

Minuteman Nashoba Health Group

Board Meeting

Wednesday, October 4, 2017 at 10:00 AM
Groton Fire Station
Groton, MA

Meeting Minutes

Board and Alternate Members Present:

Patrick McIntyre, Vice Chair	Town of Boxborough
Ian Rhames	Concord-Carlisle RSD
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
Melisa Doig	Town of Groton
Cheryl Gariepy	Town of Lancaster
Brandi Mahlert	Lincoln-Sudbury RSD
Nancy Haines	North Middlesex RSD
Debbie Nutter	Town of Pepperell
Brigette Bell	Town of Tyngsborough
Donna Kunst	Town of Stow
Marie Sobalvarro	Town of Harvard
John Kittredge	Town of Clinton

Guests Present:

Linda Loiselle	Abacus Health Solutions
Ed Aberger	Abacus Health Solutions
Amy Haley	Town of Harvard
Stephanie Oliver	Town of Concord
Kelly McCausland	Concord Carlisle RSD
Sherry Kersey	Lincoln-Sudbury RSD
Marcy Morrison	MNHG Wellness Consultant
Julia Lebrun	Fallon Health
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
Chris Nunnally	Group Benefits Strategies
Karen Carpenter	Group Benefits Strategies

Patrick McIntyre, Vice Chair, called the meeting to order at 10:05 AM.

Approval of the minutes of September 18, 2017:

Melisa Doig moved approval of the Board minutes of September 18, 2017.

Motion

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

Treasurer’s Report:

Patrick McIntyre introduced Ian Rhames, the new MNHG Treasurer.

Mr. Rhames said he reviewed the August financial report at the September 18th meeting (unaudited figures). He said preliminary September financials show a slight increase to the Uncommitted Fund Balance over the August balance of \$2,173,499. Mr. Rhames said additional reinsurance reimbursements have been received but are not reflected on the report.

Compensation for the Treasurer’s services:

Ian Rhames said that Concord Carlisle RSD requested a stipend of \$25,000. He said the district will disburse \$15,000 to Mr. Rhames, \$2,500 to each of two secretaries, and \$5,000 to the school district.

In response to a question asked, Ms. Cormier said the previous stipend of \$11,000 was paid to the Town of Concord and was dispersed to the office staff who handled the transactions.

Kerry Colburn-Dion made a motion to approve the stipend as requested.

Motion

Nancy Haines seconded the motion. The motion passed by a unanimous vote.

GBS reports:

Funding Rate Analysis Report (FRA) - Carol Cormier reviewed the FY18 FRA report with data through August, 2017. She said the expense-to-funding ratio on a paid claims basis was 97% with a funding surplus of \$338,239. She said the Fallon expense-to-funding ratio was 110.2%. Ms. Cormier said \$331K of reinsurance reimbursements were received in June through August thus accounting for most of the surplus. She noted 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.

High Performance Health Plan –

Carol Cormier said GBS is looking at programs that have the potential to lower claims costs. She said GBS is hearing presentations from a variety of companies. She said the criteria for the interviews are that the programs have demonstrated significant ROI and that the programs do not require plan design changes or collective bargaining. Ms. Cormier introduced Chris Nunnally of GBS and said he is leading this project.

Chris Nunnally said GBS is looking at the best practices and the GIC plans for the future and will consider the best of all practices when putting together a recommendation. Mr. Nunnally said that GBS is looking at programs to impact medical claims and those to impact pharmacy claims. He said GBS is looking at vendors and will narrow them down to the “best in class”. Mr. Nunnally said carving out the prescription drugs from the medical plans is an option that may make sense. He said Chronic Care Management/Case Management, Diabetes programs, Pay for Play weight loss programs and Telemedicine vendors are being reviewed by GBS. Mr. Nunnally said GBS will need MNHG’s authorization to request claims data to do analyses of the programs. He said more information including the estimated ROIs of each program will be discussed with MNHG in the near future.

Kevin Johnston made a motion to allow GBS to obtain claims data to do an analysis of the programs.

Motion

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

Stop Loss Reports - Karen Carpenter reviewed the stop loss reports for the *FY17 policy period*. She said that as of August 31, 2017 there were seven members with claims exceeding the \$300K specific deductible. She said the claims totaled \$3,006,376, and the excess amount was \$918,547. Ms. Carpenter said MNHG has been reimbursed \$760,842 and said there is a total of \$145,534 of reimbursements due. She said that there were 15 members who had claims between 50% and 100% of the deductible with total claims of \$3,405,083.

