



MINUTES OF THE CAPE COD MUNICIPAL HEALTH GROUP

Steering Committee Meeting
Wednesday, November 12, 2025, 9:00 AM

By virtual participation

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (CCMHG) was held on November 12, 2025, at 9:00 A.M.

Steering Committee members present:

Michael MacMillan, Steering Vice Chair
Laurie Barr
Deb Watson
Susan Wallen
TK Menesale
Robert Whritenour
Justyna Marczak
Beth Kaeka
Kathy Logue
Gareth Markwell

Monomoy RSD
Town of Eastham
Town of Barnstable
Nauset RSD
Hyannis Fire District
Town of Yarmouth
Barnstable County
Dukes County
Dukes County
Town of Barnstable

Guests Present:

Rich Bienvenue
Deanna Desroches
Triva Emery
Janette Andrews
Elaine Graves
Nadia Rife
Bob Kademian
Marc Shapiro
Jill Sailors
Sarah McCormick
Cheryl Begnal
Carli Burnham
Crystal Morano
Paul Lazar

CCMHG Treasurer
Mainland Wellness Coordinator
Vineyard Wellness Coordinator
MV Land Bank
Dukes County Retirement
Town of Edgartown
PBIRx
PBIRx
PBIRx
Delta Dental
Tufts Health Plan
Blue Cross Blue Shield of MA (BCBS)
Point 32 Health
Harvard Pilgrim

Jill Gallant Shaw
 Patty Joyce
 Caitlin Marron
 Jim Riley
 Joseph Anderson
 Patrick Flattery
 Karen Quinlivan

Abacus Health Solutions Inc.
 Abacus Health Solutions Inc.
 Eye Med
 CanaRx
 Gallagher Benefit Services Inc. (GBS)
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Michael MacMillan, Steering Committee Vice Chair, called the meeting to order at 9:04 A.M.

Ms. Orcutt called for a roll of Steering Committee members present. The following voting members were present:

Michael MacMillan
 Laurie Barr
 Deb Watson
 Bob Whritenour
 Susan Wallen
 Justyna Marczak
 TK Menesale
 Kathy Logue
 Beth Kaeka
 Gareth Markwell

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Approval of the minutes of October 15, 2025, Steering Committee Meeting:

Kathy Logue motioned to approve the minutes of October 15, 2025, with correction on the continued service of Megan Downey to the Steering Committee.

Motion

Justyna Marczak seconded the motion

There was a roll call vote.

Erin Orcutt	Yes
Michael MacMillan	Yes
Justyna Marczak	Yes
Laurie Barr	Yes
TK Menesale	Yes
Susan Wallen	Yes
Bob Whritenour	Yes
Kathy Logue	Yes
Beth Kaeka	Yes
Deb Watson	Yes

The motion passed by unanimous consent.



Wellness Reports:

Deanna Desroches presented her report for the Mainland. Newsletters are going out every month and there are waiting room status on a lot of programs. Financial wellness has programmed workshops throughout next October. There was a retirement workshop that was very well attended. There was a clothing and book swap and what was left from clothing was donating to an organization that is collecting for Jamaica. A pelvic floor workshop is scheduled for January, and a menopause three-part series starts in February. There are 233 members using the portal. The retiree benefits fair had about 45 attendees and there was a lot of good feedback.

Triva Emery gave the report for the Vineyard. The intro to rowing was very successful and two members joined the club and are paying dues to row with the club. The rock water aerobics class is very popular. It is being taught twice a week, and the instructor has agreed to continue through the end of the year. That is being offered for free through partnership. The clothing swap was popular and there was an outerwear drive for the homeless population. There was a posture and gait assessment over three days, and the Saturday hike series had 23 people come out last weekend. Saturday Strength has been asked to increase to twice a month, but Triva leads it and would like to have a day that she doesn't work. There is an education push going on. Right now, there is a project with CanaRx for an online seminar. The goal will be to allow each provider to have a spotlight for six to eight weeks to highlight benefits. There will be a women's health series for the new year as well as cooking.

Treasurers Report:

Treasurer Richard Bienvenue, CPA, presented his financial reports of September 30, 2025 (unaudited figures). There was almost \$2.2 million in cash and when you look at it historically, it is very low. If one looks at investments, you can see that most of that is because the group has been transitioning money over to a conservative money market to get a little bit more yield on deposits. Cash flow is very tight as of today. The bills for the November warrant were paid with one exception. One vendor has not been paid almost \$6 million. Not wanting to wait anymore, there will be a transfer from the investment account to the cash account for cash flow reasons. At the beginning of this fiscal year, there were some very heavy claims months, and the rates did not cover expenses. It was very helpful that in October we did get rebates for the first quarter of 2025 so outstanding now is June and September. Quite a bit of money is expected but they only come once a quarter. There is \$1.4 million surplus for the year so far, so it is a positive start. The beginning balance for July was adjusted because the prescription rebate was higher than expected. When June is received, the June 30th information will be updated again and at that point there will be runout, and an adjustment will be made to IBNR based on claims runout data.

