

**Minuteman Nashoba Health Group**

**Board Meeting**

Monday, September 18, 2017 at 10:00 AM  
Groton Town Hall  
Groton, MA

**Meeting Minutes**

**Board and Alternate Members Present:**

Donna Madden, Chair	Town of Bolton
Patrick McIntyre, Vice Chair	Town of Boxborough
Kristen Noel	Town of Bolton
Kevin Johnston	Town of Ayer
Kerry Colburn-Dion	Town of Carlisle
Bev Beno	CASE Collaborative
Kerry LaFleur	Town of Concord
John Flaherty	Concord Carlisle RSD
Melisa Doig	Town of Groton
Cheryl Gariepy	Town of Lancaster
Brandi Mahlert	Lincoln-Sudbury RSD
Donna Bouchard	Narragansett RSD
Nancy Haines	North Middlesex RSD
Debbie Nutter	Town of Pepperell
Brigette Bell	Town of Tyngsborough

**Guests Present:**

Stephanie Oliver	Town of Concord
Ian Rhames	Concord-Carlisle RSD
Sherry Kersey	Lincoln-Sudbury RSD
Cindy Martineau	North Middlesex RSD
Marcy Morrison	MNHG Wellness Consultant
Robert Cannon	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 10:05 AM.

**Approval of the minutes of June 14, 2017:**

John Flaherty moved approval of the Board minutes of June 14, 2017.

Motion

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

**Election of MNHG Treasurer – Effective date of October 1, 2017:**

Donna Madden said the Board will need to appoint a new Treasurer since Tony Logalbo has retired from Town of Concord and will no longer perform MNHG treasurer's functions. She

introduced Ian Rhames, Accountant for the Concord-Carlisle RSD, who was recommended by Tony Logalbo.

Mr. Rhames gave a brief summary of his experience and said he has been working with Tony Logalbo on the MNHG financial reports for several months

Carol Cormier said Mr. Logalbo spoke very highly of Mr. Rhames when making his recommendation.

John Flaherty said Mr. Rhames' work as the Treasurer of Concord-Carlisle was exemplary and he made a motion to recommend Mr. Rhames as the MNHG Treasurer effective October 1, 2017.

Motion

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

Donna Madden said she was sorry that the Board is not getting a chance to say good-bye to Mr. Logalbo today and said he will be missed.

Carol Cormier reminded the Board that Mr. Logalbo was the founder of the MNHG back in 1990.

**Appointment of the Nominating Committee:**

Donna Madden recommended Melisa Doig, Patrick McIntyre and Kevin Johnston to serve on the Nominating Committee.

Bev Beno made a motion to accept the recommendation of Donna Madden.

Motion

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

Donna Madden said she would be leaving work at the end of June and will end her participation in MNHG at that time. She said she is appointing Kerry Colburn-Dion as the alternate representative to the MMRA Board.

**Treasurer's Report:**

Ian Rhames reviewed the financial report through August 31, 2017 (unaudited figures) and reported an uncommitted Fund Balance of \$2,173,499. He said this was down approximately \$1M from last month. Mr. Rhames said the fund balance estimate was conservative and noted additional reinsurance reimbursements have been received and not reflected on the report.

Carol Cormier advised the Board that there may not sufficient money in the fund balance to subsidize the FY19 health plan rates.

**GBS reports:**

*Invoice/Roster Agreement* – Carol Cormier said the GBS/MNHG Invoice/Roster Agreement will expire on September 30<sup>th</sup>. She said GBS is proposing the same agreement, with no increases in fees for the next 12 months.

Patrick McIntyre made a motion to approve the proposed GBS/MNHG Invoice/Roster Agreement for the next 12 months.

Motion

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

*Funding Rate Analysis Report (FRA)* - Carol Cormier reviewed the FY17 FRA year-end report with data through June, 2017. She said the expense-to-funding ratio on a paid claims basis was 106.1% with a funding shortfall of \$2.5M. Ms. Cormier said that the GBS reports include only major expenses and rate revenue. She said the expenses are paid claims, administrative expenses, and reinsurance premiums net of reimbursements.

Ms. Cormier reviewed the FY18 FRA with two months of data, June and July, and said the expense-to-funding ratio was 96.7%. She noted the Fallon plans were even more underfunded than last year.

*Stop Loss Reports* - Karen Carpenter reviewed the stop loss reports for the *FY16 policy period* with data updated through June 2017. She said that there were three claimants with claims exceeding the specific deductible of \$300,000. She said the claims totaled \$1,690,994, and the excess amount was \$790,994. She said MNHG has been reimbursed \$792,573 to date and was over-reimbursed by \$1,578, which would need to be paid back into the pool.

Ms. Carpenter said that in the *FY17 policy period* as of July 30, 2017 there were seven members with claims exceeding the \$300K specific deductible. She said the claims totaled \$2,907,228, and the excess amount was \$807,228. Ms. Carpenter said MNHG has been reimbursed \$629,575 and said there is a total of \$177,852 of reimbursements due. She said that there were 13 members who had claims between 50% and 100% of the deductible with total claims of \$3,385,259 million.

*High Performance Health Plans program* – Carol Cormier said GBS is looking at programs offered by a variety of companies. She said the criteria for the interviews is that the programs have demonstrated significant ROI in reduced claims, and that the programs do not require plan design changes or collective bargaining. Ms. Cormier said Chris Nunnally of GBS is leading this project and was scheduled to speak to the Board, but said he was sick today. She briefly described several of the programs. Ms. Morrison expressed interest in the program for pre-diabetics. Ms. Cormier said GBS is going to bring a recommendation to MNHG encompassing a number of programs. She said additional information will be forthcoming.

