

MINUTEMAN NASHOBA HEALTH GROUP

Steering Committee Meeting

Clinton Town Hall
Clinton, Massachusetts

Meeting Minutes

Wednesday, September 14, 2011

Committee Members Present:

Judy Belliveau, Chair
Donna Madden, Vice Chair
Anthony Logalbo, Treasurer
Valerie Jenkins
Margaret Dennehy
Larry Barton
John Flaherty
Patrick McIntyre
Tim Bragan

Lincoln-Sudbury Regional School District
Town of Bolton
Town of Concord
Town of Groton
Town of Boxborough
Town of Carlisle
Concord-Carlisle Regional School District
Town of Clinton
Town of Harvard

Guests Present:

Kathleen Leblanc
Michael Gilleberto
Kerry Colburn-Dion
Emily Savaria
Fred Winer
Bill Hickey
Carol Cormier
Karen Carpenter

Town of Groton
Town of Tyngsborough
Town of Tyngsborough
Tufts Health Plan
Tufts Health Plan
Harvard Pilgrim Health Plan
Group Benefits Strategies
Group Benefits Strategies

Chair, Judy Belliveau called the meeting to order at 8:58 a.m.

Approval of the minutes of the August 4, 2011 meeting:

Donna Madden moved to approve the Steering Committee minutes of the August 4, 2011 meeting.

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

Motion

Diabetes Rewards program proposal from The Abacus Group:

Carol Cormier said that Linda Loiselle, Abacus Group, gave an overview of the Abacus Diabetes Rewards Program at a previous Committee meeting. She said that Sean Follick will be presenting the program to the Board following the Committee meeting today. Ms. Cormier said that the program is costly, but said that she does not think that it duplicates the disease management programs offered by the health plans. Ms. Cormier said that the program is working well for other accounts. She said she sent a testimonial from Marie Buckner, Wellness Co-chair for the Cape Cod Municipal Health Group to the MNHG Board. Ms. Cormier said that she will ask Mr. Follick to confirm that they will be able to share their program data with the health plans.

Emily Savaria said that Tufts has a new program that could possibly duplicate services and said that she will speak more about it at the next Board meeting.

Rob Anderson said that Fallon Community Health Plan has a diabetes management program, but does not offer incentives. He said that they may be able to carve out the program. He said that he has concerns about confusion between the programs for members.

Carol Cormier said that WSHG and CCMHG both offer the program and said that she is unaware of any confusion or issues.

Analysis of Fallon Rx claims by Abacus to determine feasibility of participation in the International RX program:

Carol Cormier said that Sean Follick will be presenting the results at the Board meeting on the analysis of the feasibility of adding Fallon to the MMA program. She said that the results indicate that it would not be cost effective to add Fallon at this time, however she noted that may change if the prescription co-pays are changed in FY13.

Treasurer's Report:

Treasurer Tony Logalbo said that the Uncommitted Fund Balance was \$2M as of August 31, 2011. He said the fund balance target was \$5.95M. Mr. Logalbo said that the claims for the first quarter of FY12 are \$1M lower than they were at the same time in FY11. Mr. Logalbo said that the Fund Balance Policy adopted by the Board in 2003 and the completed FY11 financial report are attached.

Bill Hickey joined the meeting.

Senior Plan Renewals:

Fallon Community Health Plan- Bob Cannon, Account Executive for the Fallon Senior Products, said that there will be no CY12 premium increase to the Fallon Senior Plan. He said that the vision benefit has been enhanced and will now provide one routine vision exam and a \$150 glasses or contact lens allowance every calendar year. He said that the benefit schedule was once every 24-months in prior years. He said that for prescription drugs covered by Medicare Part D, CMS has increased the member Out-of-Pocket maximum to \$4,700 and then members will pay the greater of 5% coinsurance or \$2.60 for generic drugs and \$6.50 for all other drugs. He said there are no other changes.

Mr. Cannon said that Fallon is offering a new product named Fallon Companion Care, a Medicare Supplement plan. He said the plan provides coverage throughout the US by physicians that takes Medicare. He said the premium is approximately \$400 a month.

Carol Cormier said that Fred Winer, Tufts Account Executive, will be proposing a new Medicare plan to the Committee later in the meeting.

Bob Cannon said that UMass Medical was added to the Fallon Senior Plan network last year. Mr. Cannon said that the Fallon Clinic name is changing to Reliant Care.

Judy Belliveau suggested discussing the municipal health reform legislation while waiting for Fred Winer to join the meeting.

MA Municipal Health Reform Legislation:

Review of Preliminary cost impact data – Ms. Cormier reviewed a draft comparison chart with savings projected by the health plan actuaries. She said that there is a chart comparing the actuarial value of the MNHG Legacy and Rate Saver plans with the values of the current GIC benchmark plan, Tufts Navigator plan. Ms. Cormier said that Fallon Community Health Plan cannot do provider network tiering on its plans. Ms. Cormier said that a proposed deductible has been added to all plans.

