

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

Steering Committee Meeting
Tuesday, December 17, 2019, 9:30 AM
Cape Light Compact
South Yarmouth, MA

MEETING “NOTES”
(no quorum)

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Tuesday, December 17, 2019 at 9:30 AM at the Cape Light Compact Offices in South Yarmouth. 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
Susan Wallen	Nauset Regional School District

Guests Present:

Richard Bienvenue, CPA	CCMHG Treasurer
Deanna Desroches	CCMHG Wellness Coordinator, mainland
Bob Kademian, RPh	PBIRx
Bill Hickey	Harvard Pilgrim Health Care (HPHC)
Carol Cormier	Gallagher Benefit Services, Inc. (GBS)

Skip Finnell, Steering Committee Chair, called the meeting to order at 9:53 a.m. He said that in the absence of a quorum, he would take items not requiring a vote first.

Treasurer’s Report:

Treasurer Rich Bienvenue reviewed the financial reports through October 2019. He reviewed the Trust Fund Balance Sheet noting Cash of \$32 million, Investments of \$17 million, and Equity of \$39,645,039 as of October 31. The Dental Fund Equity on Oct. 31 was \$4,674,730. Total CCMHG Equity was \$44,319,769.

Mr. Bienvenue said that the CCMHG owes Town of Sandwich money according to the Joint Purchase Agreement. He said this amount is Sandwich’s proportionate share of the increase in the Fund Balance from FY18 to FY19 based on audited financial statements. There was a discussion about the Trust Fund (health) and the Dental Fund obligations to Sandwich.

Carol Cormier said she sent Mr. Bienvenue the proportionate share figures for Sandwich for health and dental separately.

It was agreed that Sandwich should be presented with the calculations and be asked to sign off as accepting the calculations before it receives the money.

Mr. Bienvenue said that he will call the auditor to discuss the matter of reinsurance statements and reports from different sources not agreeing with one another and how this will impact the timing of the audit. He said he will also discuss run-out and IBNR.

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Rich Bienvenue reviewed the Trust Fund Income Statement. He said that claims for the first four months of the Fiscal Year were \$40 million so he expects that annual health claims and health plan related claims will be around \$120 million.

There was a discussion about the next meetings.

Steering Committee vacancy:

It was agreed that Carol Cormier will send an email to Board members informing them of the Steering Committee (SC) vacancy noting that the person elected will be the Alternate SC member.

There was a discussion about possibly allowing SC voting by phone.

Wellness report and Wellness Program Strategic Plan:

Deanna Desroches, Wellness Coordinator for the mainland, reviewed her handout describing status of programs. She said that the attendance at the Chatham and Barnstable health fairs for seniors was low. She said that the attendance at the Vineyard senior health fair was good.

Ms. Desroches said that the Benefits Booklet will go out to CCMHG members shortly after Christmas and before the new year. She said that she would send the Booklet in pdf format to the Benefits Administrators, the Steering Committee, and to GBS.

Noreen Mavro-Flanders reporting for the wellness program on the Vineyard said that the RFP for a new Vineyard Wellness Coordinator was sent out but that there were no responses. She said that the next effort will be to advertise the position in the newspapers in January. Ms. Mavro-Flanders said that Vineyard people who want to be on the Wellness Committee are Kathy Logue, Bob Whritenour, Lauren Thomas, Beth Kaeka, and Anne Metcalf.

Deanna Desroches said that the mainland Wellness Committee would be comprised of Maggie Downey, Kristin Nickerson, Laura Scroggins, Laurie Barr, and Meggan Eldredge.

Noreen Mavro-Flanders distributed the Ad Hoc Joint Committee's Wellness Strategic plan to the Committee members. She said it has been corrected since the last distribution.

It was suggested and agreed to that under "Improve/maintain health status of member, "B." that "Target members at risk" be changed to "Focus on membership at risk"

Bob Kademian, PBIRx, said he would like to attend the wellness committee meetings.

PBIRx report:

Bob Kademian, RPh distributed and reviewed a report comparing pharmacy benefit spending and clinicals for July 2019 through November 2019 with the same five months of 2018. He said that PBIRx removed the claims from Town of Sandwich from the data so that the comparison would be "apples to apples".

Mr. Kademian said that for both BCBS and Harvard Pilgrim the number one disease state regarding pharmacy spend is Inflammatory Conditions which require Specialty drugs. Specialty drug net costs for BCBS and HPHC combined for the more recent time period represent 54% of Total Rx net costs. The percent of Specialty drug net costs for BCBS is higher than for Harvard Pilgrim (57% vs. 42%).

GBS reports:

Carol Cormier reviewed the *Funding Rate Analysis (FRA)* through October. She said the composite expense-to-funding ratio across all health plans was 89.0% and the surplus of funding over major expenses was \$5.4 million. She said the Dental plan expense-to-funding ratio for the same time period was 87.1%.

Ms. Cormier reviewed the *reinsurance reports* with data through November 2019. She said in the FY20 policy year there were three claimants exceeding the \$300K specific deductible. She said these were all BCBS members and total claims were \$1,303,178 with excess claims totaling \$403,178. She said that there have been no reimbursements to date.

Ms. Cormier reviewed the FY19 reinsurance policy report. She said that there were 20 claimants exceeding the \$300K specific deductible 15 of whom were BCBS members. She said total claims were \$6.46 million and excess claims were \$2.52 million. Ms. Cormier said that \$2.37 million has been reimbursed to CCMHG with \$194K in reimbursements due. She said that 74 members had claims between \$150K and \$300K and 62 of these were BCBS members.

Mass. Municipal Reinsurance Arrangement (MMRA) report:

Skip Finnell said that there was an MMRA meeting on December 5th and that he, Noreen Mavro-Flanders, and Carol Cormier attended. He said that the main topics were the financial reports and the OptiMed program for reducing specialty prescription drug costs while improving member care experiences and options.

Carol Cormier gave a brief description of the OptiMed program and said that the three joint purchase groups agreed to get started by introducing it in a few employer sites.

Thinking ahead to FY22 – areas and programs to consider:

Carol Cormier said that there are a number of programs that can be helpful in controlling costs but that some of these require a lot of advance planning and some require collective bargaining. She distributed a list of possible areas including changing plan design; re-visiting carving out prescription drugs; reducing OPEB liability by (1) having employers buy into Medicare for non-Medicare eligible retirees and (2) improving senior plan options and advocacy for retirees; promoting and increasing participation in current cost-saving programs like Diabetes Care Rewards, CanaRx, and wellness programs; reviewing and revising the Joint Purchase Agreement and policies; etc.

Health and Dental Plan reports:

There were no reports.

Other Business:

Skip Finnell said he is interested in talking about a possible Premium Holiday in the current fiscal year.

Rich Bienvenue said he would prefer to have a zero percent rate increase for FY21 than a Premium Holiday.

It was agreed that this topic would be brought up at the next meeting.

Susan Wallen said that she is hearing about dentists leaving the Delta Dental network as a result of the new provider fee schedules.

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Skip Finnell said that the next Steering Committee meeting will be held on January 22 at 9:30 AM at Cape Compact Light offices in South Yarmouth.

There was no other business.

Chair Skip Finnell ended the meeting at 12:16 PM.

*Notes prepared by Carol Cormier
Gallagher Benefit Services, Inc.*