

MINUTEMAN NASHOBA HEALTH GROUP

Board Meeting

Clinton Town Hall
Clinton, Massachusetts

Meeting Minutes

Wednesday, May 4, 2011 at 10:00 a.m.

Primary & Alternate Board Members Present:

Judy Belliveau, Chair
Donna Madden, Vice-Chair
Anthony Logalbo
Teresa Watts
Lorraine Leonard
Kathy Wylie
Patrick McIntyre
Barbara Conti
Stephanie Gintner
Margaret Dennehey
Kerry Colburn-Dion
John Flaherty
M. Larry Barton
Pam Landry
Michael Hartnett

Lincoln Sudbury RSD
Town of Bolton
Treasurer, MNHG
CASE Collaborative
Town of Harvard
Narragansett RSD
Town of Clinton
North Middlesex RSD
Town of Ayer
Town of Boxborough
Town of Tyngsborough
Concord Carlisle RSD
Town of Carlisle
Town of Stow
Town of Pepperell

Guests Present:

Bill Hickey
Emily Savaria
Rob Anderson
Emily Eaton
Debra Wallace
Pat McHugh
Carol Cormier
Karen Carpenter

Harvard Pilgrim Health Care (HPHC)
Tufts Health Plan (THP)
Fallon Community Health Plan (FCHP)
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Group Benefits Strategies (GBS)
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Chair, Judy Belliveau, called the meeting to order at 10:13 a.m.

Approval of the minutes of the February 9, 2011 meeting:

Donna Madden moved to approve the Board minutes of the February 9, 2011 meeting.

Teresa Watts seconded the motion. The motion passed by unanimous vote.

Motion

GBS Reports:

Diabetes Incentive Program - Linda Loiselle- Linda Loiselle said that in addition to the myMedicationAdvisor® program, Abacus Healthcare Solutions also offers a Diabetes Incentive Program through Good Health Gateways. Ms. Loiselle said that the program helps members with diabetes to control their disease by offering medications and supplies at a \$0 co-pay to participants who meet five program requirements. She said that the requirements include an eye and foot exam, and three lab tests, fasting blood lipids, urine protein levels and an HbA1c every 6 months. Ms. Loiselle said that diabetic patients who follow these recommended guidelines generate substantially lower claims than those who do not.

myMedicationAdvisor®(MMA) Report- Ms. Loiselle distributed the MMA Medication Lists through July 31, 2011 and said that Allegra and Zestra, both medications that treat allergies, are now sold over-the-counter (OTC). Ms. Loiselle said that the MMA contract specifies that they will continue to fill prescriptions for the duration of the prescription unless the drug is no longer attainable through their outside source. Ms. Loiselle said that these two medications are no longer available through their outside sources. Ms. Loiselle said that those affected members will be notified. She said that there are alternative medications available.

Ms. Loiselle said that Carol Cormier spoke to her on behalf of MNHG and asked about including the Fallon Health Plans in the MMA program. Ms. Loiselle said that it has been some time since Abacus did a cost analysis on Fallon claims to determine if the program would save money for both the employee and the group. Ms. Loiselle said that the cost of doing the analysis would be approximately \$4,000. She said that the prescription pricing has changed and there are now additional source countries with lower costs than Canada.

Patrick McIntyre motioned to approve an analysis done by the Abacus Group, not to exceed \$4,000, to determine if adding the Fallon Health Plans to the MMA program would benefit the group and the employees.

Motion

Margaret Dennehy seconded the motion. The motion passed by unanimous vote.

Fallon Community Health Plan (FCHP)– Annual Report:

Rob Anderson, Account Executive for FCHP, introduced Debra Wallace and Emily Eaton and said that they will present the Annual Report for FCHP. Mr. Anderson said that Ms. Eaton will be leaving FCHP and introduced Pat McHugh as her replacement on the MNHG account. Mr. Anderson said that FCHP's continued commitment to deliver high-quality health care and exceptional customer service has earned consistent rankings from the National Committee for Quality Assurance (NCQA) as one of the nation's top health plans. He said that FCHP is the only health plan in the country to be listed on the Honor Roll in all three product categories: commercial plans, Medicare plans, and Medicaid plans.

FCHP Annual Report - Emily Eaton reviewed the Annual Report and said that the report compares MNHG to the FCHP commercial population in regards to the rates of diagnoses per 10,000 people for selected diagnoses for a four-year time period.

