

Minuteman Nashoba Health Group

Board Meeting

Tuesday, December 8, 2015 at 10:00 AM

Groton Center Fire Station
Groton, 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
Lorraine Leonard	Town of Harvard
Kevin Johnston	Town of Ayer
Pam Landry	Town of Stow
Melisa Doig	Town of Groton
Michael Hartnett	Town of Groton
Kerry Colburn-Dion	Town of Tyngsborough
Peter Rowe	Lincoln-Sudbury RSD
Larry Barton	Town of Carlisle

Guests Present:

Marcy Morrison	MNHG Wellness Consultant
Felicia Kuehl	Narragansett RSD
Jason Fortin	Fallon Health
Erin Hayes	Tufts Health Plan
Fred Winer	Tufts Senior Plans
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 10:09 AM.

Approval of the minutes of September 29, 2015:

Lorraine Leonard moved approval of the Board minutes of September 29, 2015.

Motion

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

Wellness Committee Report – Marcy Morrison, MNHG Wellness Consultant:

Marcy Morrison reviewed the program offerings including the *One Simple Change* campaign. She said she may start a new campaign in January or change it up a bit. Ms. Morrison said 130 members participated in the weight loss detox program delivered via conference calls. She said the overall weight loss was over 500 lbs. Ms. Morrison said the smoking cessation program

delivered by conference calls and facilitated by Fallon Health is free to Fallon members. She said the non-Fallon members can participate but will be responsible to pay a fee.

Ms. Morrison reviewed the status of the *Yoga* and *Fitness* classes and the *Holiday Challenge*. She said the first bi-monthly newsletter will be published in mid-January.

There was a discussion about the employees that work irregular schedules and are not able to participate in the programs.

Ms. Morrison said to contact her and she would be more than willing to schedule a program that would work for those employees.

Donna Madden asked everyone to introduce themselves.

Nominating Committee Report:

Tony Logalbo reviewed the current slate of officers and members of the MNHG Board and Steering Committee. He said all other members to include the Board Chair and Vice Chair have expressed that they will be willing to serve another year.

He said Lorraine Leonard and Larry Barton will be retiring, and the Board will look for replacements early in 2016.

Kevin Johnston made a motion to approve the current slate of officers and members to serve for 2016.

Motion

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

Treasurer's Report:

Treasurer Tony Logalbo reviewed the Balance Sheet of November 30, 2015 (unaudited figures) and said the Uncommitted Fund Balance was \$8.8 million. He said this was down less than \$400K for the year and expected due to the planned use of the trust fund surplus towards the FY16 rates.

Group Benefits Strategies Reports:

Funding Rate Analysis - Carol Cormier reviewed the Funding Rate Analysis (FRA) with data through October 2015. She said that on a composite basis the expense-to-funding ratio was 98.9% resulting in a funding surplus of \$175,041. She said that the Fallon EPO gain of \$511K offset the Tufts EPO loss. She noted that the surplus of rate revenue over expenses includes reinsurance recoveries of \$66K.

Harvard Pilgrim Level Monthly Deposit (LMD) reconciliation report – Carol Cormier said that MNHG had a \$163,723 credit balance with Harvard Pilgrim as of October 31, 2015.

Stop Loss Reports – Karen Carpenter said that for the FY15 policy period, there was one claimant that exceeded the \$300K specific deductible with excess claims totaling \$109,351. She said that \$108,493 has been paid to the Group and \$857.41 is the outstanding amount owed to the Group.

Ms. Carpenter said that there were 10 claimants on the report of 50% with claims totaling \$2,042,720.

Ms. Carpenter said that there were 2 claimants on the FY16 reinsurance report of 50% with claims totaling \$390,550.

FY15 Audit Report:

Tony Logalbo said that he received a draft copy of the MNHG FY15 Financial Statements from the auditor yesterday. He said he and Carol Cormier will be reviewing the text portions of the audit for accuracy. Mr. Logalbo distributed the report to the Board and noted that the financial reports will not change with his upcoming review of it. He said he will send out an invitation to the Board members to the exit interview that will be held at the Town of Concord next week. He noted that the Unrestricted Fund Balance of \$9,150,000 stated in the audit was very close to his estimate. Mr. Logalbo said he didn't receive a copy of the Management Report yet.

