

## **Minuteman Nashoba Health Group**

### **Board Meeting**

September 24, 2014 at 10:00 AM

Bolton Public Library  
Bolton, 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
Debbie Nutter	Town of Pepperell
Pam Landry	Town of Stow
Kerry Colburn-Dion	Town of Tyngsborough
Lorraine Leonard	Town of Harvard
Marie Sobalvarro	Town of Harvard
Melisa Doig	Town of Groton
John Flaherty	Concord-Carlisle RSD
Bev Beno	CASE Collaborative
Larry Barton	Town of Carlisle
Kevin Johnston	Town of Ayer
Patrick Collins	Lincoln-Sudbury RSD
John Kittredge	Town of Clinton

#### **Guests Present:**

Marcy Morrison	MNHG Wellness Consultant
Marge Merrill	North Middlesex RSD
Jason Fortin	Fallon Health
Patrick Flaherty	Fallon Health
Bob Cannon	Fallon Health Senior Plans
Erin Hayes	Tufts Health Plan
Kathy Hewes	Tufts Health Plan
Joe Joyce	Tufts Health Plan
Fred Winer	Tufts Senior Plans
Bill Hickey	Harvard Pilgrim Health Care
Lauren Koretzki	Harvard Pilgrim Health Care
Linda Loiselle	The Abacus Group
Carol Cormier	Group Benefits Strategies
Karen Carpenter	Group Benefits Strategies

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

**Approval of the minutes of May 28, 2014:**

Patrick McIntyre moved approval of the Board minutes of May 28, 2014.

Motion

Pamela Landry seconded the motion. The motion passed by unanimous vote.

**Treasurer's Report:**

Treasurer Tony Logalbo reviewed the Balance Sheet of August 31, 2014 (unaudited figures) and said the Uncommitted Fund Balance was \$10.5 million. He said the Fund Balance is \$5.7 million over the target amount. Mr. Logalbo said that the Board voted to use \$2.5M of fund balance to supplement the FY15 health plan rates. He reviewed the chart showing the fund balances by month since May2013.

**Nominating Committee Report:**

Mr. Logalbo said that there is a Steering Committee vacancy created by Margaret Denney's retirement with the Town of Boxborough. Mr. Logalbo said that the Nominating Committee is recommending that the Board appoint Beverly Beno, CASE Collaborative, to serve on the Committee. There were no other nominations.

John Flaherty moved to recommend to the Board that the Steering Committee vacancy be filled by Beverly Beno.

Motion

Larry Barton seconded the motion. The motion passed by unanimous vote.

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

Marcy Morrison said that Wellness Champions are still needed and said she will reach out again to each unit. Ms. Morrison said that the champion designated will be responsible to disseminate information regarding the programs and that she, the Wellness Consultant, will be responsible for most of the work.

Ms. Morrison said she sent out several communications promoting the Personal Health Assessment Campaign to include post cards sent by the health plans. She said that the participation rate was very low and asked the Board members to participate. Ms. Morrison said that their participation may help to encourage the employees to participate. She said that she will resend the communications. Ms. Morrison said that she worked with Karen Carpenter to add all of the wellness program information to the MNHG website. She noted that anyone is eligible to participate in any of the wellness programs no matter the location.

Ms. Morrison said that flu clinics can be set up at the employer's worksite and said to contact her if anyone was interested. She said the minimum participation is 25.

Donna Madden said that many of the towns are already offering the flu shots.

Ms. Morrison said that participation in the Concord 6-week Yoga program was very good. She said she would like to continue offering the classes and said that a nominal fee

such as \$5 may be charged. Ms. Morrison said the 6-week Outdoor Fitness program is scheduled to begin tonight in Bolton, MA. She said she invited all surrounding units to participate.

Ms. Morrison said that she has been researching AIRBO, a program designed to help with wellness awareness. She said that weekly emails would be sent out to all employees with a number of informational “tiles” imbedded. She said each tile would have a certain wellness topic or challenge linked to it and the employees participating would be tracked. Ms. Morrison said that MNHG could offer incentives for the participation. She said that eligibility files would need to be sent to AIRBO and she would design the tiles.

Carol Cormier said that she has also looked into this program and suggested that each unit could be responsible to do the emailing with the tiles being created by Ms. Morrison.

Ms. Morrison said it may be complicated to do by unit because she doesn’t think the quizzes and collection of data would work correctly.

Bev Beno said she was concerned about the employees without email access and also about the work time absorbed by completing the tiles. She added that she didn’t think it was something that employees would do at home either.

Donna Madden said that she and Ms. Morrison attended a wellness seminar that was really informative and offered ideas for new wellness programs. She said she would send her notes from the seminar to the Board.

**Group Benefits Strategies Reports:**

Funding Rate Analysis - Carol Cormier reviewed the Funding Rate Analysis (FRA) with year-end data through May 2014. She said that on a composite basis the expense-to-funding ratio was 92.0% resulting in an excess of funding over expenses of \$3,132,600. Ms. Cormier reviewed the FRA for the first two months of FY15 and said the expense-to-funding ratio was 102.0% resulting in a shortfall of \$118,155. She said that the HPHC EPO and Tufts EPO plans were underfunded. Ms. Cormier noted that the Transitional Reinsurance Program fee for FY14 will be approximately \$390K, an additional expense.

