

Minuteman Nashoba Health Group

Steering Committee Meeting

Monday, February 3, 2020 at 9:30 AM

Groton Center Fire Station
Groton, MA

Meeting Minutes

Committee Members Present:

Melisa Doig, Board Chair	Town of Groton
Kevin Johnston	Town of Ayer
Debbie Nutter	Town of Pepperell
Kerry Lafleur	Town of Concord

Guests Present:

Ian Rhames, MNHG Treasurer	Concord Carlisle RSD
Brandi Mahlert	Lincoln Sudbury RSD
Tracey Lyon	Lincoln Sudbury RSD
Paula Myers	Lincoln Sudbury RSD
Bill Hickey	Harvard Pilgrim Health Care
Katelyn Glennon	Fallon Health
Patrick Flattery	Fallon Health
Lisa Despres	Tufts Health Plan
Rae Felts	Tufts Health Plan
Fred Winer	Tufts Health Plan – Senior Products
Carol Cormier	Gallagher Benefit Services, Inc. (GBS)
Karen Carpenter	Gallagher Benefit Services, Inc. (GBS)
Karen Quinlivan	Gallagher Benefit Services, Inc. (GBS)

Melisa Doig, MNHG Chair, called the meeting to order at 9:30 AM.

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

Debbie Nutter moved to approve the December 9, 2019 minutes.

Motion

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

Treasurer's Update:

Ian Rhames briefly reviewed financial status as of December 31, 2019 (unaudited figures). He said the Fund Balance was at \$5,355,586.

Mr. Rhames said that the financial audit has been completed. He said that the auditor, Bill Fraher, may be available to review the findings at the Feb. 10th MNHG Board meeting.

GBS reports:

Carol Cormier said that Karen Carpenter will be retiring after 12 years with the company and her last day in the office will be March 13. She introduced Karen Quinlivan who has been working on the Joint Purchase Groups including MNHG for 10 years in the Enrollment Dept.. She said Ms. Quinlivan will move into the position.

Ms. Cormier reviewed the Funding Rate Analysis (FRA) with data through December 2019. She said claims have been running low and the expense-to-funding ratio for the first 7 months of the year was 89.6%.

Karen Carpenter reviewed the reinsurance reports. She said that the FY20 report had two members with claims exceeding the \$300K deductible by a total of \$151,765 which has not yet been reimbursed to MNHG. Both members were on Harvard Pilgrim plans. She said there was one member exceeding the deductible on the FY19 policy with excess claims of \$314,340 all of which has been reimbursed to MNHG. She said this was also a Harvard Pilgrim plan member.

Ms. Cormier said she gave the Business Associates Agreement (BAA) between MNHG and Gallagher to Melisa Doig to sign.

FY21 Rate projections:

Carol Cormier reviewed the Rate Projections packet. She said that as in years past, the health plans made claims projections and GBS made independent projections from historical claims and trend factors. She said that the largest component of the rates is health plan claims. She said claims factors for the Diabetes Rewards program and CanaRx are also included in the projected rates and that the fixed costs included in the rates are health plan administrative fees, reinsurance premiums, and GBS fees.

Ms. Cormier reviewed the rate projections calculations and FY21 funding scenarios versus the current funding scenario. She said currently based on December enrollments the annualized funding from rates is \$50,094.048. She said using the lower of two projections for each health plan the composite increase in annual funding for FY21 is 3.4%. She said that Scenario A shows this with the lower projected claims and that there is variation in the amount of rate increase across carriers. She said the Tufts increase is 0.5%, HPHC is 2.9% and Fallon is at 7.8%. She said Scenario B has a composite increase of 3.4% but with the increases more evenly spread across the carriers with Tufts at 1.5%, HPHC at 3.5%, and Fallon at 6.5%. Ms. Cormier said the annual funding from Scenarios A and B is \$51.8M.

Kevin Johnston asked about the impact of the exit of towns of Tyngsborough and Lancaster on projected funding.

Carol Cormier said that they are small units and should not have much of an impact. She said she left their historical claims in the calculations but HPHC did not, and the projections were fairly close with the HPHC projection being a bit lower.

There was a discussion.

Kevin Johnston said he liked Scenario B and how it brought the increases closer together.

Kerry Lafleur asked if the projected rates should be increased a bit to establish a rate stabilization fund.

Ian Rhames said the Fund Balance is close to the fund balance target and he doesn't think that it is necessary to add anything to the rates. He also noted that the Fund Balance target will be lower when the two towns have left the Group.

Deb Nutter motioned to recommend Funding Scenario B to the Board.

Motion

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

Benefits Administrators meeting on March 4th:

Karen Carpenter said she would send the current Contact List out to all the employers and ask them to let GBS know of any changes in staffing so that invitations to the meeting can be sent to all including new people in the benefits offices.

Cost saving programs:

Carol Cormier said she will review a list of possible cost savings programs at the next meeting. She noted the OptiMed program to reduce the costs of specialty meds and give health plan members more service options.

Other Business:

Melisa Doig said she would like to have a presentation for the Board about the Mass. Municipal Reinsurance Arrangement and suggested someone that works with the program be invited to a future meeting.

Lisa Despres, Tufts Health Plan, introduced Rae Felts, who will work with MNHG employers.

Fred Winer said that Tufts wants copies of the Medicare Part D cards to be sent with the Senior plan applications for better readability. He noted that the Cadillac Tax and the Health Insurance Tax that affected the Senior plan rates have been done away with.

Bill Hickey, Harvard Pilgrim, said that Harvard Pilgrim continues working on the merger with Tufts Health Plan.

Katelyn Glennon, Fallon Health, said they are gearing up for Open Enrollments.

Carol Cormier said that now HSA-Qualified plan enrollees can get access to CanaRx for certain preventive medications only. She said that Board would have to approve this.

Melisa Doig asked Ms. Cormier to add the HSAQ/CanaRx item to the Board meeting agenda.

Deb Nutter motioned to adjourn the meeting.

Motion

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

Melisa Doig adjourned the meeting at 10:35 AM.

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