

**Minuteman Nashoba Health Group**

**Board Meeting**

Wednesday, September 14, 2016 at 10:00 AM

Groton Center Fire Station  
Groton, MA

**Meeting Minutes**

**Board and Alternate Members Present:**

Donna Madden, Chair	Town of Bolton
Patrick McIntyre, Vice Chair	Town of Boxborough
Anthony Logalbo, Treasurer	Town of Concord
John Flaherty	Concord-Carlisle RSD
Melisa Doig	Town of Groton
Beverly Beno	CASE Collaborative
Debbie Nutter	Town of Pepperell
Marie Sobalvarro	Town of Harvard
Kevin Johnston	Town of Ayer
Brandi Mahlert	Lincoln Sudbury RSD
Nancy Haines	North Middlesex RSD
Kerry Colburn-Dion	Town of Carlisle
John Kittredge	Town of Clinton

**Guests Present:**

Sherry Kersey	Lincoln Sudbury RSD
Kerry LaFleur	Town of Concord
Cindy Martineau	North Middlesex RSD
Linda Loiselle	Abacus Health Solutions
Jason Fortin	Fallon Health
Erin Hayes	Tufts Health Plan
Fred Winer	Tufts Health Plan
Bill Hickey	Harvard Pilgrim Health Care
Carol Cormier	Group Benefits Strategies
Karen Carpenter	Group Benefits Strategies

Donna Madden, Board Chair, called the meeting to order at 10:00 AM.

**Approval of the minutes of February 16, 2016 and Acceptance of the notes of May 17, 2016:**

Patrick McIntyre moved approval of the Board minutes of February 16, 2016 and acceptance of the Board notes of May 17, 2016.

Motion

Kevin Johnston seconded the motion. The motion passed by a unanimous vote.

**Harvard Pilgrim proposal for the FY17 Level Monthly Deposit:**

Carol Cormier said that effective July 1, 2016, the HPHC increased to \$1,104,000 for FY17 from the FY16 LMD amount of \$1,093,000. She said that Donna Madden approved increasing the amount at the last meeting, but there was no quorum at that meeting.

John Flaherty made a motion to approve the FY17 HPHC LMD as proposed.

Motion

Kerry Colburn-Dion seconded the motion. The motion passed by a unanimous vote.

**Wellness Committee Report –**

Donna Madden said Marcy Morrison could not attend today’s meeting, but sent a report of the progress of the programs. Ms. Madden distributed and reviewed the report that included the Yoga and Fitness Programs, Weight Loss Challenge and Fitness Center discounts for MNHG employees. She said the quarterly newsletter is also sent in a printable version for those employees who do not have email access at work.

**Treasurer’s Report:**

Treasurer Tony Logalbo reviewed the Balance Sheet of August 31, 2016 (unaudited figures) and said the Uncommitted Fund Balance was \$5.26 million and said the Fund Balance target is \$5.25 million. Mr. Logalbo said it does not look like there will be any surplus of funds to use towards lowering the FY18 health plan rates.

Carol Cormier said the cost of specialty drugs and the high cost claims may be a factor. She also noted that the Fallon rates were not increased last year.

Tony Logalbo said that this is the 6<sup>th</sup> year anniversary of implementing the new plan designs and said it may be time to review new plan design options.

In response to a question asked about budgeting for health plan rates, Carol Cormier suggested using at least a 12% increase.

**GBS reports:**

*Funding Rate Analysis Report (FRA)* - Carol Cormier reviewed the *FRA* FY16 report with data through May 31, 2016. She said the expense-to-funding ratio on a paid claims basis was 102.8% with a funding shortfall on a paid claims basis of \$1.07M. She noted that the Tufts and HPHC EPO plans were underfunded while Fallon’s expense to funding ratio was 92.2%.

Ms. Cormier reviewed the FY17 *FRA* report with data through July and said the expense-to-funding ratio was 101%. She said the Fallon plans are slightly underfunded for the 2-month period.

*Stop Loss Reports* - Karen Carpenter reviewed the stop loss reports for FY16. She said that there were two claimants with claims exceeding the specific deductible. She said the claims totaled \$1,386,216 and the excess amount was \$786,216 of which \$567,266 has been reimbursed to MNHG.

*Enrollments* – Carol Cormier reviewed and compared the MNHG health plan enrollments from September 17, 2015 to September 13, 2016 and said there was a small shift of enrollments to the Fallon Select plans.