Website maintenance agreement – Carol Cormier said the GBS website maintenance agreement will expire at the end of October. She said GBS is proposing an annual fee of \$1,700 to be paid in 2 installments.

Kerry Colburn-Dion made a motion to approve the GBS agreement as proposed.

Motion

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

Patrick McIntyre signed the agreement.

Wellness Report – Marcy Morrison, MNHG Wellness Consultant:

Marcy Morrison said there wasn't very much new since her last report two weeks ago. She said she is very interested in hearing more about the Cancer Care program Mr. Nunnally spoke about.

Carol Cormier said other JPG's wellness coordinators are also interested in hearing more about the programs. She suggested Mr. Nunnally may want to have a conference call with them.

Abacus report on MMAS and Diabetes Reward program with enhancements:

Linda Loiselle said Abacus has been managing the Diabetes Rewards Program for several years now. She said she is happy to hear that GBS is looking into programs that may address those with pre-diabetes. Ms. Loiselle reported 49 (54%) out of the 91 MNHG members enrolled in the program are meeting all five of the care requirements. She said the 91 enrolled represents 31% of those eligible to participate. Ms. Loiselle reported \$23,288 waived copays and 966 scripts ordered. She said the estimated program savings for the last 9 months was \$57,810 and medication supply costs were \$287,322.

Ms. Loiselle reviewed the program outreach promotions, including mailings, helpline calls, onsite visits, and tailored letters to enrolled members. Ms. Loiselle introduced Ed Aberger and said he would present the proposed enhancements to the program

Ed Aberger reviewed the program enhancements that include a new blood glucose monitor, Accu-Chek®, which would electronically monitor the participants blood glucose levels. Mr. Aberger said the monitor is capable of transferring the numbers to the member's computer and the members can also bring the record of the readings to their physician. He said the participant will also be assigned to Abacus Care Team members. Mr. Aberger said the results are recorded and an analysis of the readings can pinpoint where a member may be having issues that could be

addressed. He gave an example of a members results before and after analysis and a diabetes health action plan developed for that member. In addition, Mr. Aberger said a clinical pharmacist has been hired to provide medication therapy when necessary.

Mr. Aberger said Abacus is working with a new company to obtain a lower cost for the test strips which will provide MNHG with additional savings. He said Abacus will need claims data from the health plans and updating of the necessary confidentiality agreements.

Patrick McIntyre thanked Ms. Loiselle and Mr. Aberger and asked to table the decision until after hearing what programs GBS will propose. He said the Board would then be able to make an informed decision.

CY18 Senior Plan Rates:

Fred Winer, Tufts Senior Plans, said the Tufts rates were a little late because they were trying to reduce their senior plan rate increases from 10% to a 5% or 6% increase. He said the Medicare HMO Prime plan would be increasing by 6.1%, up from \$296 in CY17 to \$314 for CY18. Mr. Winer said the Medicare Supplement with PDP Plus would be increasing 8.3%, up from \$397 to \$430. Mr. Winer said the reasons for the increases included the addition of the insurer fee of \$10.28 pmpm and the reduction in CMS reimbursements of \$3.50 pmpm. He said the increase is also due to the PDP rate increase of 12%.

Bob Cannon, Fallon Senior Plans, said the calendar year rate for the Fallon Senior Plan is increasing to \$394, up 16% from \$338. 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 good news is that the hearing benefit 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.

Bev Beno made a motion to accept the senior plan rates as presented.

Motion

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

Alternative prescription drug purchasing program update:

Carol Cormier said the Board voted to move from the Abacus My Medication Advisor® program to CanaRx direct. She said the initial mailings to members from CanaRx are scheduled for early next week. Ms. Cormier said the mailings were a little delayed because it took longer than expected to get the claims data. She said they will include a letter in the introductory packet to employees explaining about the transition.

Employer contributions to the HSAs for High Deductible Health Plan member:

Carol Cormier said the Board needs to finalize the plan design and determine what, if any, the employer contribution percentage limits will be. She said it was thought that the healthier younger employees would enroll into the HDHPs, but, she said a review of demographics of over 200 employees enrolled in HSA-qualified High Deductible Health Plans in another joint purchase group found that 67% of enrollees were 40 or older and 46% enrolled were 50 or older.

