

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

Steering Committee Meeting
Tuesday, June 7, 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 June 7, 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
Debra Blanchette	Town of Barnstable
Erin Orcutt	Cape Cod Regional Tech
Deborah Heemsoth	Town of Dennis
Susan Wallen	Nauset RSD
Robert Whritenour	Town of Yarmouth

Guests Present:

Chris Myhre	Blue Cross Blue Shield of MA (BCBSMA)
Julie Scansaroli	Blue Cross Blue Shield of MA (BCBSMA)
Bill Hickey	Harvard Pilgrim Health Care
Lauren McCallum	Harvard Pilgrim Health Care
Nina Conroy	Delta Dental of MA
Deanna Desroches	CCMHG Wellness Consultant (Mainland)
Bob Kademian, RPh	PBIRx
Chris Collins	CanaRx
Jim Riley	CanaRx
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 9:03 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
Debra Blanchette	Town of Barnstable
Erin Orcutt	Cape Cod Regional Tech
Deborah Heemsoth	Town of Dennis
Robert Whritenour	Town of Yarmouth

CCMHG Steering Committee Meeting June 7, 2022

Skip Finnell, Steering Committee chair thanked Carol Cormier for her many years of dedication and service to the group. Others agreed that her knowledge and sound advice has kept the group at the highest level of competence for a long time and it will be an adjustment without her. All wished her the best in her retirement and thanked her for her years of dedication.

In regards to reorganization, it was noted that Denise Coleman left the town of Falmouth for a position in the town of Dartmouth. A letter will be sent for another Board representative to be named.

Debra Blanchette announced that she would be retiring at the end of July. Applications will be due back by June 17th. She was asked if she would have an interest in remaining on the Steering Committee as a retiree. Ms. Blanchette said she would be interested. Inquiry will be made with the town Finance Director to see if that would be acceptable.

Skip Finnell said that he has decided to step down from the Steering Committee and Board in October. Now is the time for other members to consider stepping up into that role.

Noreen Mavro-Flanders joined the meeting temporarily at this time.

William Hickey announced that this would be his last formal meeting that he would attend as well. After 17 or 18 years, he has the opportunity to retire. He introduced Lauren McCallum as his replacement going forward. Ms. McCallum said that she has been with Harvard Pilgrim for 18 years and eight has been spent considerable in the municipal space. She is looking forward to working with the group.

Approval of Minutes of the May 3, 2022 Steering Committee Meeting:

Motion

Erin Orcutt motioned to approve the minutes of May 3, 2022 as presented.

Bob Whritenour seconded the motion.

There was a roll call vote.

Skip Finnell	Yes
Debra Blanchette	Yes
Erin Orcutt	Yes
Deborah Heemsoth	Yes
Bob Whritenour	Yes

The motion passed by unanimous vote.

Treasurer's report:

Treasurer Richard Bienvenue, CPA was unable to attend the meeting as he was on vacation. He did provide a report for the meeting packet for review.

Investment Committee Report:

Debra Blanchette said that the Investment Committee has met via zoom with Brian Callow and Barbara Howard. The main topic was whether to continue with the quarterly plan of moving \$3.4M to invest. It was

decided to hold off for now and wait and see how the market performs. Claims are coming back up so the group is in a holding pattern with Rockland Trust.

Kathy Logue asked whether the group was under any obligation to look at investment management periodically.

Debra Blanchette said that there is no requirement to go out for RFP's.

Erin Orcutt said that the group needs fresh blood on the committee before anything can be considered on that front.

GBS Reports:

Carol Cormier reviewed the FY22 Funding Rate Analysis (FRA) with data through April 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 10-month Expense-to-Funding ratio was 111.3%, and funding from the rates was \$12,851,104 below the funding for major expenses on a paid claims basis. The Dental FRA showed an expense-to-funding ratio through January of 91.5%, generating a dental funding surplus for the four months of \$398,909.

Skip Finnell asked why Delta Dental is continuing to make money when the other funds were showing expected losses.

Nina Conroy of Delta Dental said she could run some utilization reports to see how it compares from one year to the next.

Karen Quinlivan reviewed the FY21 reinsurance reports based on claims paid through April 2022. She said that there were 25 claimants with claims exceeding the \$300K specific deductible. Total claims for these members were \$11,807,080. Excess claims were \$4,307,080 of which \$4,374,469 has been reimbursed with \$67,389 in a credit overpayment to CCMHG. For the same period, there were 62 claimants who had claims between 50% and 100% of the \$300K specific deductible (50% Report). These claims totaled \$12,159,096.

