

MINUTEMAN NASHOBA HEALTH GROUP

Board Meeting

Lincoln-Sudbury Regional High School
Sudbury, Massachusetts

Meeting Minutes

Wednesday, January 25, 2012 at 10:00 a.m.

Primary & Alternate Board Members Present:

Judy Belliveau, Chair

Donna Madden, Vice-Chair

Anthony Logalbo

Teresa Watts

Patrick McIntyre

Kathleen LeBlanc

Valerie Jenkins

Kathy Wylie

Melisa Doig

Robert Pontbriand

Margaret Dennehey

Kerry Colburn-Dion

John Flaherty

M. Lawrence Barton

Pam Landry

Michael Hartnett

Tim Bragan

Cheryl Gariepy

Lincoln Sudbury RSD

Town of Bolton

Treasurer, MNHG

CASE Collaborative

Town of Clinton

Town of Groton

Town of Groton

Narragansett RSD

Town of Ayer

Town of Ayer

Town of Boxborough

Town of Tyngsborough

Concord Carlisle RSD

Town of Carlisle

Town of Stow

Town of Pepperell

Town of Harvard

Town of Lancaster

Guests Present:

Margaret Merrill

Bill Hickey

Emily Savaria

Rob Anderson

Beth Helenius

Carol Cormier

North Middlesex RSD

Harvard Pilgrim Health Care (HPHC)

Tufts Health Plan (THP)

Fallon Community Health Plan

Fallon Community Health Plan

Group Benefits Strategies (GBS)

Chair, Judy Belliveau, called the meeting to order at 10:12 a.m..

Approval of the minutes of the December 5, 2011 meeting:

Donna Madden moved to approve the Board minutes of the December 5, 2011 meeting.

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

Motion

Treasurer's Report:

Treasurer Tony Logalbo said that the Fund Balance as of December 31, 2011 continued the trend upwards in dramatic fashion. He said that the estimated Uncommitted Fund Balance was approximately \$5.5M (unaudited) compared to \$93K (audited) on 5/31/11. He said it's all about favorable claims and said claims were down 17% compared to December 2010. He said he's seeing the same trend for January.

Mr. Logalbo distributed copies of the FY11 audited financial statements.

Stipend to Town of Concord for Treasurer’s Services in CY12:

Judy Belliveau said that the stipend for 2011 was \$9,000.

Motion

Mr. Logalbo said that the Town requests the same amount.

John Flaherty moved to approve a stipend for \$9,000 to the Town of Concord for Treasurer’s services for CY12.

Kathie Wylie seconded the motion. The motion passed by unanimous approval.

GBS Reports:

Funding Rate Analysis through December 2011 – Carol Cormier reviewed the report and said that the expense-to-funding ratio was very low at 83.6%. She said that health care trend is down across the board.

HPHC Level Monthly Deposit Reconciliation - Ms. Cormier said that HPHC has owed MNHG over \$500K in each of the last 3 quarters and asked Mr. Hickey to have the amount reviewed by HPHC underwriting. She said for the quarter October – December 2011 the MNHG has a credit balance of \$630,134.

Stop Loss Reports –

CY10 reports: Ms. Cormier said that there were 9 claimants that exceeded the specific deductible of \$225,000 in CY10 with claims totaling over \$3.7 million. She said the policy had a \$400K aggregating specific deductible (ASD) which was met and that \$920,108 has been reimbursed to the group. She said there’s an outstanding reimbursement due of \$8,409. Ms. Cormier said that there were 27 claimants on the 50% report with total claims over \$4 million.

CY11 reports: Carol Cormier said that there were 2 claimants exceeding the deductible of \$250K with total claims of \$906,244. She said the reinsurance carrier has not yet applied any claims towards the \$400K ASD and there are no reimbursements to date. She said one of the two claimants is the one with the higher (\$500K) deductible. Ms. Cormier reported 7 claimants exceeding the 50% level with claims totaling \$1.2 million.

