

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

Steering Committee Meeting
Tuesday, July 28, 2020, 1:00 PM
Virtual Meeting by Remote Participation

MEETING MINUTES

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Tuesday, July 28, 2020 at 1:00 PM. 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
Denise Coleman	Town of Falmouth
Beth Deck	Cape Cod Collaborative
Robert Whritenour	Town of Oak Bluffs
Deb Heemsoth	Town of Dennis
Debra Blanchette	Town of Barnstable
Susan Wallen	Nauset Regional School District

Guests Present:

Rich Bienvenue, CPA	CCMHG Treasurer
Deanna Desroches	CCMHG Wellness Consultant, Mainland
Triva Emery	CCMHG Wellness Consultant, Vineyard
Kathy Logue	Town of West Tisbury
Bob Kademian, RPh	PBIRx
Garbrielle Pitcher	Blue Cross Blue Shield of MA (BCBSMA)
Julie Scansaroli	Blue Cross Blue Shield of MA (BSBSMA)
Bill Hickey	Harvard Pilgrim Health Care (HPHC)
Fred Winer	Tufts Health Plan- Senior Products
Patty Joyce	Abacus Health Solutions
Carol Cormier	Gallagher Benefit Services, Inc. (GBS)
Karen Quinlivan	Gallagher Benefit Services, Inc. (GBS)

Skip Finnell, Steering Committee Chair, called the meeting to order at 1:02 P M. He said that the meeting was being recorded and asked if there were any objections. There were none.

Mr. Finnell said that *all votes would be considered unanimous unless he hears an objection and gave instructions for objecting to a motion or abstaining.*

Approval of June 15, 2020 meeting minutes:

Noreen Mavro-Flanders made a motion to accept the minutes of the June 15, 2020 meeting with the addition on page 2 that “Beth Deck seconded the motion to approve the GBS Roster and Invoice Agreement and the Website Maintenance Agreement” and the result of the vote on the motion which was “unanimous”.

Beth Deck seconded the motion. The motion to approve the 6/15/20 minutes passed by unan

Motion

Treasurer's Report:

Rich Bienvenue, CPA presented the financial reports through May 31, 2020 (unaudited figures). The Trust Fund Balance at the end of May was just over \$41M. Anticipated balance at the end of June is \$48M. Claims have significantly dropped for the month of May compared to last year at this time from \$130.8M to \$117.7M. There was a greater drop in claims compared to premium. This will result in one of the best years the group has had largely because of low claims over the last several months. By the end of June, investment income will increase by over \$70,000. For the Dental fund, claims during the last couple of months were very low. Total Dental Trust Fund Balance has increased by over \$1M and should be over \$4M by the time the fiscal year ends.

Skip Finnell had a question on the Investment in Reinsurance Pool figure on the Trust Fund Statement.

Mr. Bienvenue said that when he gets the final reports from the MMRA, he and auditor Bill Fraher will be able to reconcile to the actual amount.

Skip Finnell also had a question on prepaid Cobra premiums and asked why it is so low in comparison to previous years.

Mr. Bienvenue said that reconciliation is now possible to account for prepaid Cobra premiums and monthly amounts should be accurate instead of previous overstated amounts.

Noreen Mavro-Flanders made a motion to accept the Treasurers Report as presented.

Motion

Denise Coleman seconded the motion. The motion passed by unanimous vote.

Wellness Reports:

Deanna Desroches was unable to attend the meeting due to a conflict, but she did provide a written report for the meeting packet on the mainland wellness program.

Triva Emery, Wellness consultant for Martha's Vineyard reviewed the proposed FY21 budget for Martha's Vineyard. She said that budget was built with the Steering Committee's vision in mind for long-term initiatives.

Debra Blanchette said that Erin Orcutt emailed a question regarding the expense for MV wellness website development. She felt that \$3,000 was high and the mainland should be included.

Triva Emery responded that it was the lowest bid received. The website will be linked to the CCMHG website, the mainland Cape Cod Healthy Connections and wellness portal. Ms. Emery is writing content to save money.

Skip Finnell asked if the contract was for more than a year.

Ms. Emery responded that it was for one year.

