

MINUTEMAN NASHOBA HEALTH GROUP

Steering Committee Meeting

Harvard Town Hall
Harvard, Massachusetts

Meeting Minutes

Tuesday, November 22, 2005 at 9:00 a.m.

Committee Members Present:

Tony Logalbo, Chair and Treasurer
Pauline Paste
Valerie Jenkins
Paul Cohen
David Desgroseilliers

Town of Concord
Lincoln Sudbury Reg. School District
Town of Groton
Town of Harvard
Town of Tyngsborough

Guests Present:

Jerry Martin
Robert Anderson
Beth Helenius
Carol Cormier

No. Middlesex Regional School District
Fallon Community Health Plan
Fallon Community Health Plan
Group Benefits Strategies (GBS)

Chairman Tony Logalbo called the meeting to order at 9.03 a.m.

1. Approval of the minutes of the meeting of September 20, 2005:

Pauline Paste moved to approve the minutes of the September 20, 2005 meeting as written.

Motion

Valerie Jenkins seconded the motion. The motion passed by unanimous vote.

2. Fallon Presentation on its Consumer Directed Health Plan (CDHP):

Tony Logalbo said that the group was in the “discovery” process in terms of learning about alternative health plan options. He said that the Committee had entertained a presentation from Tufts on the Liberty Plan and now was going to hear about the Fallon Consumer Directed Health Plan (CDHP).

Rob Anderson arrived and introduced Beth Helenius, Product Manager, Fallon.

Beth Helenius described the features of the Fallon consumer directed health plan, the *Fallon Choice Plan*, noting that it has been constructed on the HMO platform since that is what Fallon believes it does best.

Ms. Helenius discussed HSAs and HRAs and said she would discuss the plan with an HSA using Sovereign Bank. She said that employers are not required to use Sovereign but that Fallon had formed this partnership with the bank. She said that Sovereign charges a \$4 per month fee.

Ms. Helenius pointed out that HSAs and the medical payment portion of FSAs may not co-exist.

Beth Helenius reviewed the benefit structure of the plan.

Tony Logalbo raised the issue of whether Mass. governmental employers could legally fund an HSA.

Rob Anderson said he would research this issue.

There was a discussion about the Fallon CDHP.

Tony Logalbo thanked the Fallon representatives for the presentation.

Beth Helenius and Robert Anderson left the meeting.

Group Benefits Strategies Reports:

Funding Rate Analysis Report – Carol Cormier reviewed the FY06 Funding Rate Analysis report with data through September 2005. She said expenses (paid basis) were about 98% of the funding. She said that the Fallon plan expenses were almost 13% below funding.

Tony Logalbo asked that Rob Anderson prepare a report explaining the increase in the Fallon claims for the December Board meeting.

There was a discussion about how much of an increase to build into the towns' and districts' FY07 budgets.

Carol Cormier said she would not advise using less than 15%.

Tony Logalbo said that he had one-fourth of his costs attributable to retiree coverage and would like a forecast for those plans.

Harvard Pilgrim (HPHC) Level Monthly Deposit Accounting Report – Carol Cormier said that the Group had a debit balance with HPHC of \$366K for the first quarter of FY06.

Stop Loss Report for CY2005 – Carol Cormier said that four members had claims exceeding the reinsurance policy deductible of \$150K. She said that excess claims for these members were \$56,569 which, if approved, would be applied to the \$100K aggregating specific deductible.

There was a discussion about the Medicare Retiree Drug Subsidy (RDS) and how it should be used.

Dave Desgroseilliers moved to recommend to the Board that the first RDS stay in the MNHG fund.

Valerie Jenkins seconded the motion. The motion passed by unanimous vote.

Motion

Recommendation of Officers and Steering Committee members:

Tony Logalbo said the Nominating Committee would nominate Paul Cohen as Chair. He said that Jerry Martin would be nominated for the Steering Committee. He said that the Committee is still seeking others willing to serve to bring the Committee up to seven members. He said the terms would be for two years starting January 1, 2006.

Pauline Paste said she would stay on until June.

Dave Desgroseilliers said that he would retire next month.

MyMedicationAdvisor®:

Carol Cormier said that although The Abacus Group had determined that there would be no savings on the Fallon plan from purchasing brand name drugs from Canada, the Steering Committee should consider giving Fallon members access to the educational information on the *myMedicationAdvisor®* website. She

said that Abacus would not charge a per contract fee for the access but does propose an annual fee of \$3,375. She said that Abacus could have the website access available on January 1, 2006.

Larry Barton asked how many Fallon subscribers there are in MNHG and a discussion about anticipated use of the website and whether or not it was worthwhile to provide the access.

Paul Cohen moved to recommend to the Board that it expend the \$3,375 to give MNHG Fallon members access to the MMA website.

Motion

Valerie Jenkins seconded the motion. The motion passed by unanimous vote.

Other Business:

There was no other business.

Valerie Jenkins moved to adjourn the meeting.

Pauline Paste seconded the motion. The motion passed by unanimous vote.

Chair Tony Logalbo adjourned the meeting at 10:47 a.m.

*Prepared by Carol Cormier
Group Benefits Strategies*