GBS Reports:

Joseph Anderson reviewed the FY26 Funding Rate Analysis (FRA) report with data through September 30, 2025 (paid claims basis). The composite expense-to-funding ratio was 100.3% with a deficit of \$ 134,699. Medex is running at a negative of \$48,060 and Medicare Enhance a positive of \$59,943. Dental is running at 108.8% with a deficit of \$148,723.

Karen Quinlivan reviewed the stop loss for the FY25 policy period through September 30, 2025. There were 19 claimants with total claims in excess of the \$400K specific deductible of \$4,400,227.45. Total reimbursements of \$551,874.55 have been received to date, with an amount due of \$3,848,352.90. She said there are 63 claimants on the 50% report with claims totaling \$17,055,955.03. For the FY26 period through September, there were no members with total claims in excess of the \$400K specific deductible, or at 50%.



PBIRx Report:

Bob Kademian, RPh, provided his report. He reviewed the overall PMPM cost increase of 22.55%. Traditional is down slightly and specialty up slightly. Blue Cross had a trend of 11.96% and HPHC 55.31. Prior utilization increases without weight loss drugs were around 10%. Obesity drugs are driving costs. The projection for the year was 115% and right now it is at 60% so it is slightly lower, but it is early.

The pharmacy subcommittee Met on Monday and the reanalysis was run and that will be illustrated in further slides. RFP results were reviewed. The concern is if a change is desired to alternate funding, can the implementation occur by July 1st of 2026? Blue Cross best and final offer resulted in 8.07% savings. For Blue Cross, CVS is the Pharmacy Benefit Manager. The other PBM's offer foundational assistance. A foundation, grant or even drug companies can pay part or all of the cost of a drug. If this is used, the vendor will receive about 30% of the savings. There are significant savings through those programs. For these programs members have to provide household income in order to receive the grant. There is also formulary disruption. There are challenges to implement because of the impact of union negotiation or buy in. Having it ready by May 1st would be tough.

Michael MacMillan summarized. Right now, the carriers use their own PBM's. They get all the data, so it is very straightforward. If other PBM's are selected, we then need to make sure that data can be shared, and eligibility can be established. That may present a systems challenge that may also impact the timeline of implementation.

Bob Kademian said that Dave Sirowich from PBIRx joined the meeting on Monday, and one option would be to use the formulary for CVS Health as opposed to the Blue Cross formulary. There may be an opportunity for savings without the need to actually switch PBM's.

Joe Anderson cautioned that this was brought up at the last minute without understanding the complete IT ramifications. Information needs to be transferred such as deductibles, accumulators in a standard configuration that the carriers say they need and there is a 90-day requirement to stand it up. A risk analysis needs to be done to make sure we get it right.

Bob Kademian reviewed the Harvard Pilgrim options as well. Their final offer actually included an increase cost of \$62,000. On Monday it was mentioned that CVS could be another option formulary for HPHC. Again, the challenge with outside PBM's is if the change can be made in time.

Foundational assistance was further explained. Aside from coupons, there are foundations and grants that people have donated money to, and they are used to offset the costs of the drugs. Sometimes they will go to the company themselves to get them to pay for the cost of the drugs. Blue Cross would have \$15 million in eligible scripts. Estimated patient assistance would be \$6.5 million. Estimated rebates would go down but there would still be significant savings, and the vendor would take 30% of that. Estimated plan savings would be \$2.4 million after fees and member savings would be \$459,951. The Harvard Pilgrim analysis would result in net savings for the group of \$1.1 million and member savings of \$55,000. A flow chart was presented that showed the process. A member is prescribed a drug, and it is verified if the drug is in the Paydhealth drug list. If the member has not engaged with Paydhealth before, there will be an outreach call made to determine if they qualify for assistance. They will ask condition, drug, citizenship status, household size, and household income. If yes, then the meds will be dispensed directly from the manufacturer or from a different specialty pharmacy. If they do not qualify, then it will be dispensed from the PBM specialty pharmacy. One contact is made, Paydhealth gets the clock started for prior approval. Most qualify for at least partial assistance. If contact can't be made, a coupon will be used, and they will try over the next several months to get information.

This program could probably not be implemented for July 2026 but could for July 2027. The details and timeline would have to be worked on to make sure that next year the group is not in the same position.