Kathy Logue said that she had hoped that the CCMHG's main website was going to have a rebuild but that is not the case. This is a one-time expense for build and launch.

Beth Deck asked if there was currently an online presence for the MV Wellness Committee at this time.

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Ms. Emery responded that there was not. The link on the CCMHG website has been non-functional for the past year.

Skip Finnell asked what the target date for website completion would be.

Ms. Emery responded that once the budget is approved, a September 1, 2020 date is anticipated.

Noreen Mavro-Flanders moved to approve the proposed Martha's Vineyard Wellness Budget for FY21.

Motion

Bob Whritenour seconded the motion. The motion passed by unanimous vote.

Triva Emery, Wellness Consultant and Kathy Logue, Martha's Vineyard Wellness Committee, thanked the Steering Committee and left the meeting at this time.

Gallagher Benefit Services (GBS) reports:

Funding Rate Analysis through June 30, 2020 – Carol Cormier said that the expense-to-funding ratio on a paid claims basis for the health plans was 90.8%. She said there were drops in claims activity for the last several months due to the Covid 19 pandemic and stay-at-home orders. Dental had an expense-to-funding ratio of 70.8%. Many dental offices closed due to the pandemic. Ms. Cormier said that there have been questions on dental premium refunds, but it is impossible for CCMHG to process retrospective refunds on an across-the-board basis, and dental offices are now open.

Skip Finnell asked what the suggested plan would be for excess fund balances.

Ms. Cormier said that the health and dental rates have been held the same for three years in a row. The longer-term outcome of that is still unknown. Several high cost claims can affect fund balances significantly.

Reinsurance reports with data through June 30, 2020 - Karen Quinlivan reviewed the reinsurance reports. She said that on the FY20 report there were 27 members exceeding the stop loss deductible of \$300,000 with total claims of \$12,132,126 and excess claims of \$4,032,126. She said \$2,211,084 has been reimbursed to date leaving \$1,821,042 outstanding. She said that total claims for 49 members who had claims between \$150K and \$300K were \$9.6 million.

Ms. Quinlivan reviewed the FY19 reinsurance report saying that there were 20 members with claims exceeding the \$300,000 deductible with total claims of \$8,518,935 and excess claims of \$2,614,309. She said \$2,582,109 has been reimbursed to date with \$13,292 still due to the Group. She said that total claims for 72 members who had claims between \$150K and \$300K were \$14.98 million.

Noreen Mavro-Flanders asked why the amount on the FY20 report over \$800,000 has not been reflected as coming from the reinsurer. Ms. Quinlivan said it was probably a column reporting oversight and would research and correct.

Carol Cormier said that she would like to clear up an oversight. The CCMHG Steering Committee has approved the 3-year GBS contract to recommend to the Board. At the last CCMHG Board meeting, the contract was overlooked as an action item for the Board to vote on. GBS has been billing the CCMHG at the new 2% increased rate. She asked for approval and recommendation to continue with the increased billed rate and said the CCMHG Board can retroactively approve the contract at the next board meeting.

Both Skip Finnell and Noreen Mavro-Flanders indicated that they agreed with Ms. Cormier's suggested approach.

Mass Municipal Reinsurance Arrangement (MMRA) update:

Carol Cormier said that at the last MMRA meeting, CCMHG had approved rates and an approach that utilizes the OptiMed Health Partners Proactive Model to help reduce the expenses of high cost specialty medications. She said that amounted to carving out much of the specialty medication spend to a vendor outside of the health plan. As it turned out, if the groups in the MMRA had Third Party Agreements (TPAs) with the health plans, it probably would have worked out but unfortunately the groups have Administrative Services Only (ASO) contracts. The carriers apply the contracts they have with vendors such as Pharmacy Benefit Managers (PBMs) to the ASO business as well as to their fully insured business, and the ASO agreements did not allow for carving out specialty meds. After this became known, the MMRA Board met again and agreed to go with the OptiMed Reactive Model, which is not a carve-out but a voluntary program that will provide lower cost options to members. The estimated savings would not be as great, therefore, after much back and forth and current data reporting, a 41.8% reinsurance rate increase was approved. A \$3M laser that was previously required for a high cost claimant was also removed due to a change in treatment plan to a lower cost medication. To enable the Reactive approach to work, monthly reporting from the health carriers will be required to provide prescription data to allow OPTiMed to begin member outreach for the program.

