

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

**Board Meeting**

Wednesday, October 23, 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, October 23, 2019 at 10:00 AM at the COMM Fire District, Centerville, MA. The following people attended the meeting:

**Board Members and Alternates Present:**

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| Noreen Mavro-Flanders, Board Chair                    | Dukes County                            |
| A. Francis (“Skip”) Finnell, Steering Committee Chair | Dennis-Yarmouth RSD                     |
| Lisa Vitale   | Town of Brewster                        |
| Debra Blanchette                                      | Town of Barnstable                      |
| Erin Orcutt   | Cape Cod Regional Technical High School |
| John Kelly  | Town of Orleans                         |
| Debra Heemsoth  | Town of Dennis                          |
| Denise Coleman  | Town of Falmouth                        |
| Susan Wallen  | Nauset Regional High School             |
| Robert Howard   | Bourne Recreation Authority             |
| Kathy Logue   | Dukes County                            |
| Jillian Douglass                                      | Town of Chatham                         |
| Judy Sprague  | COMM Fire District                      |
| Krystle Abrams  | COMM Fire District                      |
| Jennifer Kelson                                       | Buzzards Bay Water District             |
| Miriam Spencer  | Town of Wellfleet                       |
| Alexander Williams                                    | Town of Provincetown                    |
| Beth Deck   | Cape Cod Collaborative                  |
| Nancy Cushing   | Barnstable County                       |
| Maggie Downey   | Cape Cod Light Compact                  |
| Leanne Gray   | Mashpee Water District                  |
| Richard Buffington                                    | Barnstable Fire District                |

**Guests Present:**

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| Rich Bienvenue, CPA | CCMHG Treasurer                       |
| Deanna Desroches    | CCMHG Wellness Consultant, Mainland   |
| Brian Callow        | Rockland Trust Investments            |
| Tracy Scalia        | Town of Mashpee                       |
| Megan Downey        | Town of Barnstable                    |
| Ellen Bearse        | Monomoy RSD                           |
| Elise Zarcaro       | Town of Provincetown                  |
| Cindy Richards      | Town of Orleans                       |
| Linda Loiselle      | Abacus Health Solutions               |
| Patty Joyce         | Abacus Health Solutions               |
| Bob Kademian, RPh   | PBIRx                                 |
| Garbrielle Pitcher  | Blue Cross Blue Shield of MA (BCBSMA) |
| Bill Hickey         | Harvard Pilgrim Health Care (HPHC)    |
| Nina Conroy         | Delta Dental of MA                    |

Fred Winer  
Carol Cormier  
Karen Carpenter

Tufts – Retiree Plans  
Gallagher Benefit Services, Inc. (GBS)  
Gallagher Benefit Services, Inc. (GBS)

Noreen Mavro-Flanders, Chair, called the meeting to order at 10:10 a.m.

**Approval of the minutes of the April 24, 2019 Board meeting:**

Judy Sprague motioned to approve the minutes of the April 24, 2019 meeting.

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| Motion |
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Jennifer Kelson seconded the motion. The motion passed by unanimous vote.

**Election of Officers and Steering Committee:**

Chair Noreen Mavro-Flanders said that all current Officers and Steering Committee (SC) members agreed to serve for another year if elected.

Skip Finnell said that he and Ms. Mavro-Flanders also represent the CCMHG on the Board of the Mass. Municipal Reinsurance Arrangement (MMRA). He said that they have been around for a long time and are both retired. He said they are willing to serve another year but hope that in the near future there will be enthusiasm from some of the Board representatives who are active employees for participating on the Steering Committee.

Carol Cormier noted that Deborah Heemsoth was no longer the Alternate SC member but rather is a regular SC member and that Robert Whritenour is now the Alternate. He was elected to the position at the July Board meeting.

There were no other nominations.

Skip Finnell moved to accept the slate of Officers and Steering Committee as proposed.

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| Motion |
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Judy Sprague seconded the motion. The motion passed by unanimous vote.