**ACA updates:**

Health Plan ID (HPID) requirement – Carol Cormier said that GBS will obtain the HPIDs for its clients before the November 17<sup>th</sup> deadline.

Transitional Reinsurance Fee (TRP) – Ms. Cormier said that the SVRHT Treasurer will be required to make the TRP payment on Pay.gov but noted that the forms to submit the fees have not been published yet.

PCORI fee update – Ms. Cormier said that the FY13 PCORI fee for MNHG has been paid. She said GBS advised all groups to pay the fee by July 31, 2014 based on the ACA regulations and legal advice obtained by GBS. Ms. Cormier said that the IRS has sent a late notice to two of other Joint Purchase Groups (JPGs). She said the IRS notice said

that they paid one year late and when contacted, the IRS gave different advice to each JPG. Ms. Cormier said that expects that one of the JPG treasurers will be contacting the IRS tax advocacy office.

Out-of-pocket (OOP) Maximums FY16- Carol Cormier said that effective plan anniversary, June 1, 2015 for MNHG, the ACA is requiring that prescription drug co-pays count towards the OOP maximums. Ms. Cormier said the result of the change means that the current OOP maximums will be reached sooner. Ms. Cormier said the Board may want to consider increasing the OOP maximums for the FY16 plan year and said Sections 21 to 23 could be utilized to bargain the change provided MNHG does not set its OOP maximum higher than that of the OOP maximum of the GIC's benchmark plan. She said the GIC OOP maximums will be \$5,000 Individual/\$10,000 Family. She said units who did not adopt these sections of Chapter 32B may want to do so.

The Board asked Ms. Cormier to send an email to them to remind them of this item.

Stop Loss Reports – Karen Carpenter said that for the CY14 policy period there was one claimant that exceeded the \$275K specific deductible with claims totaling \$463,641. She said that the \$450K aggregating specific deductible has not been satisfied. She said that there are no reimbursements due. Ms. Carpenter said that for the CY14 policy period there were 3 claimants on the report of 50% with claims totaling \$868,689.

Ms. Carpenter said that for the CY13 policy period there were 6 claimants that exceeded the \$275K specific deductible with claims totaling \$3,595,193. She said that reimbursements totaling \$1,250,377 have been received. She said there are total reimbursements of \$ 19,815 due.

Website Maintenance Contract proposal – Carol Cormier said that the GBS Website Contract expired on August 31, 2014. She said GBS is proposing an annual fee of \$1,600 to maintain the MNHG website. She said the fee is an increase of \$100 over the previous contract.

Patrick McIntyre made a motion to approve the GBS Website Maintenance Contract and fee of \$1,600.

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

**Reports from The Abacus Group:**

Linda Loiselle reviewed the *My Medication Advisor*® (MMA) financial report for CY14 through June 2014 and said that the group had net savings of \$103,607 for those programs. She said employees saved \$20,423 in waived copays.

Carol Cormier said that the MA Independent Pharmacy Association sent a letter to MNHG regarding the MMA program and asking for documents. Ms. Cormier said that a response was sent to MIPA by MNHG along with documents and referring them to the

website for other documents. Ms. Cormier asked the Board members to notify her if their unit receives a letter from MIPA.

Linda Loiselle reviewed the report from the Abacus Group on *the Good Health Gateway Diabetes Rewards Program*®. She said that MNHG was exceeding goals with 30% of identified diabetics enrolled in the program and 53% of those compliant with the five guidelines of care. She said the MNHG's program is very successful compared to other municipal groups. Ms. Loiselle reviewed the program promotions and member outreach that was performed. She said one of the incentives that was funded by the Abacus Group was a raffle for Red Sox tickets.

Linda Loiselle said that she spoke to Marcy Morrison and said she is happy to integrate the Diabetes Rewards Program with the wellness programs.

**Harvard Pilgrim Health Care wellness program presentation:**

Bill Hickey distributed the presentation and introduced Lauren Koretzki, Director of Wellness Strategies and Innovation, who would present.

Lauren Koretzki said that she is responsible to insure that the wellness programs are innovative and effective programs that will encourage healthy behavior changes. She said that nutrition, physical activity, risk reduction and stress management are the main components of the programs. Ms. Koretzki said that the programs use multiple channels of communication including online, phone, worksite, community and savings to reach the members.

Ms. Koretzki said that HPHC offers "At Work for You", a program in which a wellness team would come onsite to determine and customize programs to meet the needs of MNHG employers. Ms. Koretzki said that another HPHC wellness program named "Mind the Moment" offers a wide variety of options such as seminars, coaching, mini-retreats and multi-week sessions on topics created to help the employee to improve their quality of life both in and outside of the workplace. She said this program can be offered through a web-based portal.