Noreen Mavro-Flanders said that this particular option is a good deal for the CCMHG since the \$3M laser has been removed.

Carol Cormier also said that removing cost share for the member on the medications similar to the arrangement with CanaRx will also be good for members.

Noreen Mavro-Flanders motioned to approve the new MMRA rates of \$30.55 for Individual and \$96.40 for Family.

Motion

Denise Coleman seconded the motion. The motion passed by unanimous vote.

PBIRx Report:

Bob Kademian, RPh from PBIRx provided reporting through the month of June. The combined year-to-date trend report showed the Total Net Plan Costs rose from \$19M last fiscal year to \$23.2M this year. Costs have gone up overall on both the Harvard Pilgrim and Blue Cross side; however, Mr. Kademian said there are an additional \$3.2M in Rx Rebates coming. He said at the next meeting there will be a more complete picture of the exact PMPM cost for the fiscal year. Blue Cross showed an increase of 28% per member per month and Harvard Pilgrim rose by 22.9%. Once the guaranteed rebates can be calculated through the end of June, Mr. Kademian indicated he could feel comfortable talking about year-end savings and rebates.

Health Plan Reports:

Tufts - Fred Winer said that the pharmacy trend continues to be high. People are not going to the doctor, but they continue to fill their prescriptions. He said the trend should continue for next year.

Harvard Pilgrim- Bill Hickey said that at the next meeting he should be able to provide more detailed information regarding COVID-19 costs. In regards to testing for HPHC members, through July 7, 2020 there were 20 confirmed positive test results and 197 potentially positive. There are several new initiatives in regards to women's health. The first is OVIA and is included on all business starting July 15, 2020 and there will be mailings going out. Progeny Health is the other program across the board for fully insured business as well. It focuses on care management of NICU care. Mr. Hickey said that in the last several years, the CCMHG has had four NICU cases. Self-insured groups are being allowed to opt out of the program. There is a \$1500 set up fee and a \$2150 total one-time fee to manage a case. Expected returns are estimated at over

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10%. This will be added unless the group decides differently by the next meeting. Information will be distributed to the Group for consideration.

Blue Cross- Gabrielle Pitcher said June COVID-19 numbers are being finalized. There will be mailings going out in late August to members affected by pharmacy changes effective October 1, 2020. This is regarding tier changes or non-covered and alternative changes. Blue Cross typically makes these changes in October. A copy will be released when available.

Delta Dental- Nina Conroy said that Delta Dental is extending the \$10 per patient per visit payment to dentists. This is not being charged back to the client. There has now been an uptick in members going to the dentist and hours are being extended.

Denise Coleman asked about discussion on the decision against offering a premium adjustment for dental because of COVID. Any information for a good explanation on why it is not being done would be helpful.

Carol Cormier said that any employer can decide on its own to do a premium refund. The group as a whole cannot do it administratively, especially retrospectively. She noted that the dental plan rates have remained the same for three years.

Rich Bienvenue said that fund balance has also contributed to not raising rates for the past three years.

Abacus Health Solutions- Patty Joyce said that she wanted to remind the group that Diabetes Rewards Program operators are available to members on a constant basis and they are working with members on providing extensions to testing requirements when needed. They are making sure that members are still maintaining communication with their doctors as well.

Other Business:

An email regarding the next meeting will be sent to set the next Steering Committee meeting with Tuesday August 18, 2020 as a preference.

It was subsequently decided that the next SC meeting (virtual) would be held on August 27 at 9 AM.
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Noreen Mavro-Flanders suggested a short Board meeting as well to vote on the GBS contract and get back on schedule for meetings.

Carol Cormier said she would send out email inquiries.

A September Steering Committee Meeting for Wednesday September 16, 2020 at 9:00 was scheduled.

There was no other business.

Bob Whritenour moved to adjourn the meeting.

Motion

Debra Blanchette seconded the motion.

Chair Skip Finnell adjourned the meeting at 2:24 PM

*Prepared by Karen Quinlivan
Gallagher Benefit Services, Inc.*