The next topic of conversation was GLP1 medications. Both Blue Cross and Harvard Pilgrim have said that they will no longer include these drugs in their formulary as of 07/01/2026. They will give the group a quote for a rider. That would unfortunately probably add a 10% additional increase onto the calculated rates for next year so it may



be cost prohibitive. Other options are being looked at that might help the group meet in the middle. Abacus has a program for weight loss that would allow members to get the drug for a 12-month period while they undergo a structured program of doctor supervision, behavior modification, coaching, and weigh ins. The cost of the drugs would not be covered after 12 months but they could continue with coaching.

There is another program called Live light which limits exposure to the cost of the drugs. Something called a Medical Exception Report or (MERP) would be set up to cover the drugs as opposed to the PBM. There would till be rebates to lower the cost, but the group could decide how much they want to contribute towards the drugs, and the member can pay the rest.

GLP1 medication is another item that will have to be decided on at the February renewal, and this is a decision that can be made for July 1, 2026.

Legal counsel has advised that the change is something that should be impact bargained. Every unit should consult with legal counsel because contracts are different, and this is something that should be done prior to February. Unions can be advised of what is coming but that there is a deadline. If a member unit still wants to cover GLP1's but the Board votes to exclude they will still have to bargain the change if it passes by majority. A request has been made to provide the numbers of members by unit that are utilizing GLP1 medication. Feedback is that many do not want to see these drugs taken away but when the actual costs of the drugs are shared and the impact that has, it may make a difference in opinion and bargaining.

Good Health Gateway Dashboard Report:

Patty Joyce introduced Jill Gallant Shaw from Abacus and said that they had engagement numbers through September. There are 842 members diagnosed with a form of Diabetes and 31% of those members are enrolled int the program. There are 35% of enrolled members adherent to the program and receiving zero-dollar copays. There were 1757 prescriptions filled with \$57,209 in waived copays. Rebates back to CCMHG totaled \$329,996 and the annual ROI has been calculated at 10.2. Engagement efforts are key to keeping participation and adherence so there are multiple outreach approaches. Incentive mailings, benefit information, flyers, newsletters, webinars and surveys are always ongoing.

EyeMed Annual Utilization Review:

Caitlin Marron provided an annual report on utilization of the Eye Med program. She first reviewed the benefits as well as current utilization. Over 60% of memberships are getting glasses year over year and 75% are getting glasses as opposed to contacts. There are over 185,000 providers nationwide in the access network. The plus network has allowed increased savings, and utilization went up about 3%. Overall, the members saved \$340,000 and the Eye360 program had another \$25,000 in savings. The group renewed in July of 2025 and there is a four-year rate guarantee in place.

Health Carrier and Vendor Reports:

Harvard Pilgrim- Paul Lazar had nothing to report

Blue Cross - Carli Burnham had nothing new to report. The senior fairs were well attended and if anyone needs supplies, please reach out.

Delta Dental- Sarah McCormick said that they attended fairs and some communities had requests for materials so if anyone needs them, please reach out.

CanRx- Jim Riley said that Black Friday postcards would be going out with a \$50 incentive. These were popular in the past and increased participation so they will be repeated.

Other Business:



Debra Watson, as Investment Committee Chair, wanted to speak on behalf of the committee to the letter that was received from Tisbury on the Investment Manager. She said that although the portfolio is return seeking it is a reserve fund. The Steering Committee and investment subcommittee purposely select an investment manager that can provide downside protection during declining market scenarios. The investment objective is balanced 55% equity and 45% fixed income. The horizon expected by the investment committee and restated at practically every meeting is five years on a rolling basis. Meanwhile we continually watch the reserve levels together with claim expenditures and rate increases. To balance the expected cash flows with reserve objectives we need to dip into those. Originally the portfolio was 70% bonds and 30% stocks. Part of the reason we moved to a more aggressive objective was due to the increases in the cash reserves in an effort to build downside protection for the portfolio. A five-year outlook has to be balanced but it does not have to be aggressively balanced. Brian Callow has stated how concentrated the S & P 500 is with A1 driven stocks at over 39% of a 500-stock index. The letter from Mr. Snyder references subpar returns. CCMHG has been very transparent in explaining portfolio construction and performance at each meeting. Our portfolio outperformed during the last two down markets in 2022 and the first quarter of 2025. Mr. Snyder suggested putting out an RFP for an investment consultant to review the portfolio and investment strategy, comparing it to an indexed fund portfolio. Given the reserve nature of our fund, we do not want index returns at this time. The last time that technology comprised much of the market was during the dot com era right before the bubble burst. The current strategy has been put in place to raise reserve assets as well as protect them. Hopefully, this has rebutted Mr. Snyders letter. The committee does not advise going out with another consultant at this time.

Mr. Bienvenue said that based on his work for the first quarter there will probably have to be a \$4 million draw down of the investment portfolio. We want to be good stewards of the fund for return but also do not want to lose members money.

There was no other business.

Kathy Logue motioned to adjourn.

Deb Blanchette seconded the motion

Michael Macmillan adjourned the meeting at 11:21 A.M.

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