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

Deb Blanchette, Investment Committee Chair, said the Investment Subcommittee met last week to review the portfolio. She said there was a discussion about possibly looking at establishing a rate stabilization fund.

Brian Callow reviewed his presentation as of August 31, 2019. He said the portfolio is doing very well and that the allocation is balanced for long term with cash reserves available in line with the investment policy. He reviewed the Portfolio Allocation and Performance Reports by investment category. He reviewed a 10-year exhibit showing annual returns by nine equity asset classes. He spoke about the importance of diversification.

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

**Treasurer's report:**

Treasurer, Rich Bienvenue, CPA, reviewed financial reports (unaudited figures) through June 30 and through August 31, 2019. He said the June 30 numbers are tentative until the audit has been completed. He showed that the fund balance went from \$33,100,744 as of June 30 to \$34,662,643 at the end of August. He noted that he had booked \$7 million for disbursements to members for the Retiree Drug Subsidy (RDS) distributions and

an estimate of the amount owed Town of Sandwich (the town's proportionate share) from the increase in the trust fund balance during the town's last year of participation in CCMHG.

Mr. Bienvenue talked about the difference between the Fund Balance Policy and a Rate Stabilization Fund.

**Wellness Report:**

Noreen Mavro-Flanders said that the committees are still working on the proposed Wellness Strategic Plan so asked the Board to cross this off the agenda. She said it will be dealt with at the next meeting.

Martha's Vineyard (MV) Wellness Report –Noreen Mavro-Flanders said an RFP for a new Wellness Coordinator was put out yesterday. She said the deadline for submitting responses is November 15.

Mainland Wellness Report - Ms. Desroches asked members to let her know if they want biometric screenings at their retiree health fairs now and/or at active employee health fairs in the Spring. She reviewed her handout on the wellness programs.

Ms. Desroches said that the new Benefits Guides will be mailed to members.

Carol Cormier asked for an electronic copy for the CCMHG Website.

Noreen Mavro-Flanders thanked Deanna for all her work on the Benefits Guides project.

**Steering Committee Report:**

Skip Finnell said that the Board agenda speaks to the Steering Committee's work.

Mr. Finnell talked about the Trust Fund Balance which is above the target amount. He said the two options for reducing the excess fund balance are reducing FY21 rate increases or having a Premium Holiday. He said he wants to know what the participating governmental units think about these two options for reducing the fund balance.

Mr. Finnell said that the Steering Committee approved the Web Maintenance Agreement and the Online Roster Service Agreement, both with Gallagher Benefits Services (GBS).

**GBS Reports:**

Carol Cormier reviewed the Summary of the *FY20 Funding Rate Analysis report* with data through August. She said the expense-to-funding ratio was 98%. She said that the expenses include FY19 run-out claims from Town of Sandwich which left the CCMHG on June 30. She said the Sandwich two-month run-out amount is over \$530K. Ms. Cormier said she saw the September numbers, and the expense-to-funding ratio dropped to 90.4%.

Karen Carpenter reviewed the *Reinsurance reports*. She said the FY20 policy period has one excess claim just over the specific deductible amount. She said that there are five BCBS claimants on the 50% Report with claims totaling just under \$1 million. She said that there were 20 claimants on the FY19 policy period Excess Report with total claims over \$8.5 million and excess claims over \$2.5 million. She said the CCMHG has received over \$2.3 million in reimbursements for the FY19 policy period with \$212,352 due to the Group.

**Joint Purchase Agreement – recommended amendments:**

Noreen Mavro-Flanders said that the Steering Committee reviews the Joint Purchase Agreement (JPA) periodically and brings recommendations to the Board. She said this is the first reading of the recommended amendments.

Carol Cormier reviewed the proposed changes to Articles 8, 10, and 11 which she said were not controversial but rather clarifications of what happens now with eligibility determinations, rate setting, and notifications regarding changes in levels of coverage.