Fallon Dental fee proposal:

Rob Anderson, Fallon Community Health Plan, said that Fallon has decided to continue the dental for MNHG although they are discontinuing it for other clients. He reviewed the pricing which is \$6.96 Individual and \$20.60 Family per month.

Donna Madden moved to accept the Fallon dental fee proposal.

Motion

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

Webmaster’s Contract Proposal:

Donna Madden moved to approve Lisa Trombly’s proposal to renew the Webmaster contract at the current annual fee level of \$1,350.

Motion

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

Implementation of Plan Design Changes for FY13:

Chair Judy Belliveau asked the employers to give brief updates on their progress towards implementing plan design changes for June 1, 2012. Most of the employers gave updates on their approach to affecting change, i.e. Ch. 32B, Section 21, Ch. 150E, informal bargaining, or other, and status of the process.

Tony Logalbo shared the Town of Concord's written agreement with the Public Employee Committee (PEC) with the Board members.

Bill Hickey, HPHC, said that before and during the process education is very important. He said he is ready and available to participate in meetings with employees.

Emily Savaria said March is better than April or May when schedules get tied up with Open Enrollment activities.

Rob Anderson said he'd share materials Fallon prepared for City of Worcester meetings with employees last year. He agreed to email the materials to Carol Cormier for distribution.

Judy Belliveau asked when the Plan Summaries would be ready.

Emily Savaria and Bill Hickey said that they would be available for the March meetings.

Beth Helenius, Fallon, said that their partner, UltraBenefits, could be helpful with administering FSAs and HRAs.

Carol Cormier asked the MNHG employers to send her their Memoranda of Agreement with Labor, and she said she'd send them out to the other employers.

Emily Savaria suggested that employers that are doing FSAs and/or HRAs have the vendors for these plans at the employee meetings.

Carol Cormier said that she would distribute scenarios explaining how the deductible and co-pays interact soon.

Inpatient co-pay when changing carriers when a member is hospitalized across two policy periods and two carriers:

Carol Cormier said that this situation recently happened when a Rate Saver plan member was hospitalized at the end of May and changed carriers on June 1st. She said he was charged the hospital co-pay twice, but it was really only one admission.

Teresa Watts moved that in the case described above, the new carrier will refund the 2nd hospital copay and that this be the policy going forward.

Donna Madden seconded the motion. The motion passed by unanimous vote.

Motion

Other Business:

Fallon Community Health Plan - Rob Anderson said that the Direct Care plan, MNHG's lowest cost plan, is a limited network HMO. He said the network has expanded which he expects to create more interest in the plan. He suggested that the Fitness Allowance on Direct Care only be increased to \$250 per member/\$500 per family and open it up to exercise equipment purchased for the home. He said currently the benefit is \$200/\$400. There was a discussion.

Tony Logalbo moved to increase the Fitness Allowance on the Direct Care plan to \$250 per member/\$500 per Family effective June 1, 2012.

Motion

Donna Madden seconded the motion. The motion passed by unanimous vote.

Tufts Health Plan – Emily Savaria said that Tufts has recently renegotiated its contract for commercial business with Partners Health Care System. She said this will result in about \$105 million in savings. She said the

contract was opened early and that it's a risk-based contract with a 2% increase. She said that in 2012-13 Tufts intends to pass savings back to its clients.

Harvard Pilgrim Health Care – Bill Hickey talked about the new HPHC “Focus” network in Central Mass.. He said HPHC is also building a statewide limited network.

COBRA Initial Notice – Carol Cormier said that MNHG is the only client for which GBS includes the Initial Notice mailing as part of its COBRA services. She described some phone calls that GBS received where members thought they were being terminated from service by the employers. She asked if the Board wanted GBS to continue to send the Initial Notice. The Board responded affirmatively.

Next Board meeting – The next meeting was set for April 3 at 10 AM at Lincoln Sudbury High School.

Meeting time and venue were subsequently changed to 10:15 AM at Groton Public Library.

Patrick McIntyre moved to adjourn the meeting.

Motion

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

Judy Belliveau adjourned the meeting at 11:22 AM.

*Prepared by Carol Cormier
Group Benefits Strategies*