

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

**Steering Committee Meeting**  
Tuesday, May 3, 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 May 3, 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 |
| Debra Blanchette                                      | Town of Barnstable     |
| Erin Orcutt   | Cape Cod Regional Tech |
| Deborah Heemsoth                                      | Town of Dennis         |
| Denise Coleman  | Town of Falmouth       |
| Susan Wallen  | Nauset RSD             |
| Robert Whritenour                                     | Town of Yarmouth       |
| Beth Deck (alternate)                                 | Cape Cod Collaborative |

**Guests Present:**

|                   |  |
|-------------------|--|
| Laura Scroggins   | Town of Barnstable                     |
| Chris Myhre       | Blue Cross Blue Shield of MA (BCBSMA)  |
| Julie Scansaroli  | Blue Cross Blue Shield of MA (BCBSMA)  |
| Deanna Desroches  | CCMHG Wellness Consultant (Mainland)   |
| Bob Kademian, RPh | PBIRx                                  |
| Chris Collins     | CanaRx                                 |
| Jim Riley         | CanaRx                                 |
| Wayne Orchard     | 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 9:05 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 |
| Deborah Heemsoth                                      | Town of Dennis         |
| Denise Coleman  | Town of Falmouth       |
| Susan Wallen  | Nauset RSD             |
| Robert Whritenour                                     | Town of Yarmouth       |
| Beth Deck ( <i>alternate</i> )                        | Cape Cod Collaborative |

Erin Orcutt, joined the meeting at this time.

**Approval of Minutes of the March 22, April 5, and April 14 2022 Steering Committee Meetings and the notes from April 12, 2022:**

Motion

Noreen Mavro-Flanders motioned to approve the minutes with correction for the time of adjournment on March 12 to 9:52 not 10:52 AM.

She also noted she was not at the April 12<sup>th</sup> meeting.

Susan Wallen seconded the motion.

There was a roll call vote.

|                       |         |
|-----------------------|---------|
| Skip Finnell          | Yes     |
| Noreen Mavro-Flanders | Abstain |
| Erin Orcutt           | Yes     |
| Deborah Heemsoth      | Yes     |
| Denise Coleman        | Abstain |
| Susan Wallen          | Yes     |
| Bob Whritenour        | Abstain |
| Beth Deck             | Yes     |

The motion passed by Majority vote.

**Treasurer's report:**

Treasurer Richard Bienvenue, CPA was unable to attend the meeting.

**Investment Committee Report:**

Erin Orcutt said that the Investment Committee has met and has recommended to stay the course with quarterly investing and reevaluate in a few months.

**GBS Reports:**

Carol Cormier reviewed the FY22 Funding Rate Analysis (FRA) with data through March 2022. She reminded the Committee that since December was a Premium Holiday month there was no rate revenue shown on the FRA for active employee plans and dental plans. For the health plans, the 9-month Expense-to-Funding ratio was 111.5%, and funding from the rates was \$11,590,236 below the funding for major expenses on a paid claims basis. The Dental FRA showed an expense-to-funding ratio through January of 90.2%, generating a dental funding surplus for the four months of \$407,196.

Ms. Cormier also announced that she would be retiring at the end of June after 31 years of service to the group. All wished her the very best in her retirement and expressed what a loss it will be to the group. Joe Anderson will be assuming her responsibilities.

Karen Quinlivan reviewed the FY21 reinsurance reports based on claims paid through March 2022. She said that there were 25 claimants with claims exceeding the \$300K specific deductible. Total claims for these members were \$11,809,381. Excess claims were \$4,309,381 of which \$4,374,469 has been reimbursed with \$65,088 in a credit overpayment to CCMHG. For the same period, there were 61 claimants who had claims between 50% and 100% of the \$300K specific deductible (50% Report). These claims totaled \$11,942,092.

Ms. Quinlivan said that the specific deductible for FY22 is \$400,000. She said for the FY22 policy period through March there were 9 claimants with claims exceeding the deductible. Total claims were \$4,275,304. Excess claims were \$675,304. There have been no reimbursements to date. For the same period, there were 33 claimants who had claims between 50% and 100% of the \$400K specific deductible (50% Report). These claims totaled \$8,731,498.

**Wellness Reports:**

Martha's Vineyard (MV) Wellness Report – Triva Emery, Vineyard wellness consultant, was unable to attend the meeting but she did provide her report for the meeting packet

Mainland Wellness Report – Deanna Desroches, Mainland wellness consultant, said that the Harwich running group ran the Brewster in Bloom 5K on April 30<sup>th</sup>. There are 15 new runners. The program ends on May 4<sup>th</sup>. The April newsletter has been published. Saturday Morning Walks in Yarmouth has 28+ participants. There are currently 749 members on the wellness portal. There were 150 members that completed health assessments. The Spring Steps Challenge has about 50 members participating and about 75% of them are on target to complete the 294,000 steps. There is a strength and weight training program that is going on through the end of the month. The financial wellness series had fewer attendees primarily due to April vacation. The quarterly series was on fraud and scam prevention. The June seminar will focus on long term investment strategies. The May Challenge is a happiness challenge with 60 members participating. There are 15 members signed up to Learn to Play Tennis. Learn to play Pickleball filled up quickly with 24 members. Benefit Fairs were held at Provincetown and Nauset. Falmouth is next and there are bio screenings in Mashpee. Yarmouth was yesterday and it was very well attended. There will be cooking classes beginning once the Kitchen Appliance Mart has their demonstration kitchen open so that is something to look forward to.

