Nunnally said more information will be forthcoming.

Skip Finnell said he would like to hear more about the pre-diabetes program Mr. Nunnally spoke about, in order to be able to make a decision regarding the Abacus proposal.

Carol Cormier suggested setting up a separate meeting to hear about the pre-diabetes program.

*Update on the alternative Rx program transition* – Carol Cormier said Abacus sent a letter to those members on the ASP part of the MMA program, letting them know about the termination of the program. She said GBS is working with the carriers to get the confidentiality documents and data exchange ready for the November 1 implementation of the CanaRx program. She said she will update the Committee with the progress as it happens.

**CY18 Senior plan renewals & BCBS Rx formulary changes:**

*Blue Medicare Rx formulary changes* - Garb Pitcher said in an effort to control the rising cost of prescription drugs, BCBS made a decision to change the tiering of a number of drugs and to eliminate a few others. She said this decision will manage costs and also reduce the premium portion of the Medex2 plan. Ms. Pitcher said the final list of the changes is not available yet, but she said the draft copay has 53 prescriptions moving from a tier 1 to a tier 2 copay, and 15 moving from a tier 1 to a tier 3. She said 7 drugs will no longer be covered without a physician's special request. Ms. Pitcher said there are alternatives available for those 7 drugs. She said the changes will be included in the annual notice to members, but BCBS is unable to send letters to specific members affected.

*CY18 Senior plan renewal* – Carol Cormier reviewed the Medex2 and HPHC Medicare Enhance projections and noted that the medical portion of the plans is self-funded. She said the prescription part is fully insured.

Ms. Cormier said the HPHC and BCBS administrative fees increased by 2.5%. She said those fees and the GBS fees are included in the projections.

Ms. Cormier said the BCBS rate projection for the Medex 2 plan is \$356, down from \$356. She said the GBS projection is \$332.39, a decrease of 3.6%. Based on the claims information, Ms. Cormier recommended a rate of \$331, an average of the two projections.

Ms. Cormier said the HPHC rate projection for the HPHC Medicare Enhance plan is \$349.52 and the GBS projection is \$353.30. She recommended splitting the difference and rating the plan at \$351.

Skip Finnell said he would prefer to be conservative and rate the plans at the higher of the projections.

There was a discussion and Chris Clark made a motion to recommend to the Board to set the Medex2 rate at \$332 and the HPHC Medicare Enhance plan at \$353.

Motion

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

Carol Cormier reviewed the insured plans and said the Medicare HMO Blue plan rate is increasing to \$380.08 and the Managed Blue plan is going up to \$328.50. She asked the health plans to see if BCBS will agree to rounding the premiums down.

The Committee said they would make a recommendation at the next meeting after knowing whether or not BCBS will round the premiums.

Carol Cormier said the Tufts senior plan rates are not ready yet. She noted that Tufts is trying to lower the increase from 10% to 6 or 7 percent.

Due to time constraints, Skip Finnell tabled items 8,9 and 11 until the next meeting.

**Health Plan reports:**

*Harvard Pilgrim* – Bill Hickey said HPHC will be changing their formulary for all plans effective January 1, 2018, and said they are waiting for the final list from Aetna. He said historically, HPHC covered all of the FDA approved drugs, some with prior approval and others with step therapy requirements. Mr. Hickey said the formulary change will bring the premier formulary to a market equivalent. He said letters will be mailed to members and he distributed a draft copy to the Steering Committee. Mr. Hickey said 51 medications will be moved to a lower tier and none will be moved to a higher tier. He said 895 drugs will be removed from the formulary and of those, 828 have generic equivalents. He said the others have alternative brand names. Mr. Hickey said he will provide a list of the drugs at a later date.

Skip Finnell asked that the formulary change be added to the next agenda.

**Other Business:**

A meeting was scheduled on October 11<sup>th</sup> at 9:00 AM the Sandwich Town Hall, Sandwich, MA if that location is available.

A suggestion was made to add timelines to the speakers at the next meeting.

There was no other business.

Noreen Mavro-Flanders moved to adjourn the meeting.

Christopher Clark seconded the motion.

Skip Finnell adjourned the meeting at 12:15 PM.

*Prepared by Karen Carpenter  
Group Benefits Strategies*