Susan Wallen joined the meeting at this time

Ms. Quinlivan said that the specific deductible for FY22 is \$400,000. She said for the FY22 policy period through April there were 13 claimants with claims exceeding the deductible. Total claims were \$6,490,998. Excess claims were \$ 1,290,998. There have been no reimbursements to date. For the same period, there were 35 claimants who had claims between 50% and 100% of the \$400K specific deductible (50% Report). These claims totaled \$9,342,851.

The GBS Roster and Invoice Agreement for FY23 was presented with no annual increase from the prior year. This is an agreement to provide the distribution of monthly invoices and rosters through a secure web portal. The annual contract runs from 07/01/2022 through 06/30/2023 and the contract fee is \$162/unit per year or \$8,586 annually.

Debra Blanchette motioned to accept the Roster and Invoice contract as presented.

Bob Whritenout seconded the motion. There was a roll call vote.

Motion

Skip Finnell

Yes

Debra Blanchette	Yes
Erin Orcutt	Yes
Deborah Heemsoth	Yes
Susan Wallen	Yes
Bob Whritenour	Yes

The motion passed by unanimous vote.

Wellness Reports:

Martha's Vineyard (MV) Wellness Report – Triva Emery, Vineyard wellness consultant presented her report. Spring programming has really taken off. The hikes are really popular with the seniors. The last hike had 17 participants which was amazing. Usual attendance is 12-15 so the word is spreading. Virtual fitness classes are going great. Pickleball starts in July and tennis started last week on Wednesday. The Mindfulness series wrapped up so the group is turning to outdoor programming. All of the programs were full within three days after the last newsletter came out. There are waitlists for a lot of things and the level of participation is encouraging.

Kathy Logue said that the wellness budget for FY23 has been increased by 10% from the current year's budget which was at \$65,705. This one comes in at \$72,275. That increase includes a \$5 hourly increase for Triva. Things have been switched around a little bit based on what has worked and didn't work this year. The goal is to grow the program and Triva is doing a fantastic job. People are being reached that have never been reached before.

Bob Whritenour motioned to approve the Vineyard FY23 wellness budget of \$54,300 as presented.

Motion

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

Skip Finnell	Yes
Debra Blanchette	Yes
Erin Orcutt	Yes
Deborah Heemsoth	Yes
Susan Wallen	Yes
Bob Whritenour	Yes

The motion passed by unanimous vote.

Mainland Wellness Report – Deanna Desroches, Mainland wellness consultant, said that the 5K wrapped up and they are working on the next edition of the newsletter. The Saturday walking program finished up. There were 24 members that regularly attended and they would like to go into the summer. The Spring Steps challenge had 78% of the members complete the 294,000 step challenge. A Summer Step challenge will start in July. The wellness portal is up to 758 members. There have been approximately 150 health assessments. The last health habit upload is being finished which is all the points that members get on the Cape that are not based on the portal. FY22 will be wrapped working with Blue Cross for the FY23 rollout. It looks like there will be 70 members that will receive \$35 gift cards because they attained 100 points on the portal. Strength training wrapped up and members would like to continue over the summer. Financial wellness is continuing through June. It was made into a six month program instead of a 12 month which will be a lot better. Stand up paddle board starts now. The Happiness challenge ended but there may be a long term program due to

member demand for more mental health programs. The next challenge is a summer selfie challenge. Things in the works are yoga at Cape Light Compact and Chi Gong in the park. July is Barnstable and August is scheduled for Dennis.

Maggie Downey, Wellness committee chair said that the committee met and now that Denise Coleman is leaving there will be a vacancy on the Wellness Committee. The budget was presented, reviewed, discussed and supported by the Wellness Committee here on the Cape. It is supported by the committee and she asked Deanna to walk the Steering Committee through it.

Deanna Derechos said that the budget includes a \$5 hourly increase as well. Fees are broken down by fees attributed to her business, actual program expenses, facilitators, tennis instructors, ranking instructors and direct payment to members. Administration has stayed the same but there has been such an uptick in athletic programs, they increased.

Bob Whritenour motioned to approve the Mainland FY23 wellness budget of \$248,830 as presented.

Motion

Erin Orcutt seconded the motion. There was a roll call vote.

Skip Finnell	Yes
Debra Blanchette	Yes
Erin Orcutt	Yes
Deborah Heemsoth	Yes
Susan Wallen	Yes
Bob Whritenour	Yes

The motion passed by unanimous vote.

