

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

**Steering Committee Meeting**  
Wednesday, January 13, 2021, 9:00 AM

**Virtual Meeting by Remote Participation**

**MEETING MINUTES**

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on January 13, 2021 at 9:00 AM. Attendance was by online remote participation. The following people attended the meeting:

**Steering Committee members present:**

A. Francis (“Skip”) Finnell, Steering Committee Chair	Dennis-Yarmouth RSD
Noreen Mavro-Flanders, Board Chair	County of Dukes County
Erin Orcutt	Cape Cod Regional Technical High School
Debra Blanchette	Town of Barnstable
Denise Coleman	Town of Falmouth
Susan Wallen	Nauset Regional School District
Bob Whritenour	Dukes County/Town of Oak Bluffs
Beth Deck	Cape Cod Collaborative

**Guests Present:**

Richard Bienvenue, CPA	CCMHG Treasurer
Bill Fraher	CCMHG Auditor
Tim Carroll	Town of Chilmark
Lisa Vitale	Town of Brewster
Robert Knowles	Blue Cross Blue Shield of MA (BCBSMA)
Garbrielle Pitcher	Blue Cross Blue Shield of MA (BCBSMA)
Julie Scansaroli	Blue Cross Blue Shield of MA (BCBSMA)
Bernard Edwards	Blue Cross Blue Shield of MA (BCBSMA)
Joan Yuen	Blue Cross Blue Shield of MA (BCBSMA)
Gail Kennedy	Blue Cross Blue Shield of MA (BCBSMA)
Bill Hickey	Harvard Pilgrim Health Care (HPHC)
Fred Winer	Tufts Health Plan- Senior Products
Nina Conroy	Delta Dental Plan of Mass.
Bob Kademian	PBIRx
Patty Joyce	Abacus Health Solutions
Chris Collins	CanaRx
Jeff Beane	MyTelemedicine/Access A Doctor
Carol Cormier	Gallagher Benefit Services, Inc. (GBS)
Joseph Anderson	Gallagher Benefit Services, Inc. (GBS)
Karen Quinlivan	Gallagher Benefit Services, Inc. (GBS)

Skip Finnell, Steering Committee Chair, called the meeting to order at 9:02 AM. He said that the meeting was being recorded and asked if there were any objections. There were none.

Mr. Finnell asked for a roll call of Steering Committee members who will be voting. The following voting members were present:

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A. Francis (“Skip”) Finnell, Steering Committee Chair	Dennis-Yarmouth RSD
Noreen Mavro-Flanders, Board Chair	County of Dukes County
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Erin Orcutt	Cape Cod Reg. Tech High School
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Garbrielle Pitcher of Blue Cross Blue Shield of MA announced her retirement after 29 years of service with Blue Cross. Her last day is Friday January 15, 2021. Her replacement will be Bernard Edwards.

Robert Knowles, Director of the Municipal unit at Blue Cross introduced himself and thanked Ms. Pitcher for her dedicated service. As Mr. Edwards is settling into his role, Mr. Knowles asked that he be copied on any correspondence for the time being.

Many members of the CCMHG took the opportunity to thank Garb for her six years of dedicated and comprehensive service to the CCMHG and wished her the very best in her retirement.

**Approval of Minutes of the November 18, 2020 Steering Committee Meeting:**

Erin Orcutt moved to approve the minutes as written.

Motion

Noreen Mavro-Flanders seconded the motion.

There was a roll call vote.

Skip Finnell	Yes
Noreen Mavro-Flanders	Yes
Debra Blanchette	Yes
Erin Orcutt	Yes
Denise Coleman	Abstain
Susan Wallen	Yes
Robert Whritenour	Yes
Beth Deck	Abstain

The motion passed by majority vote.

