

# MINUTEMAN NASHOBA HEALTH GROUP

## Steering Committee Meeting

Groton Town Hall  
Groton, Massachusetts

Meeting Minutes

Friday, December 11, 2009 at 9:00 a.m.

### Committee Members Present:

Gerald Martin, Chair  
Anthony Logalbo  
Valerie Jenkins  
Donna Madden  
John Flaherty  
Larry Barton

North Middlesex Regional School District  
Treasurer, MNHG  
Town of Groton  
Town of Bolton  
Concord Carlisle Regional School District  
Town of Carlisle

### Guests Present:

Fred Winer  
Jesse Kline  
Rob Anderson  
Carol Cormier  
Karen Carpenter

Tufts Health Plan (THP)  
Tufts Health Plan (THP)  
Fallon Community Health Plan (FCHP)  
Group Benefits Strategies (GBS)  
Group Benefits Strategies (GBS)

Chair, Jerry Martin called the meeting to order at 9:00 a.m.

### GBS Reports:

*FY10 Funding Rate Analysis by Plan* – Carol Cormier reviewed the Funding Rate Analysis report for FY09 with data through October of 2009. Ms. Cormier said that the expense-to-funding ratio was 101.2%. She said that the Harvard Pilgrim PPO and Tufts EPO plans were under-funded and accounted for the negative numbers. Ms. Cormier noted that the numbers included approximately \$415K of reinsurance reimbursements.

*Level Monthly Quarterly Accounting Reconciliation for HPHC* – Ms. Cormier said that at the end of the first month of the second quarter, the October LMD payments were higher than the actual costs by approximately \$204K.

### myMedicationAdvisor® Report-

Carol Cormier said that the myMedicationAdvisor® program renews on November 1<sup>st</sup> and said that the projected savings for the new year are expected to be \$130,218.

Ms. Cormier said that for the year ended October 30, 2009, the total savings is \$156,029, which is higher than the projected savings of \$118,392.

Larry Barton joined the meeting at this time.

*Stop Loss Reports* – Ms Carpenter reviewed the Excess Loss Report for the CY09 policy period. She said that there are four claimants with total paid claims of \$1.9M. Ms. Carpenter said the Aggregating Specific Deductible of \$100K has been met. She said that a total of \$596,403 has been received to date from the reinsurer and that the outstanding reimbursement total due the group is \$56,772. She said there were eleven claimants on the report of claims at 50%+ with a paid claims total of approximately \$1.6M.

**Approval of the minutes of the September 15, 2009 meeting:**

John Flaherty moved to approve the Steering Committee minutes of the September 15, 2009 meeting.

Donna Madden seconded the motion. Jerry Martin abstained.

|        |
|--------|
| Motion |
|--------|

The motion passed by majority vote.

**Treasurer's Report –**

Tony Logalbo said that the Uncommitted Fund Balance was \$2.3M as of October 30, 2009. He said the fund balance target was \$5.6M. Mr. Logalbo said that there was a significant rise in health claims. Mr. Logalbo said that the fund balance is up a little in November but that the financial report was not complete.

**Nominating Committee Report:**

The Committee's report was not complete.

**Survey Results on changing MNHG's plan year to July 1 – June 30:**

Donna Madden said that to date eleven units had responded to the survey and that five favored changing the plan year to July 1 to June 30 and that six did not. Ms. Madden said that she would contact the remaining six units for their response.

**Other Business:**

Carol Cormier said that the Group Insurance Commission (GIC) is adding front end deductibles and raising the co-pays of their health insurance plans mid-year and that the changes would be effective on February 1, 2010. Ms. Cormier said that the City of Brookline is changing their employer contributions over a three year period and will also be joining the GIC.

Tony Logalbo asked if anyone knew how many communities have joined the GIC so far.

Carol Cormier said that Pittsfield and Quincy are among those that have joined.

Larry Barton asked if there was any news about filing the Fair Share Contribution form.

Tony Logalbo said that he is waiting for Pam to get back to him, but said that he filed and recommended that all of the units file. Mr. Logalbo said that the filing takes minimal time and said that it only needs to be filed once per year for municipal groups and quarterly for the private sector.

Donna Madden asked how MNGH compares to MIIA.

Carol Cormier said that she would look into it for her.

**Reinsurance Quotes for CY2010:**

Carol Cormier distributed spreadsheets displaying the quotes received in response to the Reinsurance Request for Proposals for CY10. She reviewed the quotes received. Ms. Cormier said that Cook & Company declined to submit quotes due to the high cost of claims. Ms. Cormier said that American Stop Loss changed its name to Stop Loss Insurance Services (SLIS). Ms. Cormier noted that the quotes received from Sun Life and National Union Fire were not competitive.

Ms. Cormier said that in addition to the quotes requested with a run-out period of 18 months, that she also asked for quotes with a 24 month run-out to avoid the possibility of a claim paid past the run-out period that would not be eligible for reimbursement. Ms. Cormier described a situation that happened with one of her other Groups.

Ms. Cormier said that in addition to the quotes that were requested, that there were a couple of non-conforming quotes received.

Ms. Cormier said that Quote “C” received by SLIS, the broker for HCC Life Insurance has a lower premium, but has a \$575K laser and an Aggregating Specific deductible of \$400K.

Tony Logalbo said that Quote “M” received by the same broker and carrier, but with a 24 month run-out period as the only difference is quoted at only a slightly higher premium.

Larry Barton made a motion to recommend Quote “M” to the Board, keeping HCC Life Insurance as the carrier, a \$575K laser, \$400K Aggregating Specific Deductible with the individual rate of \$9.65, the family rate of \$31.80 and \$4.00 rate for the Medicare Complement Plan.

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

Motion

There was no other business.

Tony Logalbo motioned to adjourn the meeting at 9:35 a.m.

Donna Madden seconded the motion. The motion passed by unanimous approval.

*Prepared by Karen Carpenter  
Group Benefits Strategies*