Ms. Mavro-Flanders said that each Board representative should take the proposed amendments back to its Appropriate Public Authority for approval. She said that there will be a second reading and vote at the January 2020 Board meeting.

**CY20 Senior Plan renewals:**

Noreen Mavro-Flanders said that the Steering Committee voted to recommend the 2020 Senior plan rates that appear in the distributed exhibit. She said that the Harvard Pilgrim Medicare Enhance plan rate that the Steering Committee voted to recommend at its September meeting was found not to include the Health Insurance Tax (HIT). She said today the Committee voted to recommend a rate of \$374 which includes the HIT.

Skip Finnell moved to adopt the rates as presented in the exhibit, i.e. *Medicare HMO Blue* rate of \$394.27 (0.2% increase), *Managed Blue for Seniors* rate of \$371.76 (1.9% increase), *Tufts Medicare Supplement with PDP Plus* rate of \$398.00 (1.3% increase), *Tufts Medicare Preferred HMO* rate of \$327.00 (3.2% increase), *Medex2 with Blue MedicareRx* rate of \$373.00 (1.4% increase), and *Medicare Enhance* rate of \$374.00 (1.1% increase).

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Kathy Logue seconded the motion. The motion passed by unanimous vote.

**EyeMed Early Renewal proposal:**

Carol Cormier said that EyeMed has offered a favorable 4-year renewal proposal. She said if CCMHG renews with EyeMed before the end of 2019, EyeMed will hold the current rates for four more years and add some benefits such as eyeglass frames of any kind being free if purchased from Target or Sears.

There were questions about the rates on the exhibit. Carol Cormier made a call to get clarifying information.

Noreen Mavro Flanders said that the Board would come back to this topic later in the meeting.

**Diabetes Rewards Program report:**

Linda Loiselle and Patty Joyce from Abacus Health Solutions reviewed the Diabetes Rewards program annual report.

Ms. Joyce said that CCMHG has been offering the diabetes program for ten years. She said a survey shows that 94% of the participants are satisfied. She said 38% of those eligible are enrolled.

Linda Loiselle said 53% of participants are currently adherent but that 70% were adherent over the last 12 months. She said the number of eligible members decreased with the withdrawal of Town of Sandwich from CCMHG. She said savings were at \$263,000 over the year through September and that the program saved \$2.5 million over 10 years.

Ms. Loiselles said that the CCMHG will start to receive Rx rebates with the amount for the first quarter of FY19 being \$10,635. She said rebates will be issued quarterly. She said Abacus just completed a 10-year study across its book of business using the Diabetes Rewards Program and found that there was a 40% reduction in hospitalizations.

Noreen Mavro-Flanders asked for the white paper on the Diabetes study to put on the CCMHG website.

**PBIRx report:**

Bob Kademian, RPh,MBA, presented the *PBIRx Pharmacy Benefits Plan Review* with data from July 2019 through September 2019. He compared the data to the same period for 2018, reviewing the trends by category. Total costs for BCBS and HPHC plans combined increased 6.1%, and member cost share decreased 25.3%. He said that average cost per script increased 15.6% and specialty drug costs per member per month (PMPM) increased 22.8%, with specialty drug costs representing 52% of Rx costs in both years. Total plan Rx costs PMPM increased 21.3%. He noted that the report included the same data presented separately for BCBSMA and HPHC.

*CanaRx program* - Bob Kademian spoke about the big savings available to members and to the CCMHG through the CanaRx program. He noted that 80-85% of the medications sold in the U.S. are manufactured abroad. He talked about ways to increase utilization of the CanaRx program, such as the targeted mailings every six months, the Re-introduction Reminders to all health plan members, Lunch & Learns in person or by webinar, and a proposed \$25 gift card incentive for new CanaRx users only. He said word-of-mouth is probably the best way to promote the program. Mr. Kademian said he understood that the Board would have to approve the \$25 gift card incentive program.