Fred Winer joined the meeting. Carol Cormier suggested continuing with the Senior Plan Renewals and then coming back to the MA Municipal Health Reform legislation discussion.

The Committee agreed.

Senior Plan Renewals, continued:

Tufts Health Plan – Mr. Winer distributed the Tufts Medicare Plus senior plan presentation to the Committee and said that he is proposing moving all Tufts Medicare Complement (TMC) and Medicare Complement Plan (MCP) members to the new plan. Mr. Winer said that the premium for the new plan is \$340. He said that the TMC premium will be increasing to \$422. Mr. Winer said that the new plan provides a higher level of benefits at a much lower cost. Mr. Winer said that in-patient services are covered in full, and office visits take a \$10 co-pay. He said that there is a \$1,700 hearing aid benefit every two years. Mr. Winer said that no referrals are necessary and all physicians who accept Medicare will accept this plan. He said that it can be used throughout the US with no residency requirement. Mr. Winer said that the pharmacy co-pays would be \$10/\$20/\$35, which would be a slight increase from \$8/\$20/\$35 on the TMC plan. Mr. Winer said that there would be no Retiree Drug Subsidy (RDS) eligibility. He said that the members will be moved electronically and that they will receive two identification cards, one for their prescriptions and one for the medical services. He said that Tufts Members Services will provide staff members dedicated to the senior plan members.

Mr. Winer said that the savings to the Group and members would be \$244K, net of RDS if the Board decides to move only the TMC members. He said that an additional \$93K in savings would be added to that should the Board decide to also move the MCP members. He said the new plan premium would be \$344 if the Board decides to move members from the TMC and MCP to the new plan.

Mr. Winer said that the Tufts Medicare Preferred HMO plan premium will be going down from \$242 to \$226 for CY2012.

Mr. Winer explained that the reason Tufts Health Plan is able to offer the rate reductions is due to the 2010 PPACA (Federal Health Care Reform) legislation introduction of the cost savings, in the form of pharmacy rebates, for the brand name drugs in the coverage gap/“donut hole”. He said that Tufts Health Plan is passing some of those savings on to the employer groups, effective January 2012.

The Committee said that they will discuss this more at the Board meeting.

MA Municipal Health Reform Legislation:

Judy Belliveau said that Lincoln Sudbury RSD’s attorney, Mark Terry, suggested that if the unions agree with the proposals, that the plan design changes may be able to be made outside of the expedited bargaining process of Section 21, 22 and 23.

There was a discussion.

Carol Cormier continued with the review of the comparison chart and the review of the HPHC hospital tiers. She noted that Emerson Hospital is rated a tier one with HPHC, while Tufts Health Plan rates it a tier three. Ms. Cormier suggested that MNHG not use the tiering. She reminded that Fallon cannot tier their plan designs. She recommended that MNHG hire an independent actuary, saying that would give more credibility to the proposals. She said that the Segal Company is familiar with the workings of the municipalities and has done work for MNHG in the past.

Emily Savaria, Account Executive for Tufts Health Plan, said that THP cannot do network tiering on the POS. She said that the Navigator will change to an Advantage Plan if tiered.

Tony Logalbo made a motion to add a \$500 In-Patient Co-pay across all of the plans.

Motion

Donna Madden seconded the motion. The motion was approved by unanimous vote.

Emily Savaria said that she would find out if Tufts is able to charge a \$500 co-pay plus a deductible.

Carol Cormier said that only the plan design features, i.e. the cost-sharing, would be changing, not the benefits.

Tony Logalbo made a motion to recommend the plan designs as amended with the In-Patient co-pay of \$500 to the Board and to submit them to the Segal Company for an actuarial review for estimated savings and pursuant to Tufts confirming the \$500 co-pay.

Motion

Emily Savaria said that she was informed that Tufts cannot do the \$500 co-pay In-Patient on the Navigator and Advantage plan.

Carol Cormier asked Ms. Savaria to see if all of the tiers, 1, 2 and 3 could be set at \$500 on the Navigator plan.

John Flaherty seconded the motion.

Carol Cormier asked Ms. Savaria for pricing on the Tufts Specialist Visit at \$35.

Tony Logalbo amended his motion to also recommend a \$35 Specialist Visit co-pay to the Board with no tiering across all plans.

Motion

Donna Madden seconded the amended motion. The motion was passed by unanimous vote.

Other Business:

There was no other business.

Donna Madden motioned to adjourn the meeting.

Motion

Tony Logalbo seconded the motion.

Chair Judy Belliveau adjourned the meeting at 10:20 a.m.

*Prepared by Karen Carpenter
Group Benefits Strategies*