

# MINUTES OF THE CAPE COD MUNICIPAL HEALTH GROUP

**Steering Committee Meeting**  
Wednesday, July 26, 2023, 9:00 AM

Barnstable County Offices  
Mary Pat Flynn Conference Room  
3195 Main St. Barnstable, MA 02630

## MEETING MINUTES

A meeting of the Steering Committee of the Cape Cod Municipal Health Group ("CCMHG") was held on July 26th, 2023 at 9:00 a.m. at the Barnstable County offices at 3195 Main St Barnstable, MA 02630.

### **Steering Committee members present:**

Erin Orcutt, Steering Committee Chair  
Susan Wallen  
Michael MacMillan, Steering Committee Vice-Chair  
Debra Blanchette  
Laurie Barr  
David Flynn  
TK Menesale

Cape Cod Regional Tech  
Nauset RSD  
Monomoy RSD  
Town of Barnstable  
Town of Eastham  
Dennis Yarmouth RSD  
Hyannis Fire District

### **Guests Present:**

Rich Bienvenue, CPA  
Deanna Desroches  
Caroline Burnham  
Lauren McCallum  
Fred Winer  
Jim Riley  
Bob Kademian  
Karen Quinlivan

CCMHG Treasurer  
CCMHG Wellness Consultant ( Mainland)  
Blue Cross Blue Shield of MA (BCBSMA)  
Harvard Pilgrim Health Care  
Tufts Health Plan  
CanaRx  
PBIRx  
Gallagher Benefit Services Inc. (GBS)

Erin Orcutt, Steering Committee Chair, called the meeting to order at 9:05 a.m.

Ms. Orcutt asked for a roll call of Steering Committee members who will be voting. The following voting members were present:

Erin Orcutt, Steering Committee Chair  
Susan Wallen  
Debra Blanchette  
Michael MacMillan, Steering Vice-Chair  
Dave Flynn  
Laurie Barr  
TK Menesale

Cape Cod Regional Tech  
Nauset RSD  
Town of Barnstable  
Monomoy RSD  
Dennis Yarmouth RSD  
Town of Eastham  
Hyannis Fire District

### **Approval of Minutes of the June 21, 2023 Steering Committee Meeting:**

Motion

Laurie Barr motioned to approve the minutes of June 21, 2023 as presented.

Michael MacMillan seconded the motion.

The motion passed by unanimous vote.

### **Treasurers Report:**

Rich Bienvenue provided an overview of the financial position as of May 31, 2023, (unaudited figures). Fund balance at the end of April was \$43.2 M with current YTD earnings of \$558,480.29. Investments made up for the \$1M loss on claims so pretty much break even for the year.

The audit function for a lot of the towns has been sold and companies are becoming a lot more discerning in taking on clients. CCMHG should be fine.

The Investment Committee did not feel that it was appropriate to put more money at risk in terms of investments at this time. Given the rate environment, it was deemed possible that monies more than one month in operating cash could be sent to the second account at Rockland Trust. That capital preservation fund has been kept open for that reason.

### **GBS Reports:**

Karen Quinlivan reviewed the FY23 Funding Rate Analysis (FRA) report with data through June 30, 2023 (paid claims basis). The composite expense-to-funding ratio was 95.2%. The estimated Funding surplus was \$7,345,430. Harvard Pilgrim appears to be understated given that the claims are still being brought forward and caught up from the outage. There was a quarterly pharmacy rebate that came through for Blue Cross in the amount of \$1.6M, however, Medex is consistently running over 100% on claims and may be an issue to consider for renewal. There was a Dental expense-to-funding ratio was 83%, with a surplus of \$1,093,320.

As for stop loss, she said the FY22 policy period through June 2023 had 23 claimants with total claims in excess of the \$400K specific deductible of \$3,192,364.32. Total reimbursements of \$3,147,710.75 have been received to date with an outstanding amount due of \$44,653.57. She said there are 43 claimants on the 50% Report with claims totaling \$12,195,809.61. For the FY23 period through June, there are 9 claimants with total claims in excess of the \$400K specific deductible of \$1,149,779.27. Total reimbursements of \$791,371.24.75 have been received to date with an outstanding amount due of \$358,408.03. There were 43 members on the 50% report with an updated total paid claims of \$11,886,239.95. A comparison to the same period for the prior reporting year was also shown indicating that FY23 is running somewhat better than FY22 for excess claims experience.

### **PBIRx Report:**

Bob Kademian, RPh provided reporting through the month of May. He said the data from Harvard Pilgrim was just received but he will report what has been prepared for the packet. Blue Cross PMPM costs with rebates have gone up 8.12% since last year and without has increased 9.79%. Traditional drug costs were up 15.93%, while specialty med costs were up 6.83%. This data only includes Blue Cross because Harvard Pilgrim was down.

Pillar Rx is realizing great savings. There is a large increase in the use of obesity drugs. That will greatly increase drug costs. An interesting fact is, only 27% of those using those drugs get a refill. Biosimilars are on the horizon and PBM's are devising strategies for utilizing them. The net price difference will be in rebates and copay cards. They are being added to formularies with a wait and see on price. Potential cost savings could be very large. Dramatic effect will probably be felt in 2025. Experience is a determinant factor in making members switch. New savings were finalized with Harvard Pilgrim which will save the group about 5.5%.

### **Health and Vendor Reports:**

HPHC - Lauren McCallum briefly said that the claims backlog is being caught up. Behavioral Health changes will move forward on November 1, 2023. More info to come.

Other carriers and vendors deferred reports until the Board Meeting following.

### **Other Business:**

The next Steering Committee Meeting was tentatively set for 10:30 a.m. on September 20th, Martha's Vineyard Regional Transit Authority in Edgartown.

There was no other business.

Michael MacMillan motioned to adjourn the meeting.

Debra Blanchette seconded the motion. .

Motion
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Chair, Erin Orcutt, adjourned the meeting by unanimous consent at 9:27 AM.

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