**Pinnacle Care- contract and implementation plans:**

Carol Cormier said that yesterday was the kick off of the Pinnacle Care program. Michael Hurley has been attending health fairs. There was a meeting with the Pinnacle Care implementation team at which enrollment data feeds were discussed.

Karen Quinlivan said that the data analyst from Pinnacle provided contact info for Blue Cross and Harvard Pilgrim to get any necessary file layout structure requirements. A non-disclosure agreement was signed for Harvard Pilgrim. The goal is for direct monthly eligibility data feeds from the carriers. In the meantime, a file was provided from the GBS enrollment system

Ms. Cormier said that the West Suburban Health Group will probably be putting out an RFP soon as well.

Skip Finnell said that the July Board meeting should have the issue of the retirees on it for Pinnacle Care starting October 1<sup>st</sup>.

**Affordable Care Act "Affordability" Provision:**

Carol Cormier said that this is a topic which has been brought up by Beth Deck as an issue regarding penalties being assessed to member units that do not have affordable plans as defined by the ACA. If an employer contributes 50 or 60% there will be quite a few lower paid people that are in a situation where the health plans are not considered to be affordable. This is all based on premium. Each year the percentage an individual can afford has changed. This year it is 9.61% of salary of a full time employee working 30 hours per week. CCMHG is in a high cost area for health. The lowest cost option is the Harvard Pilgrim high deductible HSA at \$706.00 per month. The ruling does not take into account deductibles, only premium.

Ms. Cormier asked Blue Cross and Harvard Pilgrim to provide a plan that would meet minimum essential coverage requirements and provide a premium that would comply with affordability requirements to avoid penalties for the majority of employees. Blue Cross provided a plan that has higher copays and higher out of pocket maximums. The individual deductible would be \$3300 and the family \$6450. Even if no member took the plan, the penalties would be avoided if offered.

Denise Coleman asked what the penalties were.

Laura Scroggins from Barnstable said that they were currently being assessed \$290.00 per month per employee. They has 33 individuals that did not meet criteria so they were fined \$7,000 per month.

Beth Deck said that the Cape Cod Collaborative paid penalties for 2019 in excess of \$33,000 and they were based on the ERP penalty for 2019. The penalty for 2022 has gone up. In order for a plan to be affordable an employee would have to earn \$39,671 per year or \$25.43 per hour at a 45% split. At a 50% split, they would have to earn \$44,000.

Joe Anderson said that there was a backlog during COVID at the IRS and these are bring cleared up. Right now they are only up to 2019 so there could potentially be more penalties incurred

There was discussion on whether offering an affordable plan would need to be bargained with the unions. It was decided to get a legal opinion to double check. It is important to offer it even if no one elects it.

#### **Pillar Rx through BCBS:**

As previously discussed, as part of the RFP done by PBIRx, BCBS proposed the Pillar Rx program which would save an additional \$1.2M in specialty drug costs. Every BCBS member who takes an identified specialty medication would need to sign up for the coupon savings programs offered through the drug manufacturer. They would get their same medication distributed in the same manner with a copay of between \$0-35. The questions again was whether this would need to be bargained. There is technically no increase, only a decrease in cost to the employee. This would only impact a very small segment of the entire member population. A legal opinion will be obtained for this as well.

#### **Health, Dental and Vendor reports:**

PBIRx report: Bob Kademian, RPh from PBIRx provided reporting through the month of February. He said that the combined estimated per member per month prescription drug costs including Rx rebates were \$126.13 last year and \$145.78 this year. The increase was 15.58%. Traditional drug costs were up 9.00% while specialty med costs were up 20.01%. Blue Cross Rx costs were up 14.84% net of rebates, and Harvard Pilgrim costs were up 19.69% versus last year. Increased utilization of specialty drugs is what is driving costs. The PillarRx program can take a big chunk out it that with the potential for \$1.2M in savings. Through pharmacies there have been 6,811 COVID vaccines administered through October

BCBS: Chris Myhre said that they are working through the Pillar Rx questions as well as the technical issues of getting the right data to Pinnacle Care. They are setting up a meeting to get the standard extracts to work for them.

CanaRx: Chris Collins said that Carol will be missed. She is one of the most knowledgeable people in the municipal space in the state.

MyTelemedicine: Wayne Orchard said that the Director of Business Development was attending health fairs and distributed about 5000 pieces of marketing material.

**Other Business:**

Susan Wallen asked if the group could consider asking for the dental maximum benefit amount to be raised to perhaps \$1,500. It has been 1,000 for over 20 years.

The next Steering Committee meeting was set for Tuesday June 7, 2022 at 9:00 AM.

There was no other business.

Noreen Mavro-Flanders motioned to adjourn

|        |
|--------|
| Motion |
|--------|

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

|                       |             |
|-----------------------|-------------|
| Skip Finnell          | Yes         |
| Noreen Mavro-Flanders | Yes         |
| Deb Blanchette        | Yes         |
| Erin Orcutt           | Yes         |
| Deborah Heemsoth      | Yes         |
| Denise Coleman        | Yes         |
| Susan Wallen          | Yes         |
| Bob Whritenour        | Yes         |
| Beth Deck             | no response |

The motion passed by majority vote.

Chair, Skip Finnell, adjourned the meeting at 10:41 AM.

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