**Auditors Report of FY20 Financial Statements:**

Bill Fraher, CPA reviewed the Trend Summary of Key Financial information for CCMHG for 2016 through 2020. Mr. Fraher said it was a strange year in terms of the impact of Covid-19 as well as the Town of Sandwich leaving the group. Overall, it was a good year. Cash and Investments has trended up over the 5-year period with a 3.3% increase in 2020. Claims Liabilities decreased 30.2%. Net Assets increased 38.8% in 2020 and were at \$56 million. He said Participant Contributions are affected by rate increases; however, there was a drop of 9.4% because the Town of Sandwich left. The same was said for Health Claims, Claims Administration and Fixed Premiums Expense with a 10.2% decrease. Other Operating Expenses were related to reinsurance. There was a 7.3% increase. Changes in Net Assets showed a \$15.8M increase.

Mr. Fraher mentioned issues with the MMRA reporting, specifically reconciling MMRA reports with Gallagher reporting.

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Rich Bienvenue said he spent much time speaking with Mike Madden at Artex trying to resolve discrepancies with the MMRA reporting. He said he believes the issues have been worked out now and said that there will be quarterly reconciliations.

Denise Coleman asked for an explanation of how the Net Assets amount was determined.

Bill Fraher said that there were more items on the Balance Sheet that went into how the number is calculated. He said the Prepaid Expenses and Claims Liabilities impacted the number and the full financial report shows it.

Mr. Fraher talked about the Management Letter. He said in reviewing procedures that have been implemented by Noreen Mavro-Flanders, he felt comfortable in removing the comment on the deficiency. He said she is doing monthly reconciliations. There was discussion of possibly putting reconciliation out on Drop Box to prove compliance. Reconciliation procedures was the only significant prior deficiency, therefore, there is no Management Letter needed for FY20.

Rich Bienvenue said he had prior meetings with Noreen Mavro-Flanders, Skip Finnell, Erin Orcutt and Beth Deck to discuss risk assessment. A document was developed for the record to address the issue and put procedures in place. He feels it is an effective tool going forward.

Noreen Mavro-Flanders said it should become a policy of the Board that the Chairman of the Board or their designee go over the spreadsheet and follow drafted reconciliation procedures. If any questions were to come up regarding the prior deficiency, the policy and procedures in place should prevent the deficiency from occurring again.

Bob Whritenour thanked Ms. Mavro-Flanders for her extensive efforts for many years done without pay and said he agreed with her comments.

It was agreed that there should be a formal policy on this matter.

Bill Fraher voiced a reminder that the policy needs to be consistent, timely and documented in a way that can be verified by someone like him performing an audit function.

Skip Finnell said that adoption of a formal policy regarding review of the monthly financials should be put on the Agenda for the next Steering Committee meeting.

Bob Whritenour moved to accept the auditor's FY2020 report.

Motion
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Deb Blanchette seconded the motion. There was a roll call vote.

Skip Finnell	Yes
Noreen Mavro-Flanders	Yes
Debra Blanchette	Yes
Erin Orcutt	Yes
Denise Coleman	Yes
Susan Wallen	Yes
Robert Whritenour	Yes
Beth Deck	Yes

The motion passed by unanimous vote.

**Treasurer's report:**

Treasurer Richard Bienvenue, CPA reviewed the financial reports of November 30, 2020 (unaudited figures). He said that the news is good. He said that the trust fund balance (health and dental) was at \$50.2 million at the end of June after audit adjustments. Five-month earnings through November were \$9.4M with an ending fund balance of \$59.7M. He said that he met with members of the Investment Committee to talk about fund balance policy and the addition of language regarding rate stabilization. That may come into play for rate setting. There was prior discussion of moving money from Cape Cod Five into the investment pool. He asked if Gallagher could add it to the monthly warrant going forward or if it needed to be voted on.

Deb Blanchette said that the Investment Committee had planned on \$3.4M per quarter. Rockland Trust was going to invest it as prudently as they could. If the Steering Committee confirms that it wants to go forward with that plan, it would be a matter of sending the \$3.4M to Rockland as soon as possible and then review going forward. The plan was to send approximately \$10M over a 9-month period.

Skip Finnell said that the Steering Committee had approved this already.

Debra Blanchette said that the plan was to go forward with this after the election.

Skip Finnell asked the Steering Committee to voice any objections to this going forward. There were none.

