

**Minuteman Nashoba Health Group**

**Board Meeting**

Monday, February 10, 2020 at 10:00 AM  
Groton Center 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
Nick Federico	Town of Boxborough
Catherine Murphy	Town of Stow
Kristen Noel	Town of Bolton
Michael Hartnett	Town of Groton
Anne Marie Geyster	Narragansett RSD
Nancy Haines	North Middlesex RSD
Brigette Bell	Town of Tyngsborough

**Guests Present:**

Marcy Morrison	MNHG Wellness Consultant
Bill Fraher, CPA ( <i>by conference call</i> )	Financial Auditor
Andrew MacLean	Town of Pepperell
Matt Hanson	Town of Tyngsborough
Linda Loiselle	Abacus Health Solutions
Patty Joyce	Abacus Health Solutions
Lisa Despres	Tufts Health Plan
Rae Felts	Tufts Health Plan
Fred Winer	Tufts Health Plan Senior Products
Katelyn Glennon	Fallon Health
Patrick Flattery	Fallon Health
Bill Hickey	Harvard Pilgrim Health Care
Carol Cormier	Gallagher Benefit Services, Inc., (GBS)
Karen Carpenter	Gallagher Benefit Services, Inc., (GBS)
Karen Quinlivan	Gallagher Benefit Services, Inc., (GBS)

The Chair, Melisa Doig, called the meeting to order at 10:00 AM.

Ms. Doig had those present introduce themselves.

**Approval of the minutes of December 9, 2019:**

Debbie Nutter moved approval of the Board minutes of December 9, 2019.

Motion

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

**Review of FY19 financial audit:**

Bill Fraher, CPA joined the meeting by conference call.

Mr. Fraher reviewed the Five-Year (2015 – 2019) Trend Summary of key financial indicators.

**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. 1<sup>st</sup> 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
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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.*