

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

Steering Committee Meeting
Tuesday, March 1, 2022, 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 March 1, 2022 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, Board Vice-Chair	Cape Cod Reg. Tech. High School
Debra Blanchette	Town of Barnstable
Denise Coleman	Town of Falmouth
Susan Wallen	Nauset RSD
Robert Whritenour	Town of Yarmouth
Beth Deck (alternate)	Cape Cod Collaborative

Guests Present:

Richard Bienvenue, CPA	CCMHG Treasurer
Ellen Bearse	Monomoy RSD
Robert Knowles	Blue Cross Blue Shield of MA (BCBSMA)
Chris Myhre	Blue Cross Blue Shield of MA (BCBSMA)
Joan Yuen	Blue Cross Blue Shield of MA (BCBSMA)
Bill Hickey	Harvard Pilgrim Health Care (HPHC)
Nina Conroy	Delta Dental
Bob Kademian, RPh	PBIRx
David Sirowich	PBIRx
Chris Collins	CanaRx
Jim Riley	CanaRx
Lorenzo Amaya	MyTelemedicine
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:

A. Francis (“Skip”) Finnell, Steering Committee Chair	Dennis-Yarmouth RSD
Noreen Mavro-Flanders, Board Chair	County of Dukes County
Erin Orcutt, Board Vice Chair	Cape Cod Reg. Tech High School
Debra Blanchette	Town of Barnstable
Denise Coleman	Town of Falmouth

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Susan Wallen
Robert Whritenour
Beth Deck (*alternate*)

Nauset RSD
Town of Yarmouth
Cape Cod Collaborative

Approval of Minutes of the February 2, 2022 Steering Committee Meeting:

Noreen Mavro-Flanders motioned to approve the minutes as presented

Motion

Debra Blanchette seconded the motion.

There was a roll call vote.

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

The motion passed by unanimous vote.

Treasurer's report:

Treasurer Richard Bienvenue, CPA reviewed the financial reports of December 31, 2021 (unaudited figures). Mr. Bienvenue provided a brief overview of the one-month Premium Holiday's impact. He said it created a lot of confusion with members paying. He is going to work with Gallagher to do more cleanup than usual for this time of year. Despite a premium holiday, some units still had amounts due because of adjustments in prior months. Mr. Bienvenue said that the Investment portfolio has seen some volatility in the last month or two.

PBIRx Market Analysis:

Bob Kademian, RPh from PBIRx provided reporting through the month of December 2021. He said that the combined estimated per member per month costs for prescription drugs including Rx rebates were \$129.49 last year and \$146.99 this year. The increase was 13.51%. Traditional drug costs were up 6.55% while specialty medication costs were up 18.70%. Blue Cross Rx costs were up 13.02% net of rebates, and Harvard Pilgrim costs were up 16.94% versus last year. Specialty drugs are driving the increase in costs and these are keys similar to what other clients are seeing.

David Sirowich said that PBIRx did a full market analysis RFP to determine the competitiveness of the current carriers Blue Cross Blue Shield of MA and Harvard Pilgrim. The RFP was done for the pharmacy benefit plan and alongside that they looked at some companies who can provide those alternate funding services similar to the alternate funding service CCMHG has on a voluntary basis through OptiMed. This program has not gained much traction because it is on a voluntary basis. The RFP was sent to BCBS of MA, HPHC, CVS Health, Express Scripts, and Maxor Plus. Final and best offers were submitted and then reviewed. Four options were presented for review.

Option 1: Renew with the current vendors
Option 2: Carve Out all to CVS
Option 3: Carve out to Maxor

Option 4: Renew BCBS and Carve out Harvard Pilgrim only to Maxor

There was a brief summary of each option.

1. The current vendors would renew with estimated savings of about \$2.7M. Blue Cross has a coupon program offered through the Pillar Rx and the program savings is about another 1.2M. The total potential savings would be about \$4M. Harvard Pilgrim does not offer a coupon program. It's a matter of evaluating the formularies to be sure they are the most effective to the plan. Costs may increase but there may be rebates that mitigate those costs. Blue Cross will be moving to CVS as its pharmacy benefit manager (PBM) as of 01/01/2023, therefore the first half of the contract year will be Express Scripts and the second half CVS. CVS has been able to negotiate improved pricing through their model.
2. Carve out to CVS would take over all prescription drugs for both Blue Cross and Harvard Pilgrim plans. They would be the new PBM replacing the carriers' PBMs. The savings from this option would be about \$3.7M. In addition, CVS has its own coupon program that could be used for both carriers. That would bring an additional savings of \$2.2M. Total savings would be \$5.9M. They also offered an additional \$300,000 to CCMHG to mitigate integration. Moving to CVS will represent a change for members. One thing to remember is that members don't have to use CVS pharmacies exclusively. Many get confused with that.
3. Maxor Plus is another PBM similar to CVS. On a straight renewal basis the savings of carving out to Maxor would be \$1.4M. The difference with Maxor is that they can implement an alternate funding program similar to what OptiMed is doing. Maxor uses a company called Paid Health. Once a member has been identified as using a medication analyzed for potential savings, they are contacted and asked for certain information such as household size and income, citizenship to determine if they would qualify for alternative funding to receive low cost or free medications through grants. There are significant savings of an additional \$5.5M, but there is a lot more complex involvement. There would need to be communication indicating that the Paid Health vendor would be reaching out and it is not a scam. Maxor has also integrated about 20 discount cards into their program, such as Good Rx. Overall formula disruption would be more favorable than the CVS carve out option.
4. The last option was to renew with Blue Cross and Carve out Harvard Pilgrim only to Maxor. The renewal would bring a \$3M savings to the group. The Pillar program with Blue Cross and the Paid program with Maxor would bring an additional \$2.3M.in savings.

