

Minuteman Nashoba Health Group

Board Meeting

Monday, December 9, 2019 at 10:00 AM
Groton Fire Station
Groton, MA

Meeting Minutes

Board and Alternate Members Present:

Melisa Doig, Chair	Town of Groton
Kevin Johnston, Vice Chair	Town of Ayer
Ian Rhames, Treasurer	Concord Carlisle RSD
Debbie Nutter	Town of Pepperell
Marie Sobalvarro	Town of Harvard
John Kittredge	Town of Clinton
Brandi Mahlert	Lincoln Sudbury RSD
Donna Bouchard	Narragansett RSD
Catherine Murphy	Town of Stow
Timothy Goddard	Town of Carlisle

Guests Present:

Andrew MacLean	Town of Pepperell
Malyssa Simard	Town of Concord
Al Saavedra	Aetna
Liz Sampo	Aetna
Tracy Pingalore	Aetna
Kelly Hartnett	Retiree First
Theresa Bell	Retiree First
Lisa Despres	Tufts Health Plan
Fred Winer	Tufts Health Plan
Katelyn Glennon	Fallon Health
Patrick Flattery	Fallon Health
Bill Hickey	Harvard Pilgrim Health Care
Carol Cormier	Gallagher Benefit Services, Inc., (GBS)
Christopher Nunnally	Gallagher Benefit Services, Inc., (GBS)

The Chair, Melisa Doig, called the meeting to order at 10:05 AM.

Ms. Doig had those present introduce themselves. She said that she is moving an item up on the agenda, specifically Item 9 pertaining to Senior plan options.

Senior plan options – looking ahead to 2021:

Carol Cormier said that in attempts to find the most cost effective programs, representatives of Aetna and Retiree First have been invited to the meeting to explain their programs. She said that Gallagher Benefit Services (GBS) has experience with these organizations who provide services to other clients at very competitive rates and fees.

Chris Nunnally, GBS, explained his experience working with Aetna and Retiree First with other clients. He said that Mass. Strategic Health Group, a new MA municipal joint purchase group, is offering Aetna with Retiree First as a retiree advocate as its sole senior plan offering. He said that the benefits are very rich and that all is going well with the program. He said that GBS has a lot of positive experience with Retiree First.

All Saavedra, Aetna, talked about the dedicated team that works with public sector employees. He talked about the recent partnership between Aetna and CVS.

Liz Sampo, Aetna, said that Medicare Advantage is the main focus. She said their plans are highly rated by CMS, 4.5 stars nationwide. She said that with the Aetna extended service network the members can use any provider that accepts Medicare. Ms. Sampo said that the plan is a PPO plan design with Out of Network (OON) benefits such that the member gets the same benefits in or out of the network. She said that there is also international coverage and no residency requirements.

Tracy Pingalore, Aetna, talked about communications and advocacy. She said that there are many touch points including nursing home visits.

Kelly Hartnett, Retiree First, explained that the company is a leader in what they do. She said that they provide a “white glove” service to the senior plan members and are the single point of contact for retirees with questions or concerns about their Medicare and Medicare health plan. She provided a partial list of the 180 clients and awards given to Retiree First.

Melisa Doig thanked the representatives of Aetna and Retiree First for their presentations. They left the meeting at this time.

Approval of the minutes of September 24, 2019:

Debbie Nutter moved approval of the Board minutes of September 24, 2019.

Motion

Kevin Johnston seconded the motion. The motion passed by unanimous vote.

Treasurer’s Report:

Treasurer Ian Rhames reviewed the financial statements of November 30, 2019 (unaudited figures) and said that the Fund Balance increased \$1.9 million during the FY20 plan year to date. He said the Fund Balance on November 30 was about \$5.3 million which is short of the \$6.2 million target.

Mr. Rhames said that most of the work on the FY19 financial audit had been done.

Status of MNHG participation for FY21:

Carol Cormier noted the list of the current 17 MNHG participating governmental units (PGUs) that was in the Board packet. She said that prior to Dec. 1st Melisa Doig and she were notified in writing that the towns of Lancaster and Tyngsborough will be leaving the MNHG at the end of this policy year. She said that they are both going to MIIA. She said that the total number of subscribers on self-funded plans was just over 300. She said it is important to work on programs to get MNHG costs down to maintain membership.

Melisa Doig said that going forward she hopes that PGUs that are exploring options will be open about it and share with the Board their reasons for considering leaving the group. She said that there might be reasons that MNHG could act on.

