

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

**Steering Committee Meeting**  
Wednesday, June 26, 2019 at 9:00 AM  
Sand Hill Community Center, Sandwich, MA

**MEETING MINUTES**

A meeting of the Steering Committee of the Cape Cod Municipal Health Group (“CCMHG”) was held on Wednesday, June 26, 2019 at 9:00 AM at Sand Hill Community Center, Sandwich, MA.

The following people attended:

**Steering Committee Members Present:**

Skip Finnell, Committee Chair  
Noreen Mavro-Flanders, Board Chair  
Christopher Clark  
Denise Coleman  
Erin Orcutt  
Susan Wallen

Dennis Yarmouth RSD  
County of Dukes County  
Town of Harwich  
Town of Falmouth  
Cape Cod Regional THS  
Nauset RSD

**Guests Present:**

Rich Bienvenue  
Bob Whritenour  
Bob Kademian  
Deanna Desroches  
Bill Hickey  
Nina Conroy  
Carol Cormier  
Karen Carpenter

CCMHG Treasurer  
Town of Oak Bluffs  
PBIRx  
Mainland Wellness Consultant  
Harvard Pilgrim Health Care (HPHC)  
Delta Dental Plan of Mass.  
Gallagher Benefit Services (GBS)  
Gallagher Benefit Services (GBS)

Steering Committee Chair, Skip Finnell, called the meeting to order at 9:05 AM.

**Approval of minutes of the May 28, 2019 meeting:**

Noreen Mavro-Flanders moved approval of the May 28, 2019 Steering Committee meeting minutes.

Motion
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Chris Clark seconded the motion. The motion passed by majority vote with one abstention.

**Treasurer’s Report:**

Rich Bienvenue distributed and reviewed the financial reports through April 30, 2019. He said the report includes the March and April transactions. Mr. Bienvenue said the claims increased over the last quarter, but said overall, this has been a very good financial year for CCMHG.

Mr. Bienvenue reported a \$2.6M increase to the fund balance year-to-date through April 2019 and a total fund balance of \$30,678,916. He said the investment income was \$882K net of expenses. Mr. Bienvenue said the Board voted to level fund the FY20 health plan rates and distributed \$6.648M of Retiree Drug Subsidy to the employers.

Carol Cormier said she would send out the rate history exhibit she created to the Steering Committee.

There was a discussion about ways to stabilize the rates from year to year.

Carol Cormier said there was a study completed by Milliman for another Joint Purchase Group which suggested a fund balance range of 8% to 12% of claims expense. She suggested assigning any funds exceeding 12% above the trust fund balance towards a stabilization fund.

There was a discussion about how MIIA determines its rate increases for each of their clients.

Skip Finnell asked to add Rate Stabilization Strategy Discussion to the October Steering Committee Meeting agenda. He suggested holding the SC meeting one week prior to the Board Meeting.

Noreen Mavro-Flanders made a motion to accept the Treasurer's report.

Motion
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Chris Clark seconded the motion. The motion passed by a majority vote with one abstention.

### **Wellness Program Reports:**

Deanna Desroches distributed and reviewed the Mainland Wellness Report and said the Biometric Screenings and Health Fairs were wrapped up for the season. She said of the 209 members screened, 30% were referred to their physicians, mostly for blood pressure and bone density follow-up appointments. She reviewed the participation in the Couch to 5K and Walking programs and Spring Step Challenge. Ms. Desroches said 548 members registered on the Wellness Portal. Ms. Desroches said the Pickleball and Tennis for Beginners pilot programs were well received and said she will be offering new sessions in the fall. She said the Incentive Postcards were mailed out last week and noted they were sent to the Town of Sandwich. Ms. Desroches said she will contact Marie Buckner to let her know.

Denise Coleman thanked Ms. Desroches for coordinating such a great tennis program. She said some members of the Town of Falmouth will be continuing with playing tennis on a weekly basis.

### Martha's Vineyard Wellness -

Noreen Mavro-Flanders referred to the MV Wellness Report in the packet sent by Kathy Logue of the MV Wellness Committee.

Bob Whritenour said he attended the last Wellness Committee Meeting and said the Wellness Consultants, Krystle Rose and Marta Azzollini submitted their resignations. He said it was agreed at the last Steering Committee meeting to have Deanna Desroches and Maggie Downey bring program ideas to that meeting. Mr. Whritenour said he, Kathy Logue, and Felicia Cheney were others in attendance. He said Ann Metcalf wasn't able to attend.