Ms. Eaton said that MNHG reports favorably with the three heart disease categories, chronic ischemic heart disease, hypertension and ischemic or unspecified stroke as compared to FCHP. She said that in three out of five cancer diagnoses, MNHG is lower than FCHP's rates, but in two categories, other neoplasms and benign neoplasms of skin, breast, and eyes, MNHG's rates are higher. Ms. Eaton said that Type 1 Diabetes rates have declined over the last four years and said that the rates are lower than FCHP's. Ms. Eaton said that MNHG's current rates are lower than FCHP's in the Lung Disease categories, with the exception of Asthma. Ms. Eaton said that the current drug rates and alcohol abuse and mental health rates are lower, with the exception of anxiety and other psychiatric disorders, which are higher. Ms. Eaton said that the accidents and injury rates are higher in all three categories. She said that preventative screenings are significantly higher and said that is one category for which it's good to have a high rate.

Ms. Eaton said that FCHP is recommending providing educational materials and articles on managing asthma and on preventing accidents both at work and home. She said that even though the overall screening rate was high, promoting cancer screenings through educational materials is recommended. In addition, Ms. Eaton recommended creating a Wellness Committee and said that FCHP will designate a representative to participate on the Committee.

Carol Cormier asked Mr. Anderson to provide a report of expenditures for each category for the same time period and asked to show how many members are in each and the cost per member per month (pmpm). She also asked that the report show cases are over \$50K. Ms. Cormier also asked for a report of the top hospitals and the inpatient and outpatient costs. She said that UMass is a high cost hospital as compared to St. Vincent's Hospital and high on quality.

Rob Anderson said that most members go to UMass if they have SelectCare, and the DirectCare members tend to go to St. Vincent's Hospital because that is where their physicians are affiliated. He suggested asking the heads of the hospitals to a meeting with the MNHG Board to ask for their help in lowering costs.

Cost of Care – Debra Wallace – Debra Wallace said that in recognition of FCHP's fiduciary responsibilities towards the cost of care, they have dedicated resources to integrate and align initiatives for Cost Management and Quality of Care with the emphasis on quality. She said they are identifying and implementing cost containment strategies in five areas: Payment Policies, Fraud and Abuse, Unit Cost Efforts, Utilization Efforts and Benefits. Ms. Wallace briefly described three of the initiatives including a benefit change for proton pump inhibitors used to treat heartburn and reflux disease, Sleep Apnea utilization management program done in the member's home rather than in a facility, and a radiology utilization management program by partnering with Med Solutions.

Treasurer's Report:

Tony Logalbo said that the Uncommitted Fund Balance was \$573,463K as of April 30, 2011. He said the fund balance target was \$6.17M. Mr. Logalbo said that this is a slight improvement partly due to a \$171K ERRP receivable for the Tufts plans.

Carol Cormier said that GBS recently received ERRP claims data from HPHC and said that MNHG may receive an additional \$600K from that filing.

GBS Reports:

FY11 Funding Rate Analysis by Plan – Carol Cormier reviewed the Funding Rate Analysis report for FY11 with data through February 2011. Ms. Cormier said that the expense-to-funding ratio was 103.1%. She said that the Harvard Pilgrim EPO and PPO and the Tufts EPO plans are under-funded..

Level Monthly Quarterly Accounting Reconciliation for HPHC, 3rd quarter– Ms. Cormier said that after two months of the third quarter, MNHG has a credit balance with HPHC of \$544,875.

Stop Loss Reports – Ms. Carpenter reviewed the Excess Loss Report for the CY10 policy period with claims paid through March 31, 2011. She said that there are nine members with claims exceeding the \$225,000 specific deductible with total paid claims of \$3.68M. Ms. Carpenter said the Aggregating Specific Deductible of \$400K has been met and said that reimbursements of \$835,162 have been received. Ms. Carpenter said that there are reimbursements due MNHG in the amount of \$71,636. She said there were 28 claimants on the report of claims at 50%+ with a paid claims total of approximately \$4.09M.

Patient Protection and Affordable Care Act:

Carol Cormier said that in addition to The Patient Protection and Affordable Care Act (PPACA) requiring that health coverage be extended to adult children up to age 26 on their parent's health plans, she said that another issue has come to light. Ms. Cormier said that the Board will need to vote as to whether or not they will cover dependents of dependents. Ms. Cormier said that PPACA does not require coverage of dependents of dependents.

