

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

**Steering Committee Meeting**  
Wednesday, September 26, 2018 9:00 AM  
Barnstable Town Hall, Hyannis, MA

**MEETING MINUTES**

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, September 26, 2018 at 9:00 AM at Barnstable Town Hall, Hyannis, MA.

The following people attended:

**Steering Committee Members Present:**

Skip Finnell, Steering Committee Chair	Dennis-Yarmouth RSD
Noreen Mavro-Flanders	County of Dukes County
John Kelly	Town of Orleans
Christopher Clark	Town of Harwich
Debra Blanchette	Town of Barnstable
Deb Heemsoth	Town of Dennis
Susan Wallen	Nauset RSD

**Guests Present:**

Richard Bienvenue, CPA	CCMHG Treasurer
Deanna Desroches	Cape Cod Healthy Connections/Wellness Consultant
Jody Hoffmann	Town of Provincetown
Nancy Cushing	Barnstable County
Jillian Douglass	Town of Chatham
Tracy Scalia	Town of Mashpee
Cindy Richards	Town of Orleans
David Sirowich	PBIRx
James Fitzpatrick	Vitals/SmartShopper
Garbrielle Pitcher	Blue Cross Blue Shield of MA (BCBS)
Bill Rowbottom	Blue Cross Blue Shield of MA (BCBS)
Bill Hickey	Harvard Pilgrim Health Care (HPHC)
Fred Winer	Tufts Health Plan
Nina Conroy	Delta Dental of Mass.
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 9:10 AM.

**Approval of minutes of the July 18, 2018 meeting:**

Noreen Mavro-Flanders moved approval of the July 18th Steering Committee meeting minutes.

Motion
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Deb Heemsoth seconded the motion. The motion passed by majority vote, with one abstention.

**Treasurer’s Report:**

Treasurer Rich Bienvenue, CPA reviewed the financial reports with data through June 2018 (unaudited figures). He said the IBNR was up a bit and the auditor may make adjustments for that and for reinsurance receivables. He reported a total fund balance on June 30 of \$24.3 million which is \$11.7 million up from last year’s balance and above the fund balance target. He said Investment returns for the year were \$433K.

Deb Blanchette said the Investment Committee will meet to review the liquid account and plan for the future.

Mr. Bienvenue reviewed aged receivables and answered questions.

Chris Clark moved to accept the Treasurer’s report.

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

**GBS reports:**

Carol Cormier reviewed the Funding Rate Analysis (FRA) report through August and said the expense-to-funding ratio on a paid claims basis was 81.8% for the health plans and 87.3% for the dental plans.

Karen Carpenter reviewed the reinsurance reports for FY18 with data through August. She said that 22 claimants had claims exceeding the stop loss deductible of \$300K. She said total claims were \$9,957,747 and total excess claims were \$3,504,863. She said to date \$2,564,025 has been reimbursed to CCMHG and \$940,837 is outstanding and due to CCMHG. She said 43 members had claims between \$150K and \$300K and these claims totaled \$8,860,320.

Ms. Carpenter said that there are no excess claims for FY19; however, there is one claim at \$184,103.

Jody Hoffman asked questions about the CCMHG’s policy on employer contributions to HSAs.

Carol Cormier said that the policy is that all employers offering HSAQs must contribute 50% into the employees’ HSA accounts.

**PBIRx – Dave Sirowich:**

Dave Sirowich said CCMHG had decided to delay moving to a prescription drug carveout plan until July 1, 2019. He gave a brief review of the moves to Rx carveout by two municipal employers/clients. He referred to exhibits showing savings for the two municipal clients and showing pharmacy spend from 8/2017 through 7/2018 for CCMHG BCBS and HPHC active employee plans.

He said the goal for CCMHG would be to issue a formal RFP to Pharmacy Benefits Managers (PBMs).

Mr. Sirowich said that PBIRx had proposed a contract back in the Spring. He said that there have been some changes. He reviewed the range of PBIRx services.

Ms. Cormier said that legal counsel had reviewed the previous proposed agreement and would recommend that there be another review by counsel.

Mr. Sirowich reviewed a proposed timeline from the issuing of the RFP through the implementation of the program. He said that PBIRx can also work with CanaRx to promote that program and increase utilization. He said that PBIRx and CanaRx have created a smaller Rx formulary for HSAQs. He said this specialized formulary is geared towards getting medical costs down.

