



# MINUTES OF THE CAPE COD MUNICIPAL HEALTH GROUP

## Board Meeting

Wednesday, July 24, 2024, 10:00 AM

Barnstable County Offices  
Mary Pat Flynn Conference Room  
3195 Main St. Barnstable, MA 02630

## MEETING NOTES

A meeting of the Board of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, July 24<sup>th</sup>, 2024, at 10:00 AM at Barnstable County Offices, Barnstable, MA. The following people attended the meeting:

### Board Members and Alternates Present:

Robert Whritenour, Board Chair  
Gareth Markwell  
Justyna Marczak  
Susy Holmes  
Robert Howard  
Lisa Vitale  
Megan Downy  
Molly Stevens  
David Flynn  
Laurie Barr  
TK Menesale  
Robin Callahan  
Michael MacMillan  
Mark Riel  
AlexLessin  
Noreen Mavro-Flanders

Town of Yarmouth  
Town of Barnstable  
Barnstable County  
Barnstable County Retirement  
Bourne Rec Auth  
Town of Brewster  
Town of Chatham  
COMM Fire  
Dennis Yarmouth RSD  
Town of Eastham  
Hyannis Fire District  
Town of Mashpee  
Monomoy RSD  
Town of Orleans  
Town of Truro  
Dukes County

### Guests Present:

Rich Bienvenue, CPA  
Deanna Desroches  
Triva Emery  
Brian Callow

CCMHG Treasurer  
CCMHG Wellness Consultant, (Mainland)  
CCMHG Wellness Consultant, (Vineyard)  
Rockland Trust Investments

Bob Kademian, RPh  
Caroline Burnham  
Lauren McCallum  
Sarah McCormick  
Brian Putney  
Cheryl Begnal  
Jim Riley  
Joseph Anderson  
Karen Quinlivan  
Patrick Flattery

PBIRx  
Blue Cross Blue Shield of MA (BCBSMA)  
Harvard Pilgrim Health Care (HPHC)  
Delta Dental  
Delta Dental  
Tufts Health Plan  
CanaRx  
Gallagher Benefit Services, Inc. (GBS)  
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Robert Whritenour, Board Chair called the meeting to order at 10:16 AM.

There was no voting quorum, therefore the meeting was informational only.

There was discussion that these meetings are only held four times a year and there was upset that there was not a commitment to these important meetings.

#### **Wellness Reports:**

Triva Emery, Vineyard wellness consultant, presented her report. The program is delivering over 16 programs per week. There are 275 members participating currently with a unique reach of over 100 people. She shared a brief review of the calendar with programs such as boxing, weight training, fitness, paddle board, and kayaking.

Deanna Desroches presented her report. There are currently programs running in learn to play tennis, stand up paddle board, walking, self-defense, yoga, among others. Learn to Fly Fish has been very popular, and the goal is to continue again. The next challenge will be Hydrate for Health on September 16<sup>th</sup>. There are 162 members on the portal and that is increasing steadily. Biometric screenings will continue. In May there were 172 screenings and 24 were referred for follow up with their doctors. The benefits guide has been updated and will be forwarded to everyone on the distribution list. Pinnacle Care will be coming the first week of October and there will be informational sessions with Benefit Administrators.

#### **Investment Committee Report:**

Debra Blanchette said that page 37 of the Board packet indicates that as of June 30th there is a balance of \$41,300,835 in the investment fund. That is comprised of two funds. In October, the Investment Committee approved the movement of \$10 million to the capital preservation fund to take advantage of interest rates. There have been no other changes made. She introduced Brian Callow from Rockland Trust.

#### **Investment Managers Report:**

Brian Callow addressed the recent progress of investments as of June 30th, 2024.

Mr. Callow reviewed the Rockland Trust packet. The compliance page shows we are remaining on task with the allocation the group implemented and adhering to the plan that the Finance Committee and Steering Committees feel is the most appropriate manner to manage the funds. The breakdown is shown between capital preservation and return-seeking, with the current return-seeking value of \$30,848,597 and the capital preservation at



\$10,452,238. If funds are sitting on the sidelines right now, they can be used for some short-term investments. A money market account is usually short-term treasury securities and is close to 5% right now. Returns for the quarter are .30% year to date. This is slightly under the benchmark. The one-year rate of return is 10.32%. Equity is down but bonds are up. Price to earnings rate has been 16.79% for the last 25 years. As of June 30th, it is 21.01%. That is overrated. The top 10 stocks are 1.5 times higher than normal, earning 74%. The balance of 490 other stocks returned the balance. CMHG does not bet on just a few top stocks. Diversification is important and the returns have been good. Higher earnings require higher risk.

## **Treasurer's Report:**

Treasurer Richard Bienvenue, CPA reviewed the financial reports of May 31st, 2024 (unaudited figures). The fund balance through May 31 is \$44.9 M. Earnings through May were just over \$1 million. The intent was to spend down some of the fund balance, but the result was positive earnings with most of that due to investment returns. The rates for this year were subsidized but the returns have been very good. There are Blue Cross billing reconciliations that may impact the year end results. Prescription rebates will also begin to be accrued due to the significant increase in those amounts. The actual loss for the year is about \$2.6 million but investments and rebates have positively impacted results. The reinsurance arrangement with the MMRA also has had a surplus so that positively impacted the group as well. The dental fund surplus has been high, but the increased benefit maximum and enhancements should start to show impact soon. An Aged Receivables report now shows details that may help members see what might be owed now. It has been cleaned up considerably.

