

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

**Board Meeting**

Wednesday, January 30, 2019, 10:00 AM  
COMM Fire District, Centerville, MA

**MEETING MINUTES**

A meeting of the Board of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, January 30, 2019 at 10:00 AM at the COMM Fire District, Centerville, MA. The following people attended the meeting:

**Board Members and Alternates Present:**

Noreen Mavro-Flanders, Board Chair  
A. Francis (“Skip”) Finnell, Steering Committee Chair  
Susan Wallen  
Lisa Vitale  
Susan Broderick  
Jody Hoffmann  
Debra Blanchette  
Laura Scroggins  
Christopher Clark  
Denise Coleman  
Jillian Douglass  
Krystle Abrams  
Judy Sprague  
Robert Howard  
Jennifer Kelson  
Richard Buffington  
Erin Orcutt  
Deb Heemsoth  
Catherine Lynds  
Cathy Doane  
Rose Crosby  
Beth Deck  
Kathy Logue  
Leanne Gray  
Ray Pirone  
Sheryl McMahon  
Kathleen Isernio  
Verna Lafleur

County of Dukes County  
Dennis-Yarmouth RSD  
Nauset Regional School District  
Town of Brewster  
Town of Brewster  
Town of Provincetown  
Town of Barnstable  
Town of Barnstable  
Town of Harwich  
Town of Falmouth  
Town of Chatham  
COMM Fire District  
COMM Fire District  
Bourne Recreational Authority  
Buzzards Bay Water District  
Barnstable Fire District  
Cape Cod Regional THS  
Town of Dennis  
Town of Dennis  
Town of Orleans  
Upper Cape THS  
Cape Cod Collaborative  
Dukes County/Town of West Tisbury  
Mashpee Water District  
Cotuit Fire & West Barnstable Fire Districts  
Dennis Water District  
Monomoy RSD  
Hyannis Fire District

**Guests Present:**

Rich Bienvenue, CPA  
Patty Joyce  
Dave Sirowich  
Deanna Desroches  
Brian Callow  
Melanie Becker  
Tracy Scalia

CCMHG Treasurer  
Abacus Health Solutions  
PBIRx  
CCMHG Wellness Consultant, Mainland  
Rockland Trust Investments  
Dukes County/Town of Chilmark  
Town of Mashpee

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Katherine Milligan  
Brian LaValley  
Mike O'Connor  
Kim St. Aubin  
Susan Barker  
Megan Downey  
Eric Diamond  
Jeff Morassi  
Garbrielle Pitcher  
Bill Rowbottom  
Bill Hickey  
Nina Conroy  
Caitlin Marron  
Carol Cormier  
Karen Carpenter

Town of Orleans  
Town of Eastham  
Town of Eastham DNR  
EEA (Eastham Employee Association)  
EEA (Eastham Employee Association)  
Town of Brewster  
Harwich Fire District  
Mass. Teachers Association  
Blue Cross Blue Shield of MA (BCBSMA)  
Blue Cross Blue Shield of MA (BCBSMA)  
Harvard Pilgrim Health Care (HPHC)  
Delta Dental of MA  
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Group Benefits Strategies (GBS)  
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Noreen Mavro-Flanders, Chair, called the meeting to order at 10:00 a.m.

**Approval of the minutes of the October 24, 2018 Board meetings:**

Kathy Logue moved to approve the minutes of the October 24, 2018 Board meeting.

Motion
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Jillian Douglas seconded the motion. The motion passed by unanimous vote.

Noreen Mavro-Flanders said the Town of Sandwich submitted a letter notifying CCMHG of its withdrawal from the Joint Purchase Group effective July 1, 2019. She said Marie Buckner is the Town of Sandwich's Board representative, and she is Board Vice-Chair and a member of the Steering Committee. Ms. Mavro-Flanders said the Annual Election of Officers will take place at the next Board Meeting and said nominees will be considered to fill the vacancies. She said that anyone who is interested should contact Carol Cormier.

**Investment Committee and Investment Manager's Reports:**

Deb Blanchette, Investment Committee Chair, said the investments are growing and the news is positive. She said the Steering Committee supports the Investment Committee's recommendation of moving \$1M per month from the Capital Preservation Fund to the Return Seeking Fund.

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Brian Callow said the markets were down during the 4<sup>th</sup> quarter, but said he has had good news at every CCMHG meeting. He said the CCMHG funds continue to grow and that shows good managing by the group.

Mr. Callow distributed the 4th Quarter report and reviewed the two CCMHG funds: (1) Return Seeking and (2) Capitol Preservation. He reviewed the performances of the funds compared to the benchmarks. Mr. Callow said the fiscal year rate of return for Fund 1 through January was 4.38%. He said the rate of return for Fund 2 was 1.27%.