Ms. Cormier referred to the plan design exhibit in the packet and said the expected decrease in premiums compared to the current plans is about 20%, based on actuarial data from the health plans. She said one Joint Purchase Group requires its employers to contribute 50% of the deductible into the member's HSA, while another requires "up to a 50% contribution. She said the deductible will apply to all services, with the exception of some preventative services. She said once the deductible is met, all services will not require a copay with the exception of prescriptions. She asked the Board to consider the plan design presented. She suggested adding the preventative prescriptions list that are not subject to the deductible. She said these meds would require copays.

Ms. Cormier said the HDHP members would not be eligible to participate in the CanaRx program, at least not for the first year.

Ms. Cormier said educational meetings for the employers and employees will be necessary and are very important because the information can be complex. She said that employers could have regional meetings.

Cheryl Gariepy made a motion to approve the plan design as presented on the exhibit, including the preventive drug lists.

Motion

Kerry LaFleur seconded the motion. The motion passed by a unanimous vote.

Regarding the employer premium contribution requirement, Kerry Colburn-Dion distributed an exhibit she prepared to show the expected premium savings, including the HSA contribution.

Carol Cormier said because of the diverse employer contribution percentages to the health plan rates, a policy that states employers may contribute "up to 50%" of the deductible to the HSA would probably work best so each employer can decide. She noted if the contribution to the HSA is higher than 50% of the deductible, it defeats the reason to add the plans and the HDHP rates would have to be set higher.

Bev Beno asked Ms. Colburn-Dion to send an electronic copy of her spreadsheets to the Board following Carol Cormier's review of the spreadsheet.

Ms. Colburn-Dion said the employers could use the spreadsheet when speaking to their Managers and Unions. She said she used the FY18 plan rates.

Carol Cormier thanked Ms. Colburn-Dion for her work on the financial analysis spreadsheets. She said when implementing the plan design changes on June 1st, employers may use standard Ch. 150E bargaining, Ch. 32B, Section 19 coalition bargaining, or informal coalition bargaining if all unions agree to it. Ms. Cormier said determining the schedule of employer deposits to the HSAs and deciding on the contribution amounts are bargainable issues.

After a discussion, Kerry Colburn-Dion made a motion to establish the employer contribution to the HSAs as "up to 50% of the deductible".

Motion

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

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

Bill Hickey, Harvard Pilgrim Health Plan, said he spoke to Marie Sobalvarro of the Town of Harvard about the possibility of holding regional educational meetings.

Patrick McIntyre said they would speak outside of the meeting to schedule and coordinate the meeting locations and encouraged other Board members to do the same. He suggested filming one of the meetings to add to the employer and MNHG websites for those who would not be able to attend the meetings.

Carol Cormier said the Town of Harvard will be moving its retirees, 78 subscriber contracts from the GIC into the MNHG for an effective date of June 1, 2018. She said it is a small group that shouldn't have much effect on the group as a whole.

Health Plan Reports:

Fallon Health – “Healthy Health Plan” utilization – Julia Lebrun summarized the *Healthy Health Plan* incentive program. She said the first thing a member will do is to fill out the health assessment to earn the first part of the incentive. She said if the member continues to complete the tasks associated with the results of their assessment, they will receive additional cash incentives up to a total of \$200.

Ms. Lebrun said participation in the program is low at 8% of the Fallon Health enrollees. She said 114 subscribers and 50 spouses, with the average age of 41 have enrolled. Ms. Lebrun said the members self-report their health conditions on the assessment, which include headaches, allergies, back pain, depression, anxiety, and high cholesterol. She said 70% of those who completed the assessment were low risk members and 10 were high risk, smokers and/or a high BMI. Ms. Lebrun said it takes about 4 months on average to complete the program.

Ms. Lebrun said to contact her for promotional mailings, posters and flyers that can be used as payroll stuffers or added to the employer's websites.

Harvard Pilgrim Health Care – Bill Hickey distributed information about the redesign of the Harvard Pilgrim EPO and PPO 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 October 1, 2018 Harvard Pilgrim eliminated 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 have been sent out to members informing them of the changes.

Tufts Health Plan – Erin Hayes said there was nothing new to report.

Other Business:

There was no other business.

Kevin Johnston moved to adjourn the meeting.

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

Motion

Vice Chair Patrick McIntyre adjourned the meeting at 12:00 Noon.

*Prepared by Karen Carpenter
Group Benefits Strategies*