## **GBS Reports:**

Joe Anderson reviewed the FY24 Funding Rate Analysis (FRA) report with data through June 30, 2024 (paid claims basis). The expense-to-funding ratio is 102.6%, with an estimated funding deficit of \$4,169,066. Investment income of \$2.4 million makes the funding deficit less impactful. Red numbers were anticipated given the rate subsidy. Medicare claims have been increasing for the past year and those increases were reflected in their rates. The drug component is anticipated to be a source of volatility for the upcoming senior renewal.

The dental expense-to-funding ratio was 92.9% and continues to perform well, with a surplus of \$466,787.

Ms. Quinlivan reviewed the reinsurance reports. She said the FY23 policy period through June 2024 had 14 claimants with total claims in excess of the \$400K specific deductible of \$2,035,917.51. Total reimbursements of \$1,930,887.34 have been received to date with outstanding reimbursements due of \$105,030.17. There are \$95,169.15 in ineligible expenses because claims crossed over the period from FY23 to FY24. She said 49 claimants were on the 50% report with claims totaling \$13,082,259.06. For the FY24 period through June there are 9 members with claims in excess of the \$400K specific deductible totaling \$ 1,518,429.87. No reimbursements have been received so far. There were 50 claimants are on the 50% report with updated total paid claims of \$ 13,439,094.17.

## **Steering Committee Report:**

Michael MacMillan said that the Steering Committee has approved the Martha's Vineyard wellness budget for an increase of 11.6%, they also increased the Treasurers annual stipend to \$3,500. There has not been an increase in 20 years.

### **PBIRx Report:**

Bob Kademian, RPh from PBIRx provided reporting through May 31. He said that overall pharmacy plan costs have increased by 8.79% through May net of rebates. The traditional plan cost is up by 22.34%, while specialty is up by 15.28%. Traditional has outpaced specialty because of weight loss drugs. In 2022 there was a doubling of what clients spent on weight loss drugs. In 2023 it doubled again and in 2024 it may repeat. Rebates are high on specialty drugs like Humira and decrease the net cost to the plan. This may impact whether certain medications are covered going forward in formularies as opposed to biosimilars. The first generic for a GLP-1 medication has just come out as a generic for Victoza. Others should follow. There will be upcoming webinars this fall on pharmacy benefit opportunities with participation by CanaRx and Good Health Gateway to increase awareness on available programs.

### **Dental Action Report:**

Sarah McCormick and Brian Putney presented a report on trends and insights. Mr. Putney said that the underlying data base is comprised of over 15,000 nationally based employers. Comparable industry peers can be looked at for measured results. Behaviors were broken up into four categories of healthy participation, moderate, serious and no visit. There were 40% that are going in for preventive care only. An additional 18% primarily had preventive care and treatment. A group of 9% had emergency care only or extensive care and 34% had no dental claims. Cost and dental anxiety are the main reasons for this, and most are employees. Those that wait to seek care pay on average \$306 more for care when it is obtained.

Noreen Mavro-Flanders asked about the action plan to recruit more dentists, especially on the Vineyard.

Mr. Putney said there is an aging dental work force and work is ongoing to focus strategies on recruiting a younger population of dentists that are willing to work with group dental networks. Mobile dentistry is something that is being investigated as well.

### **Health Plan/Vendor Reports:**

Harvard Pilgrim - Lauren McCallum introduced Cheryl Begnal as the new representative for the Tufts senior products. As of January 1, 2025, the Tufts Medicare Supplement PDP Plus will be sunset. All members will automatically be mapped to the Harvard Pilgrim Medicare Enhance product absent an enrollment form to switch. There are only about 80 members that this will impact. The Medicare Advantage plan will not be going away.

Susan Wallen said that she has members on the Tufts plan, and they are there for a reason, namely the hearing aid benefit.

Ms. McCallum said they could look at the benefit and see if they could add it.



Blue Cross - Caroline Burnham said that the Pillar Rx program has saved \$1.5 million for the group since inception. If any units need materials for open enrollment, please reach out.

CanaRx – Jim Riley said that the group has saved \$455,000.43 through June. There is potential for increased projected annual savings. They have broken it down by unit and plan to reach out to each unit to share the numbers and devise a strategy to reach more members. There are members that are paying thousands of dollars out of pocket for medications they could be getting from CanaRx.

**Other Business:**

The next Steering Committee meetings will be held on Wednesday, September 25th at 10:30 AM on the Vineyard and October 16<sup>th</sup> at Barnstable County Offices. The next Board meeting is on Wednesday October 16<sup>th</sup> at this same Barnstable location.

There was no other business.

The Board Chair, Bob Whritenour adjourned the meeting at 11:48 PM.

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*Minutes prepared by Karen Quinlivan  
Gallagher Benefit Services, Inc.*