Noreen Mavro-Flanders thanked Mr. Callow, and he left the meeting.

**Treasurer's report:**

*Treasurer's report* - Treasurer, Rich Bienvenue, CPA, said the total Health Fund Equity as of June 30, 2018 was \$28,112M, an increase of \$11.6M over last year. Mr. Bienvenue said the Trust Fund Policy states that the Fund Balance should be between 8% and 10% of claims of the most recent 12 months. He said the surplus for FY19 through November is \$11.7M and the total Fund Balance (health and dental) is about \$40M. Mr.

Bienvenue said the Steering Committee is going to recommend rates that anticipate utilizing some of that surplus. In addition, Mr. Bienvenue said, the Committee is also going to recommend returning the RDS money which totals nearly \$7M. He noted the RDS money is employer money. Mr. Bienvenue said the Town of Sandwich, which is withdrawing from CCMHG, will receive its proportionate share of the increase in the Fund Balance that occurs in FY19.

Mr. Bienvenue said the FY18 financial audit went well and said copies are available on the CCMHG website at [www.ccmhg.com](http://www.ccmhg.com) under the Governance tab, Annual Reports.

**Wellness Committee Report:**

Mainland Wellness Report - Deanna Desroches, wellness consultant for the Mainland, reviewed the program updates. She said she is working on the February newsletter, *Your Health Matters*, and will be publishing it soon.

Ms. Desroches said she is scheduling several biometric screenings and will be attending several Health Fairs. She said the *Couch to 5K* Harwich program will begin March 12<sup>th</sup> and the weekly runs on Saturday mornings in Yarmouth will begin again in March. She said the runs are open to all members and guests.

Ms. Desroches said the web portal utilization is up, and there are now over 500 registered members and 170 of those have completed Health Risk Assessments.

Ms. Desroches said the monthly challenges include the Winter Warrior challenge and the Yoga and Happiness Challenges.

Vineyard Wellness Report -Kathy Logue said the report is included in the meeting packet. She said 33 people signed up for the February *Mile a Day Challenge* and said all miles walked are tracked. Ms. Logue said 157 responses were received from the survey that was sent out to capture the programs of interest. She said another survey will be sent out asking about members' awareness of the programs and who provides the programs, and participation incentives. Ms. Logue said it is a "Did you know" survey with the second part about what types of incentives would motivate the member to participate.

Ms. Logue said one of the challenges MV is having is spreading the word about the programs to the members. She said members are reporting they are not receiving the information from their employers.

**Pharmacy carveout proposals –David Sirowich, PBIRx:**

Noreen Mavro-Flanders said PBIRx presented results of the RFP for pharmacy Carve-out programs including savings information at the last Steering Committee at Sandwich Town Hall.

Carol Cormier said currently the Prescription Benefits Managers (PBM) are contracted through the health plan carriers. She said the Steering Committee has been reviewing information about contracting directly with a PBM, know as "Carving out", for better prescription pricing. Ms. Cormier said there could be substantial savings in doing this. She said PBIRx has also asked BCBS and HPHC for improved pricing in the current Rx carved-in arrangements.

Dave Sirowich said PBIRx looked at seven vendors, including the health plan carriers, HPHC and BCBS. He said reductions to pricing were received by going with the same health plan carrier's PBM directly. Mr. Sirowich said if the CCMHG decides to carve out Rx, there would be no changes to the Rx co-pays and the formularies would stay the same until January 1, 2020. He said the carriers make annual changes to their Rx formularies on a regular basis.

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Mr. Sirowich said if a different PBM is chosen, the new PBM would need to integrate with HPHC and BCBS. He said members would receive a separate ID card for their prescriptions, but other than that, members would see no difference. Mr. Sirowich said PBIRx went back to the vendors for their best and final pricing offers. Mr. Sirowich said the PBMs also have additional clinical programs they can offer if there is interest.

Noreen Mavro-Flanders said more information will be discussed at the next Steering Committee meeting at Sandwich Town Hall on February 8<sup>th</sup> at 9 AM. She said everyone is welcome to attend as the meetings are open to all. Ms. Mavro-Flanders said a decision should be made by the end of February to allow for the transition. She suggested the Board could give authority to the Steering Committee to make the decision at that meeting; otherwise, she said that there will need to be a special Board meeting scheduled.

Erin Orcutt said she did not recall that the Steering Committee was going to ask for the Board's vote for authorizing the Committee to make this decision. She said she did not think the Steering Committee should make the decision and said she does not have enough information on the topic. Ms. Orcutt said cost saving measures are not needed this year since the fund balance exceeds the targeted amount.