Pinnacle Care Update:

Michael Hurley gave a quick update on the utilization of the Pinnacle Care Program so far. Typically they provide utilization reports on a quarterly basis. Right now, he gets a notification every time that someone watches a video. There have been about 85 views to date so people are interested about it. To date, there have been 5 total full engagements in the first month. Once a cobranded postcard goes out, hopefully there will be a lot more. A sample will be ready soon. Webinars can also be set up for employees that can be viewed in the evening.

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. Plans were developed by Blue Cross and Harvard Pilgrim that had lower benefits than anything else that the group has been offering. Those plans would reduce penalties that member units have been paying. The question was if the plan was added, do employers need to bargain it. The answer to that was yes. The discussion with legal counsel evolved to where it would not be mandatory for employers to offer this plan and member units could choose to offer the so called affordable plan on their own. If they do so, they would be expected to bargain it with their employees and we would suggest that they get in touch with their labor counsel about that.

Skip Finnell said that CCMHG’s job is to offer it. The employer’s job is to decide whether they need to go through bargaining or if their relationship with their bargaining groups is such that they can go forward.

There was discussion on making a recommendation to the Board.

Erin Orcutt motioned to recommend CCMHG offering an HSA qualified saver plan for member units beginning 09/01/2022.

Motion

option

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

Skip Finnell	Yes
Debra Blanchette	Yes
Erin Orcutt	Yes
Deborah Heemsoth	no response
Susan Wallen	Yes
Bob Whritenour	Yes

The motion passed by majority vote.

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 from the same specialty pharmacy that they are now using but with a copay of between \$0-35 which is a reduction from the current copays. The question again is whether this would need to be bargained. There is no increase, only a decrease in cost to the employee. This would only impact a very small segment of the entire member population, i.e. about 173 people out of thousands. Legal opinion was that this program did not have to be bargained whereas there is no downside to the employee. They can continue to get their same specialty meds through the same source. If they choose not to enroll and they receive a higher copay, they can retroactively enroll and receive reimbursement. There would be education involved on the part of Blue Cross. This program would be across the board for Blue Cross members and not a unit by unit adoption.

Bob Kademian of PBIRx said that there is about a 60 day lead time so when the group says it wants to move forward in July, it will be mid-September that it would actually be in place. Because it didn't start at the beginning of the plan year, some people will have already reached their out of pocket max but he thinks that copays will not be an issue.

Carol Cormier said that at the next CCMHG Board meeting the program should be clarified to all member units but indicate that it was already voted on by the Board previously.

PBIRx report:

Bob Kademian, RPh from PBIRx provided reporting through the month of March. He said that the combined estimated per member per month prescription drug costs including Rx rebates were \$129.72 last year and \$151.05 this year. The increase was 16.44%. Traditional drug costs were up 7.08% while specialty med costs were up 23.31%. Blue Cross Rx costs were up 15.60% net of rebates, and Harvard Pilgrim costs were up 20.94% versus last year. Increased utilization of specialty drugs is what is driving up costs. The PillarRx

program can take a big chunk out of that with the potential for \$1.2M in savings. There was an increase in scripts for the month but that may be cyclical.

Health, Dental and Vendor Reports:

BCBS: Chris Myhre said that he will work with Gallagher to get the affordable plan set up and ready. He said that Bill Hickey has always set the standard for excellence in his line of work and he will be missed in the market.

HPHC: Bill Hickey thanked Chris for his kind words. He said that Lauren McCallum will fill the group in on organizational changes as they come.

CanaRx: Chris Collins said that Carol Cormier will be missed and that she is one of the most knowledgeable people in the municipal space in the state. Jim Riley said that YTD savings have been \$151,000. Annual trend is slightly downward. He will work with engaging benefit administrators for the best approach to get the word out. One gentleman he recently met at a health fair was going to save close to \$9,000 a year with the CanaRx program.

Other Business:

The next Steering Committee meeting was set for Wednesday, July 20, 2022 at 9:00 AM. Prior to the board meeting. The September meeting was scheduled for September 21, 2022 in-person at Martha's Vineyard.

There was no other business.

Bob Whritenour motioned to adjourn.

Motion

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

Skip Finnell	Yes
Deb Blanchette	Yes
Erin Orcutt	Yes
Deborah Heemsoth	no response
Susan Wallen	Yes
Bob Whritenour	Yes

The motion passed by majority vote.

Chair, Skip Finnell, adjourned the meeting at 10:43 AM.

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