

Minuteman Nashoba Health Group

Board Meeting

Tuesday, May 19, 2015 at 10:00 AM

Boxborough Town Hall
Boxborough, MA

Meeting Minutes

Board and Alternate Members Present:

Patrick McIntyre, Vice Chair	Town of Boxborough
Anthony Logalbo, Treasurer	Town of Concord
Debbie Nutter	Town of Pepperell
Lorraine Leonard	Town of Harvard
Marie Sobalvarro	Town of Harvard
Kevin Johnston	Town of Ayer
Bev Beno	CASE
Pam Landry	Town of Stow
Donna Bouchard	Narragansett RSD
Nancy Haines	North Middlesex RSD

Guests Present:

Marcy Morrison	MNHG Wellness Consultant
Marge Merrill	North Middlesex RSD
Ruth Miller	Narragansett RSD
Ian Rhames	Concord Carlisle RSD
Linda Loiselle	The Abacus Group
Patrick Flattery	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

Patrick McIntyre, Vice Chair, called the meeting to order at 10:09 AM.

Approval of the minutes of February 3, 2015:

Kevin Johnston moved approval of the Board minutes of February 3, 2015.

Motion

Lorraine Leonard seconded the motion. The motion passed by unanimous vote.

Treasurer’s Report:

Treasurer Tony Logalbo reviewed the Balance Sheet of April 30, 2015 (unaudited figures). He reported a fund balance of \$9,269,243 which exceeds the target by \$4.5 million. Mr. Logalbo said there has been a steady decline in the fund balance surplus over the past year due to the planned use of \$2.2M to supplement the FY15 funding rates.

Abacus Group Report -Linda Loiselle, Director of Operations & Client Services:

Linda Loiselle reviewed the My Medication Advisor financial report for the first 3 months through March 2015. She said the total net savings were \$66,346 and employees have saved \$9,812 in waived copays. She said the new medication lists were distributed at the beginning of May.

Ms. Loiselle reviewed the Good Health Gateway Diabetes Rewards Program report. She said that the enrollments in the program were a bit low but that the compliance levels were good as compared with the municipal average. Ms. Loiselle said the estimated program savings for the 3 month reporting period through February is \$23.3K. Ms. Loiselle reviewed Abacus’s outreach activities. She said that Abacus issued a survey to program participants in January. She said that 14 of the 98 members completed the survey and said that they reported meeting all of the requirements of the program.

Ms. Loiselle distributed a flyer about their new mobile website and said the flyer will be mailed to all participants of the Diabetes Rewards Program. She noted that more people are using their cell phones and iPads to stay connected and keep up with their busy schedules. Ms. Loiselle said the application can be used to receive program reminders and check compliance status.

Group Benefits Strategies Reports:

Funding Rate Analysis - Carol Cormier reviewed the Funding Rate Analysis (FRA) with data through March 2015. She said that on a composite basis the expense-to-funding ratio was 100.5%. She said that the funding shortfall was \$152.4K. She said that the Harvard Pilgrim EPO was significantly underfunded.

Level Monthly Deposit (LMD) reconciliation report – Carol Cormier said that MNHG had a \$334,588 credit balance with Harvard Pilgrim as of March 31, 2015.

Stop Loss Reports – Karen Carpenter said that as of April 30, 2015 there were no excess claimants on the reinsurance policy covering July 1, 2014 through June 30, 2015. She said this is the policy through the Mass. Municipal Reinsurance Arrangement (MMRA) and Berkley Insurance. She said that there were seven claimants on the 50% report with total claims of \$1.3M.

Karen Carpenter said that for the report for the 6-month policy period covering January 1, 2014 – June 30, 2014 there was one claimant exceeding the specific deductible of \$275,000 with total claims of \$464K. She said the excess claim amount was \$189.6K.

She said the \$450K Aggregating Specific Deductible has not been met, and there are no reimbursements due. She said there were three claimants with claims between 50% and 100% of the policy deductible with total claims of \$882,768K.

Carol Cormier noted that the Abacus Group proposed a fee increase to the Diabetes Rewards Program for MNHG. Ms. Cormier said she requested that Abacus hold the current fees and Abacus agreed.

Wellness Committee Report – Marcy Morrison, MNHG Wellness Consultant:

Marcy Morrison said she attended several MNHG health fairs and held raffles, giving incentive items to the participating employees. She reviewed the program offerings including an office workout program, One Simple Change campaign, yoga, weight loss program, and lunchtime Boot Camp and Couch-to-5K programs. She said she started a series of events using her library of films on health, wellness and food. She said any town or district can host the program and can keep the DVDs for as long as it takes for employees to complete the films during lunch breaks. Ms. Morrison said she purchased two TRX training systems for the Towns of Groton and Bolton. She said she will provide training programs for the employees and said the equipment is inexpensive and effective. Ms. Morrison said employees can use it during breaks throughout the day.

Ms. Morrison said getting the word out about programs is always an issue. She said she may start a Facebook page.

Affordable Care Act (ACA) updates:

Employer Reporting - Carol Cormier spoke about the ACA's required employer reporting. She said she sent an email to the MNHG employers about the IRS scheduling several webinars on the topic.

Donna Bouchard said that the webinars booked up quickly and said the IRS will be scheduling additional dates. Ms. Bouchard said she would send Ms. Cormier the list of dates when she receives them.

Debbie Nutter said that Harper's Payroll is among the payroll companies that have the capabilities to perform the ACA employer reporting for a fee.

Kevin Johnston said that the Town of Ayer developed an in-house system to handle the reporting.