Mr. Whritenour said the MV Wellness Committee asked if Ms. Desroches would work with them to help put together a comprehensive approach that would work under the CCMHG wellness umbrella with one local consultant working on Martha's Vineyard and Deanna Desroches on the Mainland. Mr. Whritenour said subsequently he heard some pushback from people who were not at the meeting. He said he would like to recommend holding another meeting and invited Noreen Mavro-Flanders to attend.

Noreen Mavro-Flanders said it was her understanding that the purpose of the meeting was to establish a common mission and communication between the Mainland and Island to promote some of the same programs. She said there was some bad feelings on the Vineyard about the types of incentives that were awarded and that the same members were participating receiving the incentives over and over again.

Erin Orcutt said she believes the CCMHG Wellness Program decisions should be made by the Steering Committee and the Board. She said the approach to wellness should be a global one and not separated between the island and mainland. Ms. Orcutt said while the programs do not need to be identical, they should be coordinated under one mission and give equal opportunities to all to participate.

Noreen Mavro Flanders said that mainland and island wellness budget proposals and reporting should use the same formats.

There was a discussion, and it was agreed to set up an ad-hoc group of Steering Committee members and Wellness Committee members to put together a plan for discussion with the MV Wellness Committee at the September Martha's Vineyard Steering Committee Meeting.

Bob Whritenour, Noreen Mavro-Flanders, Deanna Desroches, Chris Clark and Denise Coleman volunteered to work together at a meeting scheduled on July 23<sup>rd</sup> at the Town of Falmouth at 9:30 AM.

Skip Finnell said he would try to attend the meeting, and suggested inviting Maggie Downey and Laura Scroggins to attend as well. He asked Ms. Cormier to send an email to the entire Wellness Committee inviting them to the September meeting.

Carol Cormier said she would also send out copies of the last CCMHG Strategic Plan, which was mostly based on wellness initiatives for the group.

#### **GBS Reports:**

*Funding Rate Analysis (FRA)* - Carol Cormier reviewed the FRA with data through May. She said the expense-to-funding ratio was 88.5% for health plans and 90.3% for dental plans. She said that there is a \$17.33 million funding surplus (paid claims basis) for health plans, \$2.5 million of which is from reinsurance reimbursements from the FY18 reinsurance policy period.

*Level Monthly Deposit (LMD) Reports & Health Plan Proposed deposits for FY20* – Carol Cormier reviewed the LMD reports and said the BCBS claims exceeded the LMD by \$2.1M for 2 months of the 4<sup>th</sup> quarter. She said BCBS is proposing holding the LMD at \$3,302,000. Ms. Cormier reminded the Committee that Julie Scansaroli will be replacing Bill Rowbottom as the BC Account Service Representative for CCMHG.

Ms. Cormier said the proposed Harvard Pilgrim LMD is \$3,078,000, down from \$3,302,000.

Bill Hickey said the decrease is due to a decrease in claims and new provider contracts.

Chris Clark made a motion to approve the Level Monthly Deposits as proposed by HPHC and BCBS.

Motion
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Noreen Mavro-Flanders seconded the motion. The motion passed by a majority vote with one abstention.

*Reinsurance reports* – Karen Carpenter reviewed the FY19 reinsurance reports. She said that 14 claimants had claims totaling \$5,749,487. She said that \$1,549,487 of that amount were claims that exceeded the reinsurance policy deductible of \$300,000. Ms. Carpenter said that \$307,751 of reimbursements has been received and \$1.24M of reimbursements are due. She said that 57 members had claims that fell between \$150K and \$300K totalling \$11.73 million.

Karen Carpenter said that the FY18 policy period reinsurance reimbursements were \$3,629,857 and that the CCMHG owes the MMRA reinsurance pool \$12,450 for reimbursements made on an overpayment.

**Marketing CanaRx to Plan Members – PBIRx – Bob Kademian:**

Bob Kademian, RPh spoke about the CanaRx alternative prescription drug program and said PBIRx is recommending the following options to help increase participation.

1. Targeted mailings sent to members utilizing eligible drugs.
2. A re-introduction of the program to all members by sending a notice to all members and information posted in common areas of the workplace.
3. Lunch & Learn webinars, which can be presented in person or via webinars.
4. Gift Card incentives for first-time utiliziers of the program.