There was discussion on the various options.

Consensus was that members would not at all be in favor of Option 3 because of the invasive nature of the required questioning. CVS Carve-out would require member communication, new ID cards for all members, and education on tier level changes that may exclude some drugs or make them more expensive. Overcoming the confusion that members may think they need to use CVS pharmacies exclusively may be a challenge.

Erin Orcutt made a motion to recommend to the Board to go with Option 1.

Motion

Robert Whritenour seconded the motion. There was a roll call vote

Skip Finnell	Yes
Noreen Mavro-Flanders	Yes
Erin Orcutt	Yes

Debra Blanchette	Yes
Denise Coleman	Yes
Susan Wallen	Yes
Bob Whritenour	Yes
Beth Deck	Yes

The motion passed by unanimous vote.

Results of the Pinnacle Care RFP:

Carol Cormier said that there were three companies that requested information on the RFP, but there was only one response and it was from PinnacleCare Inc. (PCI). PCI proposed exactly what they had previously proposed in terms of services and price, so there is no need to go through another review process. The Steering Committee was sent out the proposed contract. Skip Finnell had brought up the issue of calculating the ROI. In the material sent there is an addendum on page 52 explaining how the ROI will be calculated. If the group is to move forward, the contract will need to be signed and the Benefit Administrators will need to be refreshed on the program. There previously was a tremendous amount of enthusiasm for the program. The other decision that needs to be made is what population(s) the program should be offered to.

Skip Finnell asked what Ms. Cormier what her recommendation would be.

Ms. Cormier said that with a large member population her preference would be to first offer PCI to active employees to see how the communication goes on that. After that, the Medex and Medicare Enhanced population could be added. Since those plans are self-funded for medical, medical will be a large part of the savings. The group could then decide if they want to offer it to the fully insured senior plans. The PCI fee is \$2.60 per subscriber whether it is Individual or a Family. The thought after talking to Mike Hurley from PCI would be to launch for May 1st so as not to coincide with open enrollment. Senior plan education is a little more in depth and complicated. There are 6,320 active subscribers, 4,601 on self-funded senior plans, and 129 on fully insured senior plans.

Noreen Mavro-Flanders said the contract should probably be reviewed by Atty. Leo Peloquin's office. It says it is governed by the laws of the state of Maryland and it should say Massachusetts.

Ms. Cormier said she would put it on the fast track with their office for review.

Noreen Mavro-Flanders motioned to accept the PCI proposal subject to legal review of the proposed contract.

Motion

Susan Wallen seconded the motion. There was a roll call vote.

Skip Finnell	Yes
Noreen Mavro-Flanders	Yes
Erin Orcutt	No response
Debra Blanchette	Yes
Denise Coleman	Yes
Susan Wallen	Yes
Bob Whritenour	No response
Beth Deck	Abstain

The motion passed by majority vote.

Health Plan and other vendor reports:

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MyTelemedicine- Lorenzo Amaya said that the company is rebranding MyTelemedicine to “Lyric Health”. The services are still the same, and the name is not going away. MyTelemedicine is going to be the entity that supports the Lyric brand. The transition will be over time. The Login page for MyTelemedicine will automatically redirect to Lyric Health.

Delta Dental- Nina Conroy said that Delta Dental will be offering Teledentistry to all Delta members beginning February 1st. All Delta members and groups have an available website called *teledentistry.com* where they will be able to access a dentist after hours for urgent emergency care situations or if traveling. The service is available 24/7 and the member can consult with a dentist using any electronic device that has internet. This is an existing benefit so the claim will go directly to Delta Dental and be 100% paid. It is called a limited oral exam evaluation program.

Blue Cross- Christopher Myhre, Account Executive said that Blue Cross is prepared to attend in-person health fairs as needed.

Harvard Pilgrim – Bill Hickey had nothing new to report

CanaRx – Chris Collins said that January savings were about \$44,000 which is 10% over the average of last year so the group is moving in the right direction.

Other Business:

The next Steering Committee meeting was scheduled for Tuesday March 22, 2022 at 9:00 AM and the next Board meeting was scheduled for Tuesday, April 5, 2022 at 10:00 AM.

There was no other business.

Deb Blanchette motioned to adjourn the meeting.

Motion

Noreen Mavro-Flanders seconded the motion.

Chair, Skip Finnell, adjourned the meeting at 11:01AM by unanimous consent.

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