There was a discussion.

Donna Madden motioned that effective June 1, 2011 MNHG will not cover dependents of adult children 19 years of age or older, but will cover dependents of children under age 19 who are truly dependents and will grandfather those dependents that are currently covered until the adult child ages out, i.e. reaches age 26 since the health plans cannot identify them as dependents of dependents.

Motion

Lorraine Leonard seconded the motion. The motion passed by unanimous vote.

Ms. Cormier said that it will be up to the Human Resource departments of MNHG employers to communicate this to any employee requesting that their grandchild be covered.

MA Autism Mandate:

Carol Cormier said that the Board discussed the MA Autism Mandate at a prior meeting and did not take any action.

Bill Hickey, HPHC, said that the mandate will expand the coverage for the treatment of Autism Spectrum Disorder (ASD) for all of the services normally covered under the plan. He said that the mandate removes the benefit limits for those services. Mr. Hickey said that HPHC is estimating the cost to be approximately six tenths of 1%, but said that is a guess. Mr. Hickey said that HPHC will add the benefit effective July 1, 2011 unless MNHG instructs him otherwise.

Emily Savaria, Tufts Health Plan (THP) said that THP will also add the benefit unless told otherwise.

Rob Anderson, Fallon Community Health Plan (FCHP) said that FCHP will need a vote taken by the Board to confirm whether or not MNHG wants to add the mandate to their plans.

John Flaherty motioned to add the MA Autism Mandate benefit to the MNHG health plans effective June 1, 2011.

Barbara Conti seconded the motion.

Motion

Judy Belliveau said that the schools pay the costs now and said that the towns will end up paying the costs either way.

Rob Anderson said that FCHP coordinates the benefit between the school and the health plan and is only covered when medically necessary and with prior authorization.

Teresa Watts said that the towns could face additional costs in the future if these services are not provided at an early age.

A vote was taken and was defeated. A vote for the mandate to be added was made by the Town of Clinton.

Lorraine Leonard made a motion to not add the MA Autism mandate.

Motion

Donna Madden seconded the motion. The motion passed by majority vote with one vote from the Town of Clinton against the motion.

Request for Independent Review of denied claims:

A member of the Board explained that one of their employees is requesting that MNHG approve authorization of an independent review to be done to determine if the employee's medical appointments can be covered at Duke University, a non-participating provider.

Carol Cormier said that the member is currently covered on a HMO plan and said that there are PPO and POS options available to the member. She said that it is open enrollment and that the member can switch to one of those plans. The health plans were contacted and it was verified that Duke University is a participating provider under the PPO and POS plans.

Tony Logalbo motioned to deny an independent review because the member has other options available and can switch to another health plan during open enrollment.

Motion

Margaret Dennehy seconded the motion. The motion passed by unanimous vote.

Fallon Change in administration of Colonoscopy Benefit:

Carol Cormier said that the Board had previously voted to change the routine colonoscopy co-pay to \$0 for the Rate Saver plans, but if anything was found, such as a polyp, the member would be responsible to pay the out-patient surgery co-pay. Ms. Cormier said that FCHP will now cover the routine colonoscopy at the \$0 co-pay regardless of whether something is found or not.

Municipal Health Reform and Joint Purchase Groups:

There was a discussion about the proposed Mass. municipal health reform legislation, and Carol Cormier said that there is language for joint purchase groups in the House version about being able to make some benefit plan design changes with impact bargaining. She said this would be very helpful to Joint Purchase Groups., but said that if the benchmark of the richness of a plan is compared to plans such as the GIC plans, that features such as innovative programs offered by municipalities that reduce costs should also be factored into the equation.

Tony Logalbo motioned to draft a letter to the Senate to include the richness benchmark and flexibility to treat different classes of employees differently points that Ms. Cormier spoke about.

Motion

John Flaherty seconded the motion. The motion passed by unanimous vote.

Other Business:

There was no other business.

Tony Logalbo motioned to adjourn the meeting.

Motion

Barbara Conti seconded the motion. The motion passed by unanimous approval.

Chair, Judy Belliveau adjourned the meeting at 12:35 p.m.

*Prepared by Karen Carpenter
Group Benefits Strategies*