The Steering Committee agreed the best time to promote the program would be in the fall, when the teachers are back at school.

**Joint Purchase Agreement Review:**

Skip Finnell said the areas or recommended changes was presented at the last Steering Committee meeting and reviewed by the members prior to today’s meeting. He said he favors recommending to the Board the elimination of the last part of the last sentence of Article 11, which is in conflict with the Article 3 language.

Noreen Mavro-Flanders made a motion to recommend to the Board to remove the last part of the last sentence of Article 11, beginning with “and voted at least ten days”.

Motion

Chris Clark seconded the motion. The motion passed by a majority vote and one abstention.

Carol Cormier reviewed Article 8 and said the first paragraph does not provide language for reducing projected rates by use of a fund balance surplus above the targeted range.

Chris Clark made a motion to recommend adding language to the first paragraph of Article 8 similar to “or a rate which combined with an approved amount to be funded through the Fund Balance in excess of the Fund Balance Target as established by the Fund Balance Policy,” and to amend the last sentence of the 2<sup>nd</sup> paragraph to refer to Article 8, paragraph 4, and not paragraph 5.

Motion

Denise Coleman sseconded the motion. The motion passed by a majority vote and one abstention.

Carol Cormier reviewed the proposed changes to Article 10 and suggested adding “other applicable laws and regulations, health and/or dental plan requirements, and any eligibility rules approved by 2/3rds vote of members present at a duly called meeting” to the end of the sentence ending with “in accordance with the provisions of MGL Ch. 32B”. She also suggested adding “See Article 11”.

Chris Clark made a motion to recommend to the Board the amendment to Article 10 as stated above by Carol Cormier.

Motion

Noreen Mavro-Flanders seconded the motion. The motion passed by a majority vote with one abstention.

Carol Cormier said the “Affiliated category of membership” could be added to the Joint Purchase Agreement or the Acceptance Agreement of a new municipality. Ms. Cormier also recommended a regular review of the language under Article 12 regarding a municipality’s liability following termination of participation. She noted that other JPGs do not provide a proportionate share of the fund balance to withdrawing participants.

**MMRA meeting and FY20 reinsurance rates:**

Carol Cormier said the Mass. Municipal Reinsurance Arrangement (MMRA) Board met on May 29<sup>th</sup> and said there will be a 3.6% increase to the reinsurance rates for FY20. She said there is usually a cost savings program presentation at each meeting. She said high cost prescription drug costs was discussed at the May meeting. Ms. Cormier said a new \$2.1M drug created by Novartis was recently approved by the FDA,. She said it is a gene therapy drug for the treatment and cure of spinal muscular atrophy. Ms. Cormier said there is going to be a special meeting of the MMRA on August 22<sup>nd</sup> on cost containment solutions to include carving out of specialty medications.

**Conflict of interest issue:**

Carol Cormier said that Atty. Leo Peloquin said that he and Atty. Antoine Fares have spoken with lawyers from the Ethics Commission on this issue. Ms. Cormier said that Atty Peloquin has made the Mass. Municipal Association aware of it and is hoping to schedule a joint meeting with the Commission. She said that she will follow up with Atty. Peloquin on progress.

Erin Orcutt suggested contacting Tom O'Brien, the Treasurer for the Mayflower group, who is aware of the issue.

**Health Plan Reports:**

*BCBSMA* - There was no representative from BCBSMA present at the meeting.

*Harvard Pilgrim* – Bill Hickey said he had nothing new to report.

*Delta Dental* – Nina Conroy said the DOI has approved Delta Dental's provider pricing methodology which saved CCMHG approximately \$100K during the last quarter due to reduced provider payments. She said the payments were reduced by 8.0%.

Ms. Conroy said the new ID cards were re-generated with the CCMHG logo. She said there was a mapping issue with the first cards issued but that has been corrected.

**Other Business:**

The next meetings were noted as follows:

Steering Committee meeting – July 24 at 9 AM at COMM Fire District, Centerville, MA  
Board meeting – July 24 at 10 AM at COMM Fire District, Centerville, MA.

The July 24 <sup>th</sup> Steering Committee meeting was subsequently cancelled.
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There was no further business.

Christopher Clark moved to adjourn the meeting.

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

Chair, Skip Finnell,, adjourned the meeting at 12:10 PM.

Prepared by Karen Carpenter, Client Manager Associate  
Gallagher Benefits Services, Inc.