

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

Steering Committee Meeting
Wednesday, July 20, 2022, 9:00 AM

Barnstable Town Hall
367 Main St 2nd floor Hearing Room
Hyannis, MA 02601

MEETING MINUTES

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on July 20, 2022 at 9:00 AM.

Steering Committee members present:

A. Francis (“Skip”) Finnell, Steering Committee Chair	Dennis-Yarmouth RSD
Debra Blanchette	Town of Barnstable
Susan Wallen	Nauset RSD
Robert Whritenour	Town of Yarmouth
Noreen Mavro-Flanders, Board Chair	County of Dukes County
Beth Deck	Cape Cod Collaborative

Guests Present:

Laurie Barr	Town of Eastham
Rich Bienvenue, CPA	CCMHG Treasurer
Robert Knowles	Blue Cross Blue Shield of MA (BCBSMA)
Lauren McCallum	Harvard Pilgrim Health Care
Fred Winer	Tufts Health Plan
Deanna Desroches	CCMHG Wellness Consultant (Mainland)
Bob Kademian, RPh	PBIRx
Chris Collins	CanaRx
Jim Riley	CanaRx
Joseph Anderson	Gallagher Benefit Services, Inc. (GBS)
Mariana Gill	Gallagher Benefit Services Inc. (GBS)
Karen Quinlivan	Gallagher Benefit Services, Inc. (GBS)
Carol Cormier	Gallagher Benefit Services Inc. (GBS) (retired)

Skip Finnell, Steering Committee Chair, called the meeting to order at 9:10 AM.

Approval of Minutes of the June 7, 2022, 2022 Steering Committee Meeting:

Motion

Robert Whritenour motioned to approve the minutes of June 7, 2022 with corrections. The motion to approve the Mainland wellness budget needed to include the dollar amount and the date of the next meeting was Wednesday July 20th, not Tuesday.

Debra Blanchette seconded the motion.

The motion passed by unanimous vote.

CCMHG organizational issues:

Skip Finnell said that the Steering Committee is down to 7 members at the present time. There will be retirements upcoming so it is important to recruit new members willing to serve.

Laurie Barr introduced herself to the committee. She said she was previously Benefits Coordinator and Board alternate in the town of Dennis and is now the HR Director for the Town of Eastham. She is familiar with CCMHG and would be interested in serving on the Steering Committee.

Bob Whritenour said that he spoke with the acting Town Manager in Falmouth regarding the departure of Denise Coleman. Right now they have a lot of pressure on them. He indicated if there was a possibility to allow for some time to appoint someone they would appreciate the opportunity.

Skip Finnell asked if the Board should nominate and add Laurie now instead of waiting until October.

The consensus was yes.

Treasurer's report:

Treasurer Richard Bienvenue, CPA reviewed the financial reports of April 30, 2022 (unaudited figures). Mr. Bienvenue provided a brief overview of the financial position. The beginning fund balance as of July 1, 2022 was \$59.5M. Current year to date has shown a loss of just over \$18M. The December premium holiday accounted for over \$12M and the remaining loss is not unexpected given the degree of rate subsidy set at renewal. The total equity at the end of April is \$41.5M which represents 25% of claims. He has spent a lot of time since the premium holiday tracking units down for reconciliation of balances due.

Bob Whritenour said he was very enthusiastic when the rate stabilization policy was introduced and thought that it would be hardened up with target amounts. He asked if Rich Bienvenue thought it was time to update the policy. He would be willing to take a look at it further.

Rich Bienvenue said that in terms of budgetary planning, he always plans for 100% of funding requirements. The group has been spoiled with so many good years of experience and it can turn very easily. The investment pool is down but over the years that has created a large part of the budget surplus. If the group had not had that, it would perhaps be a different scenario.

Skip Finnell said that the new Steering Committee will need to get to work and work on those things going forward.

Proposal to offer a new plan to address the "affordability" mandate:

Joe Anderson said the initial recommendation was to see if a plan could be available for September 1st that would meet the definition of affordability at the unit level. The benefit at the member level is not rich. Issues that are now being contemplated are that it can be made available at the local level contingent on their bargaining agreements. It can be a local decision. September is a tight timeline. January 1st would be good to align with the tax year but Blue Cross is changing their PBM. There needs to be minimum value offered to meet affordability. If the plan is offered on January 1st, members that may have incurred expenses would have a reset on July 1st, therefore making the plan unaffordable. Based on that fact, the best approach may be to offer the plan as of 07/01/2023.

Skip Finnell said that several member units have incurred penalties. All CCMHG has to do is offer the plan to avoid the penalties. Individual member units can decide whether or not to offer it. They can work with their legal counsel and bargaining units to determine if they want to offer it.

Bob Whritenour asked why the group can't come up with a plan that is rich enough to be of value to the member.

Joe Anderson said that the damage has been done in terms of the federal audit and fine procedure and affordability definition. If it offered July 1st, the job is done and the individual units that want to offer it have more time to work with counsel and bargaining.

Beth Deck motioned to recommend to the Board the addition of an affordable plan and make it effective 07/01/2023.

Motion

Noreen Mavro-Flanders seconded the motion.

Bob Whritenour said he will vote in favor to avoid the penalty for member units but he is embarrassed to offer such a benefit poor plan.

Joe Anderson said that it is unfortunate that the group is forced into managing the penalty or the affordability and benefit.

The motion passed by unanimous vote.

Pillar Rx legal opinion:

Joe Anderson said that as a result of the PBIRx RFP and resulting approval of the renewal option, Blue Cross offered the overlayment of the Pillar Rx program. There was a question as to whether that had to be bargained. Legal counsel said that because Pillar Rx sources the exact same drugs from the same providers and there is a retroactive ability to enroll and avoid a higher copay if the member neglects to enroll, the benefit is richer for them by reduced copays and therefore, would not have to be bargained. The Steering Committee needs to take no action at this time.

Changing the benefit maximum on dental plans:

Joe Anderson said that there was prior discussion regarding the dental maximum benefit and whether it could be raised from the prior \$1,000 max to \$1,500 annually which is more in line with the marketplace. Utilization metrics show that the utilization has been steady over the years. Dental expenses have gone up and the trust has been performing well. The cost would be an increased \$800,000 to raise the cap. The current surplus is \$7.2M and there is surplus to subsidize it. It can be reviewed again in several years.

Noreen Mavro-Flanders motioned to recommend to the Board an increase to the maximum benefit for dental to \$1,500 effective 07/01/2023.

Motion

Susan Wallen seconded the motion.

The motion passed by unanimous vote.

Other Business:

CCMHG Steering Committee Meeting July 20, 2022

The next Steering Committee meeting was set for Wednesday, September 21, 2022 at 10:30 AM. at Martha's Vineyard Transit Authority, Vineyard Haven.

There was no other business.

Noreen Mavro-Flanders motioned to adjourn.

Motion

Bob Whritenour seconded the motion.

The motion passed by unanimous vote.

Chair, Skip Finnell, adjourned the meeting at 10:03 AM.

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