Ms. Koretzki said that the HPHC Lifestyle Coaching and Disease Management programs usually start with completion of a Health Risk Assessment (HRA). She noted that the HRA is not tied to physician data or medical records. Ms. Koretzki said the clinical programs support a culture of health with a focus on prevention, utilization, and acute, chronic and high risk conditions.

There was a brief conversation concerning the reluctance of employees to take a HRA if they are unaware that the data is confidential.

Ms. Koretzki said that the HPHC programs can be offered to all employees and spouses, regardless whether or not they are members of HPHC. She said the content can be personalized and employer customized. Ms. Koretzki said that the system is designed using multiple theories of behavioral economics to support ongoing and continuous

engagement through various opportunities to earn rewards. She said that she will send samples of the reporting and the pricing schedule.

Donna Madden thanked Ms. Koretzki and said that MNHG is hoping to work towards integrating the health plan wellness programs with the MNHG wellness programs.

**CY15 Senior Plan Rates:**

Carol Cormier reviewed the CY15 rates for the Tufts and Fallon senior plans. She said the rate for Tufts Medicare Supplement with PDP Plus is increasing to \$381.00/month, a 9.2% increase. She said the Tufts Medicare Preferred HMO plan is increasing to \$262.00, a 4.0% increase from CY14. Ms. Cormier said the Fallon Senior plan is increasing to \$299.00, a 7.6% increase.

*Tufts Senior Health Plans* - Fred Winer, Tufts Senior Plan Account Executive said the Tufts Medicare HMO plan will no longer charge a copay for surgery to remove polyps found during a routine colonoscopy. Mr. Winer said that the catastrophic coverage limit on Medicare Part D drugs is increasing to \$4,700. Mr. Winer noted that even though the Tufts Medicare Supplement plan rate increased this year, the premium was \$380 in 2012 and was lowered in 2013. He said that the medical and drug trends have increased due to the high cost of specialty drugs and the slowdown of brand name drugs moving to generics.

*Fallon Senior Plan* - Bob Cannon, Fallon Senior Plan Account Executive said that the Fallon Senior Plan premium increase is due to the increase in the drug trend. He said that the Tier 3 retail and mail order prescription copays have increased by \$5 and \$10 respectively for CY15. Mr. Cannon noted that the increase to the catastrophic coverage is controlled by CMS.

Tony Logalbo made a motion to accept the CY15 senior plan rates as presented.

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

**Out-of-Pocket (OOP) Maximums for FY16:**

Carol Cormier said she spoke earlier in the meeting about the OOP maximums and said she will add this item to the next meeting agenda. She said the current in-network OOP maximums are \$2,000/\$4,000, and the PPO and out-of-network maximums are \$3,000. She said she will request from the health plans and will bring an exhibits to the next meeting showing the copays paid by plan members. Ms. Cormier noted that the current ACA limits are \$6,350 Individual and \$12,700 Family. She said the GIC has approved OOP maximums of \$5,000/\$10,000.

Erin Hayes said the ACA allows separate OOP maximums for medical and prescriptions as long as the combined total does not exceed the ACA limits. Ms. Hayes said Tufts will present their wellness presentation at the next meeting.

Donna Madden asked Ms. Cormier to add the Tufts wellness presentation to the next agenda and said the Board will set a specific time for it.

**Dept. of Insurance (DOI) Bulletin of June 20, 2014 on discrimination of benefits based on gender:**

Carol Cormier reviewed the MA Division of Insurance (DOI) Bulletin of June 20, 2014 regarding transgender surgery and treatment. She said the Affordable Care Act does not allow for sex discrimination in coverage and treatment. She said the DOI concludes that excluding these types of treatment from coverage will be considered prohibited sex discrimination. She read the conclusion from the Bulletin.

Carol Cormier said that HPHC and Fallon will give self-funded clients the option of whether or not to include the transgender surgery. She said that the health plans say the cost increase will be very minimal, less than 1%. Ms. Cormier said she recommends adding the coverage on renewal.

Erin Hayes said that Tufts is offering 2 levels of benefits and is adding the benefit to its commercial book of business in June of 2015, but said it can be adopted earlier.

Bill Hickey said he will need to check to see if the benefit can be added earlier than plan anniversary.

There was a discussion.

Tony Logalbo suggested that the Board vote today since the DOI has ruled not adding the benefit as discriminatory.

Larry Barton moved to approve adding transgender surgery and related treatments to the Harvard Pilgrim, Tufts and Fallon plans on January 1, 2015 when medically necessary, pending the health plans ability to add the benefit on January 1.

Motion

Tony Logalbo seconded the motion. The motion passed by unanimous vote.

**Other Business:**

The next MNHG Steering Committee was scheduled for December 11, 2014 at 9:30 or 10:00 a.m. to be held at the Bolton Public Library.

Tony Logalbo moved to adjourn.

Motion

Larry Barton seconded the motion. The motion passed by unanimous vote.

Chair, Donna Madden, adjourned the meeting at 12:05 PM.

*Prepared by Karen Carpenter  
Group Benefits Strategies*