*GIC's request for responses* – Carol Cormier said the Mass. Group Insurance Commission (GIC) issued a request for responses (RFR). She said the GIC is looking to consolidate its carriers and wants to self-fund all of its health plans, with the exception of a few senior plans. She said they are also looking at carving out the prescription drugs and at Telemedicine. Ms. Cormier said they are looking at offering HSA-Qualified High Deductible Health Plans, but not for the upcoming year. She said MNHG voted to add those plans on June 1, 2018.

**Wellness Report – Marcy Morrison, MNHG Wellness Consultant:**

Marcy Morrison distributed a handout and reviewed the current MNHG wellness programs and progress and participation in each. She said the members really like programs referred to as weight loss programs, such as the *Move it and Lose it* program. She said if she calls a program a nutrition program, there is low participation. Ms. Morrison said the weight loss programs, which are really nutrition programs, are very well attended. Ms. Morrison said another Weight Watchers® program is coming up and asked if the Board would like to allow spouses and dependents on the health plans to be eligible to participate.

Donna Madden and the Board agreed the spouses and dependents should be eligible to participate in the Weight Watchers® program.

Ms. Morrison said she is continuously adding healthy recipes and health and program information to the MNHG Facebook page. She said she would like to send an email to all of the employers announcing the page and encouraging the employees to access it.

Ms. Morrison spoke about a wellness company named Wellable which cost \$7K per year to complete 2 fitness challenges. She said she found another vendor she knows that will charge \$500 per challenge. Ms. Morrison suggested starting with the challenge costing \$500 and if she gets a lot of participation, maybe look at the Wellable solution next year.

Donna Madden favored Ms. Morrison’s suggestion and said to start with the challenge costing \$500 and see how it goes.

Ms. Morrison said she met with Julia LeBrun, Fallon Account Executive, about the “Healthy Health Plan” program. She said Julia was going to present a report at the meeting, but is not available. Ms. Morrison said she has the report and will email it to Carol Cormier for distribution to the Board.

Ms. Morrison said meeting with the wellness consultants of other Joint Purchase Groups is very helpful for the consultants to share their information and program ideas and to see which programs work and which do not.

Donna Madden said she is attending the Worksite Wellness meeting tomorrow and said they asked her to speak about the challenges of wellness in the workplace.

**2<sup>nd</sup> reading and vote on proposed amendments to the Joint Purchase Agreement:**

There was minimal discussion since this was the second reading.

Kerry Colburn-Dion made a motion to accept the amendments to the Joint Purchase Agreement.

Motion

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

**Fallon Senior Plan rates:**

Bob Cannon, Fallon Senior Plans, said the Fallon Senior Plan is an excellent product. He said Fallon made changes over the past few years to keep the increase low. Mr. Cannon said they looked again at making changes, but none of the changes were big enough to make a difference on the rate. Mr. Cannon said the calendar year rate for the Fallon Senior Plan is increasing to \$394, up 16% from \$338.

Mr. Cannon said the good news is that the hearing benefit has changes from a \$500 allowance to a purchase price of \$695, \$795 and \$995 at Amplifon. He said Fallon has also added van transportation one-way from the hospital to a nursing home at a \$35 co-pay.

Fred Winer, Tufts Senior Plans, said he did not have the new rates in time for this meeting. He said Tufts is working on trying to reduce their senior plan rate increases from 10% to a 5% or 6% increase. He said he will have the rates for the October 4<sup>th</sup> Board meeting.

**Alternative prescription drug purchasing program update:**

Carol Cormier said the Harvard Pilgrim and Fallon analyses are complete. She said that the Tufts data has not transmitted yet because of non-disclosure documents that need to be signed. She

said CanaRx is expecting to kick off the transition around October 1<sup>st</sup>. She said they will mail information to the members and will have a longer list of prescriptions available under this program than under the MMA program.

Ms. Cormier said the US pays for all of the prescription drug research and development and other countries manufacture most of the drugs that are then imported to US. She said the CanaRx program needs to be promoted because there are significant savings for the employees and the employers.

**Planning educational sessions on HSA-qualified High Deductible Health Plans:**

Donna Madden said the HSA qualified HDHP's will be added to MNHG on June 1, 2018. She asked the health plans to help coordinate regional meetings with those employers that are planning to offer them.

It was mentioned that the plan design will need to be finalized and a decision will need to be made by MNHG on the employer contribution into the member's HSAs, such as a requirement or a cap on contributions.

**Health Plan Reports:**

*Harvard Pilgrim Health Care* – Bill Hickey distributed information about the redesign of the active plan Rx formularies. He said historically every prescription that was FDA approved was available through Harvard Pilgrim. Mr. Hickey said prescription drugs are the major cost driver now, and on January 1, 2018 Harvard Pilgrim will be eliminating coverage for a large number of brand name drugs for which there are lower cost generic equivalents or therapeutic alternatives. Mr. Hickey also said 51 prescriptions will be dropping down to a Tier 1 from a higher tier.

Mr. Hickey also said the mail-order prescription service vendor will be changing from Walgreen's to MedImpact Direct effective October 1, 2017.

Mr. Hickey said letters are being sent out to members informing them of the changes.

*Tufts Health Plan* – Erin Hayes introduced Jessica Clain, who will be replacing Kate Martin as the MNHG contact person. She said Ms. Martin has moved to another position within Tufts Health Plan.

**Other Business:**

The next two Board meeting were scheduled for October 4, 2017 at 10 AM and November 14<sup>th</sup> at 10:30 AM at the Groton Fire Station, 45 Farmers Row, Groton, MA.

There was no other business.

Kevin Johnston moved to adjourn the meeting.

Motion
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Patrick McIntyre seconded the motion. The motion passed by unanimous vote.

Chair Donna Madden adjourned the meeting at 11:30 AM.

Prepared by Karen Carpenter  
Group Benefits Strategies