Update on the MA Municipal Reinsurance Arrangement (MMRA):

Donna Madden said that the MMRA quarterly report is in the meeting packet with data through September 2015. She said that the MMRA is an arrangement is similar to how the Joint Purchase Groups operate. Ms. Madden said MNHG, CCMHG and WSHG are the groups that are in the MMRA. She said that member claims between \$300K are \$800K are reimbursed out of the funds in the pool, while claims exceeding \$800K are reimbursed from the reinsurance carrier.

Carol Cormier briefly reviewed the report and that the term "Treaty Year" refers to the start date of the policy so that the 2014 Treaty Year is for the FY15 policy/fiscal year. She said that the participation percentage is based on the proportionate share of claims. Ms. Cormier noted that the percentage changed due to the loss of four of the WSHG units.

Mr. Logalbo said that he will work on creating a report that can be explained in easier terms. He said that the premiums and collaterals are sufficient to meet the claims so far.

Carol Cormier said that the reinsurance renewal will not necessarily be impacted by the loss shown because reinsurance rates are not determined on the same basis as health plan rates are determined.

Ms. Madden said the MMRA Board is researching the possibility of adding a transplant insurance program to the policy. She said they are also reviewing the impact of the rise of prescription costs.

Carol Cormier said that 3 tier prescription co-pay designs are becoming outdated.. She noted that many of the carriers are adding four and/or five prescription co-pay tiers to their products.

Affordable Care Act (ACA) updates:

Employer Reporting –Carol Cormier said that HPHC and Tufts are now able to provide monthly member reports to use for the CY15 ACA employer reporting requirement. She said that the monthly GBS rosters will be sufficient for the CY16 ACA reporting.

Bill Hickey said that HPCH is charging a one-time fee of \$5K for the CY15 report and said the report will include all MNHG members. He said the report will be sent to GBS during the 1st or 2nd week in January.

Ms. Cormier said the report will be sent to GBS to separate out by governmental unit and then uploaded to the GBS portal for the employers to access. She said this may take a week or more.

Erin Hayes said that Tufts format is different than that of HPHC and may be in a csv file or excel. She said she would send the options to Carol Cormier.

There was a discussion about getting the reports in December with data through November to have additional time to prepare to report.

The health plan representatives said they did not think this was possible.

Jason Fortin said that Fallon Health's enrollment structure is set up by town but said he would ask about the capability to report on that basis and the cost to do so.

Tony Logalbo made a motion to approve the HPHC \$5K fee and the Fallon fee not to exceed \$5K.

Motion

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

Health Plan reports:

Tufts Health Plan Senior Products – Fred Winer said to recycle the old Tufts senior enrollment packets with the CY16 packets.

Harvard Pilgrim (HPHC) – Bill Hickey said there wasn't anything additional to report from HPHC.

Fallon Health – Jason Fortin said Fallon Health has expanded its network to include Newton Wellesley hospital.

Tufts Health Plan – Erin Hayes said effective January 1, 2016, Tufts Health Plan will be adding two new savings programs to its self-insured clients' plans. She said in an effort to provide effective cost management programs and increase savings on out-of-network (OON) medical claims, THP has added the Cigna's PPO network to the out-of-network savings program. She said this move will provide better claims pricing for MNHG and its employees when seeking services outside of the THP service area.

Ms. Hayes said new ID cards will be sent out to all members due to adding Cigna to its brand.

Ms. Hayes said the second program will help to manage the increasing cost of pharmacy claims that are now paid under the medical benefit, such as chemotherapy. She said THP has selected Cotiviti to review all the paid medical pharmacy claims to determine appropriate provider billing. If they identify an overpayment, they will work with the provider and THP to adjust the claim. She said there is no cost to MNHG.

Other Business:

There was no other business

Donna Madden set the next Board meeting for February 16, 2016 at 10 AM and a Steering Committee Meeting was set for February 9, 2016 at 10:00 AM, location to be determined.

The meeting locations were subsequently determined to be held at the Groton Fire Station, 45 Farmers Row, Groton, MA

Kevin Johnston moved to adjourn the meeting.

Motion

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

Chair, Donna Madden adjourned the meeting at 11:03 AM.

*Prepared by Karen Carpenter
Group Benefits Strategies*