*MNHG Rate history* – Carol Cormier referred to the Rate History exhibit and reviewed the change in rates from FY10 to FY17, the change since FY13 when the plan designs changed, and the average annual change since FY13. She said she agrees with Mr. Logalbo that the time has come for MNHG to make changes to the plan designs. She noted that if the Board wants to make a change for July 1, 2017, a decision will need to be made by the end of October. Ms. Cormier said those units that haven't already adopted MGL Ch. 32B, Sections 21-22 should do so prior to the Board taking a vote to make design changes. Ms. Cormier spoke about the timing issues when utilizing those sections to make changes and said she could send out a timetable exhibit.

Kevin Johnson asked to add enrollments to the rate history exhibit and to have a similar exhibit prepared for the senior plans.

*GBS Website Maintenance Agreement* – Carol Cormier said that there were no changes to the agreement of fee from last year.

*GBS On-line Portal and Enrollment Service Agreement*- Carol Cormier said that there was no change to the agreement or the fees.

Tony Logalbo moved to approve both agreements.

Motion

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

**Abacus Report** – *Linda Loiselle*

Ms. Loiselle reviewed the My Medication Advisor® (MMA) report from January through July 2016 and said MNHG was on track with the budget. She reported cumulative net savings of \$196,931 for the Group and \$28K in waived copays for the employees.

Ms. Loiselle talked about program promotion ideas and received suggestions from the Board.

There was a discussion about possibly adding Fallon to the MMA program.

Ms. Loiselle said Abacus ran the data and there will be small savings for the Fallon plan.

Donna Madden said she thought it made sense to add Fallon to the MMA program.

Patrick McIntyre moved to add Fallon Health to the MMA program effective January 1, 2017.

Kevin Johnston seconded the motion. The motion passed by unanimous vote.

Motion

Ms. Loiselle said she would communicate with Fallon

Linda Loiselle reviewed the Diabetes Reward Program report through May. She said 34% of eligibles are enrolled and 46% of those are compliant with the program requirements. She said Abacus issued \$50 incentive gift cards in January for enrolling.

**Mass. Municipal Reinsurance Arrangement (MMRA):**

Donna Madden said the next MMRA Board meeting is November 3<sup>rd</sup>.

Carol Cormier said that the MMRA changed reinsurance carriers from Berkley Insurance to Transamerica. She said there was dissatisfaction with the timeliness of Berkley’s adjudication and reimbursement.

**Cost containment concepts for FY18:**

Carol Cormier reviewed some possible scenarios: (1) updating the MNHG plans to the current GIC benchmark plan design level, (2) in the following year adding Health Savings Account (HSA)-qualified high deductible plans allowing employers to decide if they want to offer just the benchmark plans, both types of plans, or only the HSA-qualified plans, (3) employers review their contribution strategies, (4) better promote the My Medication Advisor program, (5) improve participation in wellness programs, (6) add telehealth programs, and (7) consider doing another independent dependent eligibility audit.

Ms. Cormier referred to exhibits and explained how HSA-qualified plans and the Health Savings Accounts worked and the value of these types of plans. She noted that the HSAs are tax-advantaged. She said two other joint purchase groups are proposing to offer these types of plans effective 7/1/17 and will be requiring employers that offer them to contribute to the HSA an amount that is 50% of the deductible or possibly “up to 50%” of the deductible.

Bill Hickey talked about HSA administrators and that the health plans have preferred HSA administrators with which all the members service and payments data is integrated. He explained how an HSA account holder would get information and transact to pay bills.

There was a discussion and it was agreed that the cost containment concepts should be pursued.

**Health Plan reports:**

*Harvard Pilgrim* – Bill Hickey said he did not have anything new to report.

*Fallon Health* – Jason Fortin said Fallon is launching TelaDoc in November or December. He said he should have more information in October.

*Tufts Senior plans* - Fred Winer said that Medicare is not paying as much this year to the Medicare Advantage plans. He said that this combined with the high prescription drug (Rx) trend is likely to lead to higher-than-usual rate increases for the Preferred HMO. He said the Medicare supplement plan will be affected by the Rx increases.

*Tufts Health Plan* – Erin Hayes said that mid-November Tufts will go back to having CVS/Caremark be the Pharmacy Benefit Manager (PBM) for specialty medications.

**Other Business:**

There was no other business.

Donna Madden said the next MNHG Steering Committee meeting will be on October 5 at 1 PM at Groton Center Fire Station. She said the next Board meeting will be on October 17 at 10:30 AM, also at Groton Center Fire Station.

Patrick McIntyre moved to adjourn the meeting.

Motion
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Melisa Doig seconded the motion. The motion passed by unanimous vote.

Donna Madden adjourned the meeting at 11:42 AM.

*Prepared by Karen Carpenter and Carol Cormier  
Group Benefits Strategies*