

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

**Steering Committee Meeting**  
Wednesday, October 14, 2015, 9:30 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, October 14, 2015 at 9:30 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	Dukes County
Gerry Panuczak, Board Vice Chair	Chatham, Town of
Debra Blanchette	Barnstable, Town of
Marie Buckner	Sandwich, Town of
Erin Orcutt	Cape Cod Reg. Technical High School
Susan Wallen	Nauset RSD
Heather Harper	Town of Falmouth
Christopher Clark (alternate)	Town of Harwich

**Guests Present:**

Bill Piltzecker	Town of Eastham Fire Dept.
Charles Frazier	Town of Eastham Fire Dept.
Bill Rowbottom	Blue Cross Blue Shield of MA (BCBSMA)
William Hickey	Harvard Pilgrim Health Care (HPHC)
Carol Cormier	Group Benefits Strategies (GBS)
Karen Carpenter	Group Benefits Strategies

Skip Finnell, Steering Committee Chair, called the meeting to order at 9:35 AM.

**Approval of minutes of the September 16, 2015 Steering Committee meetings:**

Noreen Mavro-Flanders moved to approve the minutes of the September 16th meeting.

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

Motion

**Review and possible reconsideration of vote to recommend adding Point of Service (POS) plans for 7/1/16:**

Marie Buckner made a motion to reconsider the August 26, 2015 Steering Committee vote to make a recommendation to the Board to add POS health plans to the CCMHG plan offerings.

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

Motion

Carol Cormier said that she sent an email to the Committee after receiving additional information about how the Cadillac Tax may be calculated. She said she attended a webinar which said that the rates may not be used to calculate the tax, instead the aggregated costs of the plans may be used. She also said that she learned that the Medicare plans may be considered. Ms. Cormier said that the early

retiree plan costs may be aggregated with the Medicare plan costs which would help to lower the active employee plan costs.

Ms. Cormier said that originally, when the Committee spoke about adding a POS plan, we were talking only about BCBS. She said HPHC wanted to be included which was understandable, but she said, as Marie Buckner pointed out at the Vineyard meeting, the HPHC HMO and PPO rates do not have a big enough spread to add a POS plan rate in between them. Ms. Cormier said that HPHC also pays the PPO and HMO providers based on the same fee schedule, whereas, BCBS has different provider fee schedules for different plan types.

Ms. Cormier said that the way the Cadillac Tax will be applied has not yet been finalized. She said it is more complicated than originally thought and said that self-funded plan sponsors like CCMHG may want to have a consultant analyze the best way to aggregate and disaggregate risk pools to test to see which combinations yield the most favorable results. She said that neither the Democrats nor the Republicans in Congress approve of the Cadillac Tax as it is now conceived so there could be significant changes prior to 2018. Ms. Cormier said given all of this information, it may make sense to wait until FY18 to make changes.

Heather Harper joined the meeting.

There was a discussion about waiting to make plan changes until the IRS puts out more concrete information as to how the tax will be calculated.

Carol Cormier said that a communication will need to be sent out to all of the employers to let them know to prepare for some changes next year.

Bill Hickey said that HPHC recently had a meeting similar to this Steering Committee meeting. He said the health plans will be taxed on the insured plans and they are gearing up now for the tax. He said the uncertainty makes it difficult to prepare.

Heather Harper said the Committee still needs to address the inequity of the high cost of healthcare in MA and on Cape Cod.

Skip Finnell suggested holding another managers' meeting to give the employers a better idea of the impact of the future tax.

Erin Orcutt said she has dates at the end of November for the CCMHG meeting with the state legislators representing the Cape and Island and said that a Friday meeting would work best for them.

Heather Harper said the managers will be interested in hearing about the CCMHG's possible initiatives with Cape Cod Healthcare.

The Committee agreed to hold the managers' meeting in March 2016.

Noreen Mavro-Flanders made a motion to withdraw the August 26<sup>th</sup> vote to recommend to the Board that it add POS plans for July 1, 2016 and to defer making any changes until additional information is available from the IRS regarding the Cadillac Tax.

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

Skip Finnell said that Debra Blanchette is working with CCHC on key items and talking points for them to address at the Board meeting.

Carol Cormier said that she didn't receive the HPHC report that CCHC requested yet.

Bill Hickey said he expects that the report could be ready later today.

**Joint Purchase Agreement Issue:**

Carol Cormier referred to the exhibit in the meeting packet listing the CCMHG units that have or have not returned a signed copy of the Joint Purchase Agreement (JPA). She said following a fire at GBS offices in 2001 that destroyed the original copies, GBS sent out new copies and requested all of the units to sign them and send them to GBS. Ms. Cormier said amendments to the agreement were made in 2007 and in 2013.

Ms. Cormier also suggested that the Committee may want to look at making another amendment to Article #12, Liability Following Termination of Participation. She suggested reviewing the Amendment procedure and said she would send a copy of the JPA marked up with suggested changes to the Committee for discussion at the next meeting. Ms. Cormier said a copy of the agreement as amended through 2013 is also available on the CCMHG website.

Noreen Mavro-Flanders suggested mentioning to the Board that the Committee is reviewing the Joint Purchase Agreement.

**Other Business:**

Carol Cormier said that it was recently discovered that one of the CCMHG participating governmental units is paying for the contributory dental plan, but not contributing to the plan. Ms. Cormier said that GBS and Delta Dental will be changing the town's group number to the Voluntary plan, probably effective December 1st.

It was subsequently determined that the change in Dental plan group number would occur on January 1, 2016.

Ms. Cormier said that GBS will be adding a "contributions to dental plans" spreadsheet to the Contributions by Employer file.

Noreen Mavro-Flanders said she will bring this item up at the Board meeting.

The Steering Committee set the following additional meeting dates:

- Steering Committee meeting on January 28, 2016 at 9:30 a.m. at the Sandwich Town Hall, Sandwich, MA.
- Steering Committee and Board meetings at COMM Fire District on February 10, 2016 at 9:00 and 10:00 AM respectively.

The next previously scheduled Steering Committee meeting is on November 19, 2015 at 1:00 PM at the Sandwich Town Hall, Sandwich, MA

Erin Orcut said she will schedule the March Managers’ Meeting at Cape Cod Regional Technical High School to include breakfast. She noted that the meeting will need to end by 10:45 AM to prepare for the school lunch break.

There was no other business.

Erin Orcutt moved to adjourn.

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

Chair Skip Finnell adjourned the meeting at 12:06 PM.

*Prepared by Karen Carpenter  
Group Benefits Strategies*