Mr. Sirowich described the member experience in transitioning to an Rx carveout program.

John Kelly asked that legal counsel advise as to whether a change to an Rx carveout program is subject to collective bargaining if there are no changes in plan design.

Carol Cormier said that she would ask legal counsel that question as well as asking for a review of the latest contract proposal from PBIRx.

Responding to a question about how PBIRx gets paid, Mr. Sirowich said PBIRx is asking to be paid seventy cents per script. He said with the clients he now has, the PBMs pay the PBIRx fee.

It was agreed that a decision by December would be ideal to make time for a thorough communications plan. It was also agreed that the Rx carveout at this time would be for active employee plans only.

John Kelly motioned to move forward with the Rx Carveout proposal with PBIRx pending contract review by legal counsel and in expectation of presenting the proposal to the Board on October 24<sup>th</sup>.

Motion

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

The Committee asked Mr. Sirowich to send Ms. Cormier an electronic copy of the proposed contract and BAAs.

**CY19 Senior plan Rates:**

Skip Finnell asked Carol Cormier to present the rate projections information.

Carol Cormier reviewed two years of claims history by month for BCBS Medex and HPHC Medicare Enhance plans. She reviewed the self-funded medical claims projections calculated by BCBS, HPHC, and by GBS. She reviewed the fixed cost components of the rates which are fully insured Medicare Part D premium, health plan administrative fees, and GBS fees and showed the comparisons between health plan rate projections and GBS projections. She said that the projections were remarkably close.

There was a discussion.

John Kelly motioned to recommend to the Board a CY19 rate of \$368 for the CY19 Medex plan and \$370 for the CY19 Medicare Enhance plan.

Motion

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

Ms. Cormier said that BCBS provided the CY19 fully insured rate for Managed Blue for Seniors at \$365.04. She said the Part D portion is \$185.23. She recommended that BCBS round the rate to \$365.

Noreen Mavro-Flanders motioned to approve the CY19 Managed Blue for Seniors rate of \$365.00.

John Kelly seconded the motion. The motion passed by unanimous vote.

Motion

Ms. Cormier said the Medicare HMO Blue rate will have to be reviewed at the next meeting.

Fred Winer reviewed the proposed Tufts Senior plan rates. He said that the Tufts Senior HMO rate will increase by \$3 per month, just under 1%. He said the Medicare Supplement with PDP Plus plan rate will increase \$9 per month, a 2.3% increase.

Chris Clark motioned to accept the two Tufts fully insured Senior plan rates for CY19 as presented by Mr. Winer.

Motion

John Kelly seconded the motion. The motion passed by unanimous vote.

**Smart Shopper presentation – James Fitzpatrick, Vitals**

James Fitzpatrick explained that Vitals is working with BCBSMA to make the Smart Shopper program available to BCBS members. He showed a video demonstrating how the program works to give members information on providers and their pricing by service and by location. The video explained how the members receive monetary rewards when they go to cost effective providers that save the client money.

Mr. Fitzpatrick answered questions from the Committee and said Vitals and BCBSMA need 60 to 90 days advance notice of the decision to add the program. He said that this program is available only to BCBS active employee plan members.

Bill Hickey said that Harvard Pilgrim has a somewhat similar program but that it operates differently.

Skip Finnell said he would like to look at the HPHC program. He said that this topic will be discussed at the October 4<sup>th</sup> meeting in Edgartown, Martha’s Vineyard.

**Update on Dental Plan RFQ:**

Carol Cormier said that CCMHG received responses from six dental plan providers: Delta Dental (current provider), BCBSMA, CIGNA, Altus Dental, MetLife, and Guardian Insurance. She said that the price proposals were submitted separately so that the CCMHG could determine which proposals best meet provider accessibility and performance requirements and then look at the prices. She said that since the program is self-funded, the prices are the administrative fees which represent about 5% or less of total dental plan costs. She said the more important prices are the provider pricing. She said she asked each dental plan provider to provide its current pricing for three zip codes (Barnstable, Vineyard, and Falmouth) for the top 10 dental procedures for PPO dental providers and for those not participating in the PPO. Ms. Cormier shared summaries of the responses with the Committee.