Noreen Mavro-Flanders said that the Steering Committee is recommending the adoption of the \$25 incentive gift cards for members who use CanaRx for the first time.

Skip Finnell moved to adopt the \$25 gift card incentives for new CanaRx users.

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Kathy Logue seconded the motion. The motion passed by unanimous vote.

Noreen Mavro-Flanders said that the Steering Committee recommends making the Preventive Med List medications available to HSA Qualified High Deductible Plan (HSAQ) members through CanaRx.

Carol Cormier said these medications are not subject to the HSAQ plan deductibles but rather take co-pays. She said a preventive med list specific to the HSAQ plans will be made available on the website. She said CanaRx will send a notice about this to the HSAQ plan members.

Skip Finnell moved approval of the availability of the Preventive Medications through CanaRx for HSAQ plan members.

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Judy Sprague seconded the motion. The motion passed by unanimous vote.

**Delta Dental Plan report:** (*Ms. Conroy had to leave the meeting early so this report was taken out-of-order*)

Nina Conroy said that as approved by the Division of Insurance, Delta's provider fees have been reduced. She said as a result Delta has lost a few participating dentists. She said this affected 124 members who have been contacted by Delta. She said that there are two new discount programs available through Delta, specifically hearing aid discounts and electric toothbrush discounts.

**Ethics Commission ruling:**

Noreen Mavro-Flanders said that if a CCMHG Board member gets insurance through the CCMHG the Ethics Commission determined that this could represent a conflict of interest. This can be alleviated by filling out a Conflict of Interest Form and having it signed by the Appropriate Public Authority and then filed with the Town Clerk or equivalent in a district.

Carol Cormier said that the legal opinion letter provided to the CCMHG by Counsel was included in the Board packet along with Disclosure Forms. She said that if a Board member does not get benefits through CCMHG, he/she does not have to do anything. She urged Board members affected by this ruling to complete and file the disclosure forms before the next meeting at which they would be asked to take a vote.

**Fire Fighters Injured on Duty and work related injuries:**

Noreen Mavro-Flanders said that a CCMHG participating employer asked about the firefighters cancer bill and what entity would be the primary payer.

Garbrielle Pitcher, BCBSMA, said that BCBS pays according to the health plan unless documentation is provided determining the condition to be job-related. She said it is not a presumption.

Bill Hickey, Harvard Pilgrim, said that it is the same for HPHC.

**Health Plan reports:**

BCBSMA – Garbrielle Pitcher said that BCBSMA and Southcoast Health have recently signed a 4-year agreement so there will be no interruption in service as usual with Southcoast. She said new ID cards with the CCMHG logo were issued to BCBS plan members for July 1<sup>st</sup> and the new senior plan ID cards will be issued for January 1<sup>st</sup>.

**EyeMed 4-year Rate Proposal:** – continued from earlier in the meeting

Carol Cormier said that the rates billed by GBS for EyeMed will be the same as current rates for the next four years. She noted that these amounts were slightly different from the rates on the hand-out.\*

John Kelley moved to approved the four-year EyeMed rate proposal

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Judy Sprague seconded the motion. The motion passed by unanimous vote.

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| *It was subsequently realized that the billed rates include the GBS central benefits administration fee. |
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**Other Business:**

Next meetings –

Noreen Mavro-Flanders set the next Board meeting for January 29, 2020 at 10 AM. She said the Board will set the FY21 active employee plan rates and dental plan rates at that meeting.

Judy Sprague said she would check on the availability of COMM Fire District for the January Board meeting.

Ms. Mavro-Flanders said the next two Steering Committee meetings are scheduled for November 19 and December 17, both at 9 AM at Cape Light Compact in South Yarmouth. She said there will also be a Steering Committee meeting on January 22, 2020, location to be determined.

*CCMHG Board meeting, 10/23/19*

There was no other business.

The Chair, Noreen Mavro-Flanders, adjourned the meeting at 12:25 PM.

*Prepared by Carol Cormier  
Gallagher Benefit Services, Inc.*