Andrew MacLean asked about possible mergers with other joint purchase groups.

There was a discussion about possibly reaching out to other governmental units that are not in a joint purchase group. Several entities were mentioned.

It was noted that since Harvard Pilgrim and Tufts will merge next year, MNHG will have two plan providers instead of three.

Donna Bouchard asked about hearing from Blue Cross Blue Shield to see if they might be able to offer good coverage at good prices.

John Kittredge made a motion to invite Blue Cross to make a proposal to MNHG for FY22.

Andrew MacLean said what is needed first is a short list of viable options.

Mr. Kittredge agreed and withdrew his motion.

John Kittredge moved to have GBS present a list of options that will help reduce MNHG's costs.

Motion

Donna Bouchard seconded the motion. The motion passed by unanimous vote.

Mass, Municipal Reinsurance Arrangement (MMRA) proposal:

Kevin Johnston and Carol Cormier attended the Mass. Municipal Reinsurance Arrangement meeting on Dec. 5. They talked about a new program that MMRA will adopt to reduce costs of high cost specialty medications. The program will be provided by OptiMed Health Partners.

Carol Cormier said she requested data from the health plans for the three participating Joint Purchase Groups and they provided it. She said OptiMed analyzed the data and found they could provide very significant savings from changes in sites of drug administration (medical facility to in-home or at-work administration) and medication costs. She said it will be a benefit to members using the medications.

Kevin Johnston said it will be complex to identify the best way to start this program but some suggestions will be worked on.

Melisa Doig said she would like to have another presentation to the MNHG Board explaining the MMRA.

Wellness Program report:

The Wellness Consultant, Marcy Morrison, was ill and not able to attend. There was no wellness report.

GBS reports:

Funding Rate Analysis (FRA) report – Carol Cormier reviewed the *FRA* with data through October 31, 2019. She said the expense-to-funding ratio on a paid claims basis was 88.1% with a surplus of funding of \$2.5 million.

Reinsurance reports - Ms. Cormier reviewed reinsurance reports for the FY19 and FY20 policy periods with claims data through October. She said that in FY19 there was only one claimant exceeding the specific deductible of \$300,000 with total claims of \$614,340. She said that the excess claims amount of \$324,340 has been reimbursed to MNHG. She said that there are no excess claimants through October in the FY20 policy period.

CanaRx reports - Ms. Cormier reviewed the CanaRx report with data from January through September 2019. She said that savings were between 72% and 83%.

Diabetes Care Rewards program reports:

This item was incorrectly placed on the agenda. There was no Diabetes program report at this meeting.

Fund Balance Policy and rate stabilization:

Kevin Johnston, Ian Rhames, and Andrew MacLean worked on reviewing and making recommendations regarding the Fund Balance Policy language and concerns for rate stabilization.

Ian Rhames said that there have been no changes to the proposed language presented at the September Board meeting. He said what is being recommended is that language be added to the fund balance policy regarding rate setting when there has been a fund balance deficit for the last twelve months or more. He read the new proposed language: “Whenever the uncommitted fund balance has been below the target level for 12 consecutive months, the Steering Committee may recommend to the Board to add an amount greater than or equal to 25% of the 12-month average uncommitted fund balance deficit to the rate calculation for the next plan year.

Deb Nutter moved to adopt the proposed Fund Balance Policy language.

Motion

John Kittredge seconded the motion. The motion passed by unanimous vote.

Health Plan reports:

Fallon and Harvard Pilgrim had no updates.

Tufts – Lisa Despres said that the merger with Harvard Pilgrim was proceeding and that there will be more information at the end of the summer. She said that all contracts in place will be honored until their expiration date.

Fred Winer said that he thought the senior plan open enrollment activities went well. He said that there were a lot of retirees who just turned 65.

Brandi Mahler brought up the issue of buying into Medicare for those who are not eligible for Medicare.

Andrew MacLean said he used to be with a town that bought Medicare coverage for 34 seniors who were not eligible for it and that they saved a considerable amount of money.

Other Business:

Melissa Doig scheduled the next meetings: Steering Committee on Feb. 3 at 9:30 AM and Board meeting on Feb. 10 at 10 AM.

There was no other business.

Deb Nutter moved to adjourn.

Motion

Kevin Johnston seconded the motion. The motion passed by unanimous vote.

Melisa Doig adjourned the meeting at about Noon.

*Prepared by Carol Cormier,
Gallagher Benefit Services, Inc.*