Ms. Cormier said that the dental plan design for Contributory and Voluntary plans is a maximum benefit per member of \$1,000. She said the plans pay for Level 1 benefits at 100%, Level 2 at 80% and Level 3 at 50%. She said that all of the RFQ responses proposed that CCMHG go with a “passive PPO” for next year. She explained that when members go to a PPO provider the plan pays less, the member’s coinsurance is based on a lower cost, and the member’s benefit goes farther than if they go to a non-PPO provider. She said she recommends this plan design.

There was a discussion about access to dentists.

It was agreed that a small committee would be established to review the dental proposals in detail.

Mr. Finnell asked for volunteers for the committee.

Chris Clark, Susan Wallen, and Skip Finnell volunteered for the committee. It was agreed the committee and Ms. Cormier would meet on November 2<sup>nd</sup> at 9 AM at Harwich Town Hall.

Skip Finnell said the Steering Committee will meet on October 4<sup>th</sup> at 10 AM at the MVRTA offices in Edgartown. He said the Steering Committee and Board will meet on Oct. 24<sup>th</sup> at COMM Fire District Bldg. The Steering Committee also set the following meetings:

- November 14, 2018 @ 9 AM – Steering Committee at Sandwich Town Hall,
- December 19, 2018 @ 9 AM – Steering Committee at Sandwich Town Hall,
- January 23, 2019 @ 9 AM – Steering Committee at Sandwich Town Hall,
- January 30, 2019 @ 9 AM – Steering Committee at COMM Fire District Bldg., and
- January 30, 2019 @ 10 AM – Board at COMM Fire District Bldg.

**Dependent Eligibility Audit RFP:**

Carol Cormier said that two quotes were received, one from HMS which did the CCMHG’s dependent eligibility audit in 2012 and one from GBS. She briefed the Steering Committee about both proposals pointing out differences. She said the pricing is very similar. She noted that HMS had done a thorough job the last time and is a large company with electronic capabilities such as a web portal for plan members to upload their documents that GBS does not have. She noted that HMS does not provide legal opinions and GBS does provide legal opinions if needed as part of its pricing. She also said that there appears to be differences in ability to provide reports and documents separately for the 53 employers in CCMHG. She said she will clarify HMS’s response about this for the next meeting. She said GBS would send out initial letters using employers’ envelopes and HMS would send them out in HMS envelopes.

**Marketing CCMHG and its programs:**

Carol Cormier said that benefits administrators were invited to this meeting to provide information on what they need to best introduce and promote CCMHG programs that are not necessarily embedded in the health plans. She noted that the following HR people were present: Deb Heemsoth, Susan Wallen, Jody Hoffman, Nancy Cushing, Tracy Scalia, and Jillian Douglass.

Deb Heemsoth, Town of Dennis, said there is so much paperwork for new hires and that having a booklet of available programs would be helpful. She said the booklet should be on the website, too.

Susan Wallen, Nauset RSD, said she encourages employees to go to the website for information. She said she has created a one-pager with district specific programs and the CCMHG programs appear on that sheet in red font along with the links to the items on the CCMHG website. She distributed the one-pager. She said after new hires or employees in general have reviewed these, they are welcomed back to HR to discuss and ask questions.

Jody Hoffman, Town of Provincetown, said health fairs and information provided at the fairs help. He said he would like to receive electronic copies of program materials.

Chris Nunnally, GBS, said that a positive Open Enrollment every year provides an opportunity for education about programs. He said he recognizes that this can be a burden on under-staffed HR. He said health educators could be provided to help with the process.

Chris Clark said that a video could be created by CCMHG and shown to employees during their mandatory Ethics Test time every two years as well as other times. He said it could be short video about every program on the website.

Deanna Desroches, Wellness Coordinator, said to consider using social media to get information out.

**Health Plan reports:**

Bill Rowbottom, BCBSMA, said he is involved in setting up senior health fairs.

**Other Business:**

There was no other business.

Chris Clark moved to adjourn,

Motion
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John Kelly seconded the motion. The motion passed by unanimous vote.

Chair Skip Finnell adjourned the meeting at 12:20 PM

*Minutes prepared by Carol Cormier  
Group Benefits Strategies*