In response to a question, Ms. Cormier said the carriers' administrative fees will increase if CCMHG carves out pharmacy but that the savings of carving out pharmacy would far outweigh those increases.

Kathy Logue said she was taken aback by the suggestion that carving out pharmacy would be a huge change. She said it is similar to what was done when the Board moved from myMedicationAdvisor to going directly with CanaRx?

Dave Sirowich said he is not pushing the Board either way, but said the change to a carve-out program is quite seamless. In addition, he said there will also be communication between CanaRx and the CCMHG's PBM.

Jodie Hoffmann said he is hearing there is a concern about a lack of information heard by the Board. He suggested holding additional informational meetings.

Carol Cormier said the Committee also asked for legal advice as to whether or not carving out prescriptions required negotiations with unions. She said the legal opinion is that since there will be no benefit changes, it does not require bargaining.

Noreen Mavro-Flanders said there will be no decision made today and said further discussion will take place at the February 8<sup>th</sup> Steering Committee meeting in Sandwich at 9:00 AM.

Dave Sirowich said he would do a comparison of the *pros* and *cons* of Carve-out and Carve-in PBMs.

Carol Cormier said she will try to get comments from the unions and staff of the Cities of Lynn and Fall River regarding their transitions to Rx carve-out programs.

### **Steering Committee report:**

Skip Finnell said everything on the meeting agenda, including the Dental RFP and proposals, pharmacy carve-out, dependent eligibility audit, marketing the CCMHG, and status of and appropriate action on the fund balance, is what the Committee has been working on over the past several months.

### **Abacus Reports:**

*Good Health Gateway Diabetes Care Rewards Program* - Patty Joyce said a new feature of signing up for the Diabetes program will be text messages sent to the enrollees. She said the members can opt out, but will be automatically enrolled to receive the messages. Ms. Joyce reviewed the program reports and explained the

benefits of adherence to the five guidelines of care. She said members receive their diabetic medications and supplies at zero cost to them by meeting all five care guidelines. Ms. Joyce said to contact her for representation at the Open Enrollment Health Fairs.

**GBS Reports:**

Carol Cormier referred to the Auditor's summary reports in the packet and said the full FY18 Financial Audit report is available on the CCMHG website as Mr. Bienvenue stated.

Ms. Cormier said Jeff Beane, from MyTelemedicine/AccessADoctor contacted GBS with a request to obtain members email addresses and phone numbers to send information about the MyTelemedicine program directly to them. She asked the Board members is they were or were not in favor of that idea.

There was a discussion, and Board members agreed they favor hand-delivering by the department heads. It was also agreed the information should be disseminated at the next IAC meetings.

Carol Cormier said she would send out the MyTelemedicine information email to Board and benefits administrators again.

Funding Rate Analysis (FRA) - Ms. Cormier said the full packet was emailed to the Board. She reviewed the FY18 FRA summary report through December 2018. She said that the paid claims and related expenses were 81.4% of the funding rate revenues. Ms. Cormier said the dental funding expenses were at 87.1% of rate revenues.

CanaRx Update – Carol Cormier briefly reviewed the CanaRx report with data through calendar year 2018. She reported savings of over \$1.1M.

**Dental Plan RFP - vote to approve Steering Committee recommendation:**

Noreen Mavro-Flanders said a few Steering Committee (SC) members, Chris Clark, Susan Wallen and Skip Finnell, volunteered to review the proposals received in response to the Dental Plan RFP. She said the working committee presented its findings to the SC, and the SC has a recommendation for the Board.

Steering Committee Chair, Skip Finnell, said the SC recommends remaining with Delta Dental and moving to the Delta Dental *PPO Plus Premier* plan effective July 1, 2019. He said the decision came down to two proposals, the Delta and the BCBS proposals.

Nina Conroy, Delta Dental Account Executive, explained how the *PPO Plus Premier* plan works. She said Delta has a nationwide PPO network in addition to the nationwide Premier network. She said no one has to change dental providers, but if a member does go to a PPO-participating dentist, the dental fees are lower and the member will be charged less in its share of costs. Ms. Conroy said that 30% of CCMHG dental plan members use PPO providers now.

Chris Clark said that it was a win/win to go out to bid for dental coverage. He said that Delta offered a three-year administrative fee, the PPO-Premier plan design, guarantees on claims savings, and a comprehensive network. He said the BCBS administrative fees were a bit lower than the Delta fees, but the savings through the Delta claims is expected to be greater and there will be no member disruption. Mr. Clark said that the comprehensive Delta provider network was a big factor in the SC's recommendation.