Cadillac Tax – Carol Cormier said the exhibit of health plan rate projections she reviewed at the last meeting is also included in today's meeting packet. She said many in government in both parties agree that the basis of the tax needs to be adjusted, but said MNHG should proceed with plans based on the information as it stands now. Ms. Cormier said the PPO and POS plans are affected. She said adjustments can be made to stay below the thresholds through the rate-setting process and through plan design changes.

PCORI fees for FY15- Carol Cormier said the PCORI fees are due at the end of July for FY15. She said she requested the enrollment counts from the health plans. Ms. Cormier noted that the Transitional Reinsurance Program fees will need to be reported in the fall and said that the fee will decline from last year.

New MA Child Psychiatry Access Program Assessment (MCPAP) – CY 2015- Carol Cormier said she was notified by Fallon Health that the new MCPAP annual Massachusetts mandated fee, has been implemented. She asked Patrick Flaherty to explain.

Mr. Flaherty said the new assessment was added to the budget by the Commonwealth to assist in funding the program to improve psychiatric and clinical guidance provided to primary care physicians who are treating children with behavioral and mental health needs. Mr. Flaherty said the fee will be based on payments made in CY15 and will be 0.1% of the Health Safety Net (UCP), which will be approximately \$400 for MNHG for the Fallon Health plan. He said additional information will be forthcoming.

Preliminary discussion of possible plan design changes for FY17:

Carol Cormier said the Group Insurance Commission's (GIC's) decision to change plan designs for 7/1/15 may impact the group. She said if the MNHG does not keep pace with the GIC changes, there is a chance that the group could lose some of its member employers who are seeking lower rates. Ms. Cormier reviewed exhibits comparing the GIC new plan design features with the plan design features of MNHG plans and showed the claims decrements estimated by the health plans should MNHG consider making the changes. She said that the law allows municipalities to use Ch. 32B, Sections 21-22 to bargain plan design changes up to the levels of the GIC's benchmark plan, currently the Tufts Navigator plan. Ms. Cormier noted that the health plans are reporting that the mail-order co-pays should be set at 2.5 times the retail co-pays in order to continue to save money through mail order.

Fred Winer noted that the GIC is also increasing its senior plan prescription co-pays to \$25/\$75/\$165.

Ms. Cormier said if the Board were to make the changes as described on the exhibits, they may realize a savings of 4.33% on the Tufts plan, 2.23% on the HPHC plan and 3.26% on the Fallon plans. She said the savings estimates were provided by the health plans. She said all of the MNHG units will need to have adopted Chapter 32B, Sections 21 - 23 prior to a Board vote.

There was a discussion about whether or not the Board would like to consider making any of the plan design changes as described.

The Board favored not taking any action at this time since the fund balance exceeds the targeted amount.

Health Plan reports:

Harvard Pilgrim (HPHC) – Bill Hickey said HPHC is continuing to modify its systems as necessary to accommodate the ACA requirements.

Carol Cormier said that GBS can provide enrollment rosters with social security numbers of dependents as long as the employer has provided them to GBS. She said the rosters will eventually be available on the GBS secure website for employers to upload. Ms. Cormier said GBS will charge a nominal yearly fee for this service. She said MNHG could choose to pay the fee for the employers yearly or the employers could contract with GBS individually.

Tony Logalbo asked to add this topic to the next Steering Committee meeting agenda.

Tufts Health Plan – Erin Hayes said the open enrollment season has been very busy and said Tufts is also continuing to keep up with the ACA requirements.

Tufts Health Plan Senior Products – Fred Winer said Tufts is gearing up for the January 1, 2016 senior plan open enrollment season.

Fallon Health - Patrick Flaherty said Fallon is finishing up with open enrollment and is keeping tabs on the ACA requirements as well. He said the new *Healthy Health Plan* program is ready to go effective June 1, 2015 for MNHG.

Erin Hayes said a letter was sent out to the MNHG Tufts members regarding a new state mandate for coverage of Methadone Treatments. She said those letters should not have been sent out to self-insured members, but said that MNHG will need to decide whether or not it would like to add the extended coverage for FY17.

Carol Cormier asked for additional information regarding the *pros* and *cons* of adding the coverage.

Bill Hickey said that the methadone treatment coverage was not a MA Mandate, but a recommendation by the state to add the extended coverage. He said the utilization at HPHC of this benefit is very low with only 95 members utilizing the benefit across HPHC's whole book of business. He said the coverage can be added at any time.

Tony Logalbo asked for additional information to be considered in the fall.

Erin Hayes said that data on the utilization may be unavailable due to privacy laws.

Other Business:

Patrick McIntyre asked about the possibility of MNHG completing another eligibility audit.

Carol Cormier said if the employers have continued to collect the required eligibility documents from their employees as instructed by the Board, that there shouldn't be many ineligible dependents covered and the audits can be done internally. She said MNHG may want to consider a subscriber audit.

Patrick McIntyre set the next Board meeting for September 29, 2015 at 10 AM, location to be determined. A Steering Committee Meeting was set for September 22, 2015 at 1:30 PM, location to be determined.

The September 29 th Board Meeting location was subsequently determined to be held at the Groton Fire Station. The September 22 nd Steering Committee Meeting location will be held at the Bolton Town Library.
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Tony Logalbo moved to adjourn the meeting.

Motion

Bev Beno seconded the motion. The motion passed by unanimous vote.

Vice-Chair, Patrick McIntyre, adjourned the meeting at 11:16 AM.

*Prepared by Karen Carpenter
Group Benefits Strategies*