Noreen Mavro-Flanders motioned to accept the Treasurer's report.

Debra Blanchette seconded the motion. There was a roll call vote.

Skip Finnell	Yes
Noreen Mavro-Flanders	Yes
Debra Blanchette	Yes
Erin Orcutt	Yes
Denise Coleman	Yes
Susan Wallen	Yes
Robert Whritenour	Yes
Beth Deck	Yes

Motion
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The motion passed by unanimous vote.

**Investment Subcommittee update:**

Debra Blanchette said that her planned comments pertained to the investment at Rockland Trust that had already been discussed under the Treasurer's report.

**GBS Reports:**

Carol Cormier reviewed the Funding Rate Analysis (FRA) with data through November 2020. She said that for the health plans, the 5-month Expense-to-Funding ratio was 88.5% and that funding from the rates was \$7,021,972 above the major expenses on a paid claims basis. She said that there was about \$2.25 million in reinsurance reimbursements from claims of prior years represented in the report.

Ms. Cormier said that the Dental FRA showed an expense-to-funding ratio through October of 75.3% generating a dental funding surplus of \$624,559.

Karen Quinlivan reviewed the reinsurance reports based on claims paid through November. For the FY20 policy period she said that there were 30 claimants with claims exceeding the \$300K specific deductible.

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Total claims for these members were \$13,875,936. Excess claims were \$4,668,273, of which \$4,353,740 has been reimbursed with \$314,533 still due to CCMHG. For the same period, there were 57 claimants who had claims between 50% and 100% of the \$300K specific deductible (50% Report). These claims totaled \$11,217,914.

Ms. Quinlivan said for the FY21 policy period there were 4 claimants exceeding the specific deductible through November with total claims of \$1,375,509 and with no reimbursements to date. There were 13 claimants on the 50% Report with total claims of \$2,689,369.

Skip Finnell asked why there is such a large amount outstanding from prior year receivables.

Ms. Quinlivan indicated that there were significant adjustments for duplicate claims and non-allowable claims expenses; however, she would research the two highest outstanding items of \$266,165 and \$56,441.

It was determined after research that reimbursement for the outstanding balance items was requested by Gallagher in November and should be received soon

### **Wellness program reports:**

*Vineyard Wellness* – Triva Emery, Vineyard Wellness Consultant, had a conflict with the Mindful Movement series that is ongoing and was unable to attend this meeting. Her report was included in the packet for review.

*Mainland Wellness* – Deanna Desroches, Mainland Wellness Consultant, was unable to attend due to illness. Her report was included in the packet as well for review.

### **MMRA report:**

Carol Cormier said that the MMRA would have a Board meeting on February 18, 2021 at 11:00 A.M. The meeting will be posted on the website for those who wish to attend. Issues that will be discussed at the upcoming meeting include the specific deductible and whether it should be raised. West Suburban Health Group (WSHG) and CCMHG are similar in size, but the Minuteman Nashoba Health Group (MNHG) is much smaller. Perhaps it is time to discuss deviating from treating all groups the same. It has also been discussed that it is perhaps time to put reinsurance for the MMRA out to bid just to check to make sure MMRA remains a good arrangement. The OptiMed program has not received the response that was anticipated and will be another topic for conversation. The Board Chair of the MMRA, Marc Waldman has retired. He is staying on as a WSHG Steering Committee and Board member for a period of time and will stay on with the MMRA but may be replaced as the Board Chair.

Skip Finnell asked if items for consideration could be summarized prior to the MMRA meeting.

Noreen Mavro-Flanders asked if an increase in the specific deductible would lower reinsurance rates.

Carol Cormier said it would lower the increase in rates, but would increase the claims expenditures of the joint purchase groups. .

Noreen Mavro-Flanders asked if an RFP would be put off until after the MMRA meeting in February.

Carol Cormier confirmed that an RFP would not be done until after the February meetings.

