

**Minuteman Nashoba Health Group  
Steering Committee Meeting**

Groton Center Fire Station  
Groton, Massachusetts

Meeting Minutes

Tuesday, February 9, 2016 at 10:00 AM

**Steering Committee Members Present:**

Donna Madden, Chair  
Larry Barton  
Patrick McIntyre, Vice Chair  
Tony Logalbo, Treasurer  
Melisa Doig  
Kerry Colburn- Dion  
Lorraine Leonard

Town of Bolton  
Town of Carlisle  
Town of Clinton  
Town of Concord  
Town of Groton  
Town of Tyngsborough  
Town of Harvard

**Guests Present:**

Kevin Johnston  
Marcy Morrison  
Kevin Myers  
Bill Hickey  
Jason Fortin  
Erin Hayes  
Fred Winer  
Carol Cormier

Town of Ayer  
MNHG Wellness Consultant  
Health Resources in Action  
Harvard Pilgrim Health Care (HPHC)  
Fallon Health (FH)  
Tufts Health Plan (THP)  
Tufts Health Plan (THP)  
Group Benefits Strategies (GBS)

Chair, Donna Madden, called the meeting to order at 10:04 a.m.

**Approval of the minutes of the December 2, 2015 meeting:**

Patrick McIntyre moved to approve the Steering Committee minutes of the December 2, 2015.

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

Motion

**Wellness program report:**

Marcy Morrison, MNHG Wellness Consultant, introduced Kevin Myers from Health Resources in Action. She said that she invited Mr. Myers to talk about the state grants for employer wellness programs through the “Massachusetts Working on Wellness” program. She said that MNHG is not eligible to apply but each of the participating governmental units may apply.

Mr. Myers reviewed the program criteria. He suggested that the Committee members could get additional information on [www.MAWOW.org](http://www.MAWOW.org). He said that \$10,000 is the maximum grant amount, and the recipients must fund another 50% of the award amount, so that a \$10K grant would require a \$5K match from the employer. He said the matching contributions can be in-kind.

The Committee asked Mr. Myers about the types of in-kind contributions that are permitted.

Mr. Myers said that the applications are due March 4<sup>th</sup> and that applicants will receive a notification of acceptance within one week. He said applicants must submit a plan and that each unit gets assigned a technical advisor. Mr. Myers noted that there are required needs and interest assessments and deliverables.

Ms. Morrison said that she will help interested employers with the application process.

Ms. Madden thanked Mr. Myers. She said that Marcy Morrison will present the information to the Board at next week's meeting.

Mr. Myers left the meeting at this time.

**Group Benefits Strategies Reports:**

Funding Rate Analysis - Carol Cormier reviewed the Funding Rate Analysis (FRA) with data through December 2015 (7 months). She said that on a composite basis the expense-to-funding ratio was 99.0% resulting in a funding surplus of \$231,289. She said that the Fallon EPO gains offset the Tufts and HPHC EPO losses.

Stop Loss Reports – Carol Cormier said that for the FY15 policy period, there was one claimant that exceeded the \$300K specific deductible with excess claims totaling \$109,791. She said that \$108,494 has been paid to the Group and \$1,297 is the outstanding amount owed to the Group. Ms. Cormier said that there were 10 claimants on the report of 50% with claims totaling \$2,043,485.

Ms. Cormier said that there was now one claimant in the FY16 policy period who exceeds the specific deductible of \$300K by \$90,470. She said that there were 3 claimants on the FY16 report of 50% with claims totaling \$528,959.

Information about RDS audits - Carol Cormier reviewed information about the RDS re-opening audits but said that since MNHG hasn't had RDS eligible plans since 2012, it may not worth pursuing this option. She said that plans sponsors can only go back to 2011 at this time.

The Committee members agreed that no action should be taken.

**Treasurer's Report:**

Treasurer Tony Logalbo distributed the FY15 audited Financial Statements and Management Letter. Mr. Logalbo reminded the Committee that Lorraine Leonard reviews all of the financial information and said that she will retire in July. He said that he will be looking for someone to take over this work.

Kevin Johnston said he might be interested.

Mr. Logalbo said that the auditor made recommendations about accounting software, such as Quickbooks. He said the auditor wants to see more structure and asked the members if they knew someone on the Board with an accounting background.

Mr. Logalbo said that the auditor found no material weaknesses in the FY15 financials.

**Stipend for Town of Concord for providing Treasurer's services to MNHG:**

Tony Logalbo said the Town requests the same stipend as it received last year, i.e. \$10,000.

There was a discussion.

Larry Barton asked if there would be an additional stipend to another town or district if it agrees to take on Quickbooks.

There was a discussion.

Lorraine Leonard moved to approve the \$10,000 stipend to Town of Concord for treasurer's services in 2016.

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

**Discussion about changing the Plan Year:**

Donna Madden explained how this issue had come up again.

Carol Cormier said that MNHG is the only participant in the MMRA that is not on a July – June plan year. She said the MNHG's auditor said he will require a report from the MMRA as of May 31, 2016.

Tony Logalbo said that it is easier for him to be able to close out MNHG in May before he has to close out Town of Concord's books. He said that he was recently told that MMRA's manager or Berkley Insurance will provide a financial report as of May 31, 2016.

Melisa Doig said that there was no reason to upset the apple cart when things are going well under the current arrangements. The other Committee members agreed with Ms. Doig and took no action.

**FY17 Rate Projections:**

Carol Cormier reviewed the rate projection exhibits which show claims projections from the health plans and independently from GBS. She said that she built into the funding rates the alternative Rx program and diabetes claims projections from Abacus Group, the Affordable Care Act fees, as well as the health plan administrative fees, estimated reinsurance premiums, and GBS fees. She reviewed the funding scenarios "A" through "E" with Scenario E including \$1.5 million from Fund Balance to reduce the rates.

Tony Logalbo said that he is interested in using an additional \$700K to \$800K from the Fund Balance to reduce the FY17 rates. He said he thinks that Group can use up to about \$2.3 million.

Mr. Logalbo asked the health plan Account Executives about their claims cost trends going forward.

Bill Hickey said that he thinks the changes in trend are cyclic over time.

There was a question about what the GIC FY17 rate increases might be.

Fred Winer, Tufts Health Plan, reviewed information about what the GIC is considering for next year. He said the GIC FY17 rates will be voted on at the March 2<sup>nd</sup> meeting.

There was a discussion.

Tony Logalbo moved to recommend to the Board rates based on the model of Scenario C but using an additional \$800K from Fund Balance to reduce the Tufts and HPHC HMO rates, leaving Fallon at 0% increase, and leaving the POS and PPO at the 8.0% increase as on Scenario C.

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

Motion
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**Health Plan Reports:**

Erin Hayes, Tufts Health Plan, referred to the new mandate on insured plans allowing a 2-week stay in a detoxification center regardless of whether the health plan has a contract or not with the center.

Bill Hickey, Harvard Pilgrim, said he had nothing to report.

Jason Fortin, Fallon Health, said he had nothing to report.

**Other Business:**

There was no other business.

Patrick McIntyre moved to adjourn.

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

Donna Madden adjourned the meeting at 11:40 AM.

*Prepared by Carol Cormier  
Group Benefits Strategies*