Carol Cormier said if the claims savings guaranteed by Delta are not achieved, Delta will reduce its administrative fees to the level of the BCBS fees.

Skip Finnell moved to adopt the Delta proposal for the next three years.

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

**Health Plan rates for FY20:**

Noreen Mavro-Flanders said that the Steering Committee reviewed the FY20 proposed rates that were built on claims projections from the health plans and independently calculated by GBS.

Carol Cormier said that the health plans and GBS removed Town of Sandwich historical claims from the calculations since the town will not be with CCMHG after June 30<sup>th</sup>.

Noreen Mavro-Flanders thanked BCBSMA and HPHC for agreeing to 0% increases in their administrative fees for FY20.

Skip Finnell said that the Steering Committee recommends a zero percent (0%) increase to all active employee health plans and the dental plans. He said that the projected increases in each case were either small or negative and that the Fund Balance is above the targeted range by a considerable amount.

Mr. Finnell made a motion to hold the active employee health plan rates and the dental plan rates at the FY19 level through FY20, i.e. 0% increase.

Motion

Chris Clark seconded the motion. The motion passed by unanimous vote.

Ms. Cormier said the insured EyeMed Vison plan rates will remain at the current levels for FY20 by contract.

**Fund Balance and Retiree Drug Subsidies:**

Noreen Mavro-Flanders said that the CCMHG has received Retiree Drug Subsidies (RDS) throughout the 10 ½ years that it offered RDS-eligible Medicare plans. She said over \$5 million of that has been returned to the CCMHG employers who had RDS eligible enrollees and there remains about \$6.8 undistributed RDS funds.

Skip Finnell motioned to distribute in the current fiscal year the remaining approximately \$6.8 million in RDS monies to eligible employers.

Motion

Chris Clark seconded the motion. The motion passed by unanimous vote.

**Dependent Eligibility Audit:**

Carol Cormier said that it was unfortunate that the Initial Notice of the audit to the Family plan, Single Parent/Single Child, and Surviving Spouse enrollees is going out a month later than originally planned. She said it is her understanding that HMS is sending the mailings today. She said that there have been a lot of data issues. She said the the audit should close in early April.

**Getting the word out about CCMHG and its programs:**

Noreen Mavro-Flanders said it is difficult getting employees to know from where they get their benefits, i.e. from CCMHG. She said the name “Cape Cod Municipal Health Group” will be added to all active employee health and dental plan ID cards for FY20. She mentioned that Carol Cormier provided a wellness program guide booklet for plan members created by another joint purchase group and that this is being reviewed to see if something similar could or should be put together for CCMHG.

**Health Plan Reports:**

*Harvard Pilgrim* - Bill Hickey said that Harvard Pilgrim will change its Pharmacy Benefit Manager (PBM) from MedImpact to OptumRx on January 1, 2020. He said all HPHC members will get new ID cards, and he does not anticipate any disruptions. He said Harvard Pilgrim, not the PBM, makes decisions about formulary changes. He said he expects that there will be some savings to CCMHG and that there will be new clinical programs.

*BCBSMA* - Bill Rowbottom, BCBSMA, said he is planning for the health fair season now and will get contact updates from Karen Carpenter.

Garbrielle Pitcher, BCBSMA, said there are fitness and weight loss benefit enhancements that will be available July 1<sup>st</sup>.

*Delta Dental* – Nina Conroy said that she will be getting the information out about the *Delta PPO Plus Premier* plan. She thanked the Board for renewing with Delta for the next three years.

*EyeMed* - Caitlyn Marron said that there is a new EyeMed Account Coordination team. She said Christina Connors works with her, and the benefits administrators may get emails from Christina.

**Other Business:**

There was a question and a brief discussion about companies that have online enrollment capabilities.

Ms. Mavro-Flanders scheduled the next Board meeting for the morning of Wednesday, April 24<sup>th</sup> at COMM Fire District. The exact time is to be determined.

It was subsequently determined that the 4/24/19 Board meeting will start at 9:30 AM.
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Ms. Mavro-Flanders said the Steering Committee will meet on the following dates: Feb. 8<sup>th</sup>, Feb. 27<sup>th</sup>, and March 27<sup>th</sup> all at 9 AM. It is expected that the meetings will take place at Sandwich Town Hall.

There was no other business.

Christopher Clark moved to adjourn.

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

Noreen Mavro-Flanders adjourned the meeting at 12:15 PM.

*Prepared by Karen Carpeter and Carol Cormier  
Gallagher Benefit Services*