### **Prescription Drug Reports:**

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Garbrielle Pitcher introduced Joan Yuen from the Blue Cross to talk briefly about the Pillar Rx pharmacy cost-share assistance program. In partnership with Pillar Rx Consulting, the program uses coupons from manufacturers of specialty medications to cover most of the member's out-of-pocket costs for eligible medications. The coupons are applied when a member fills a prescription reducing costs to a range of \$0-\$35. Employers will realize claims expense savings in real time with 25% being billed to cover administrative costs and the remaining 75% being kept by the group. This would be a \$1.2M savings to CCMHG based on current utilization. This would be a program that CCMHG could adopt for 07/01/2021 renewal.

Skip Finnell said that he would like to see information in writing to digest rather than a quick meeting brief.

### **PBIRx report:**

Bob Kademian, RPh. reviewed the report of pharmacy drug spend from July 1 through November. He said the pharmacy cost per member per month had gone up 4.9% from the same period of the prior year, while drug trend has gone up over 90%. He said Harvard Pilgrim costs are down 5% over last year and Blue Cross is up slightly. Traditional drugs are down for everybody but specialty med spend represented the majority of total drug spend. He said a program like Pillar Rx could help to combat that.

### **Health and Dental Plan reports:**

BCBSMA – Garbrielle Pitcher provided a Covid-19 dashboard report as of 11/01/2020 for everyone to review.

Robert Knowles said that he wanted to address the enrollment concerns regarding the transfer to the enrollment platform Blue Enrolls. Prior to that, the group used Blue Links. Migration was precipitated by security concerns of data transfer. There have been enrollment problems since the migration. Blue Cross is currently working to eliminate some of the needless functionality with the platform to make processing easier.

Gail Kennedy, Account Service Manager from Blue Cross said she is a point of contact for enrollment issues. There has been an action plan developed with the top 5 concerns provided to the vendor for enhancements to make the tool more user friendly. Some of the items submitted are concerns that have been voiced by Ruth Lynch, Enrollment and Billing Manager at Gallagher.

Carol Cormier said that Blue Enrolls does not appear to be set up to handle a multi-employer group. A member that moved from one governmental unit within CCMHG to another shows as active in the Blue Cross system but in actuality is termed.

*Harvard Pilgrim* – Bill Hickey reviewed an HPHC report on the Covid-19 pandemic through November. There were 54 confirmed positives, 655 potential, and 460 negative. He said the news is overall good. Average testing cost is \$ 86.39 with 1,100 members tested. Total testing costs were \$146,000. Of the three inpatient members, total costs were \$135,000. Total treatment and testing costs were \$310,000. More recent information will be provided at the next meeting.

Mr. Hickey said that the merger with Tufts Health Plan has been approved. There will be no immediate impact to plans for at least the next several years. Both will operate in parallel.

*Tufts Senior Plans* - Fred Winer said the good news regarding the merger is that Tufts Health Plan will still be there for the group, and he is glad he will still be the CCMHG's senior plan rep.

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*Delta Dental-* Nina Conroy said that 98% of the dentists' offices are open. The president and CEO of Delta Dental sent a letter to Governor Baker stating that dental offices are on the front lines and that dental staff should be considered for vaccination as soon as possible.

*Abacus Health Solutions-* Patty Joyce said that everything is moving along with the program and access is in place for members at this time. She requested to be put on the Board Agenda for the meeting on February 3, 2021 to present a utilization report.

*CanaRx-* Chris Collins said that they stand ready to do virtual meetings for open enrollment.

**Other Business:**

There was no other business.

Erin Orcutt moved to adjourn the meeting.

Motion
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Robert Whritenour seconded the motion. There was a roll call vote as follows:

Skip Finnell	Yes
Noreen Mavro-Flanders	Yes
Debra Blanchette	Yes
Erin Orcutt	Yes
Denise Coleman	Yes
Susan Wallen	Yes
Robert Whritenour	Yes
Beth Deck	Yes

The motion to adjourn was approved by unanimous vote.

The next virtual Steering Committee meeting will be held on January 27, 2021 at 9 AM.

Chair Skip Finnell adjourned the meeting at 10:49 AM.

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