

Minuteman Nashoba Health Group

Board Meeting

Monday, August 24., 2020, 2020 at 10:00 AM
Virtual Meeting by Remote Participation

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
Marie Sobalvarro	Town of Harvard
Brandi Mahlert	Lincoln Sudbury RSD
Nick Federico	Town of Boxborough
Donna Kunst	Town of Stow
Kaylin Carpenter	Narragansett RSD
Kerry Lafleur	Town of Concord
Nancy Haines	North Middlesex RSD
Brad Brightman	Town of Stow
Kimberly Kane	Town of Carlisle

Guests Present:

Marcy Morrison	MNHG Wellness Consultant
Andrew MacLean	Town of Pepperell
Malyssa Simard	Town of Concord
Stephanie Oliver	Town of Concord
Patricia Joyce	Abacus Health Solutions
Lisa Despres	Tufts Health Plan
Rae Felts	Tufts Health Plan
Fred Winer	Tufts Health Plan Senior Products
Julia Lebrun	Fallon Health
Patrick Flattery	Fallon Health
Bill Hickey	Harvard Pilgrim Health Care
Chris Collins	CanaRx
Carol Cormier	Gallagher Benefit Services, Inc., (GBS)
Karen Quinlivan	Gallagher Benefit Services, Inc., (GBS)
Joseph Anderson	Gallagher Benefit Services Inc., (GBS)

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

Ms. Doig reminded those present that the meeting was being recorded and asked if there were any objections. None were voiced. She said on items moved and seconded she would ask if there were any objections. She said if there were no objections, the vote on the motion would be considered unanimous.

Approval of the minutes of May 11, 2020:

Kerry Lafleur moved approval of the Board minutes of May 11, 2020.

Motion

Nancy Haines seconded the motion. The motion passed by unanimous vote.

Treasurer’s Report:

Treasurer Ian Rhames reviewed the financial statements of May 31, 2020 (unaudited figures). He said that the Fund Balance increased in the short term due to a drop in claims during the current coronavirus pandemic. The Fund Balance on May 31, 2020 was about \$8.3 million. There was a steeper decrease in claims for the month of May, and the trend should continue for June, leaving the balance above of the \$6.2 million target per the Fund Balance policy.

GBS reports:

Funding Rate Analysis (FRA) report – Carol Cormier reviewed the fiscal year-end *FRA* with data through May 31, 2020. She said the expense-to-funding ratio on a paid claims basis was 87.8% with a surplus of funding over major expenses of over \$6M. She then reviewed the *FRA* with data through June 30, 2020, which showed the expense-to-funding ratio on a paid claims basis was 71.9%. The surplus of funding over major expenses was over \$1M. This was for only 1-month of FY21 data. Although many health plan members postponed procedures while under the pandemic lockdown, it is believed likely that not all procedures will be rescheduled.

Reinsurance reports – Karen Quinlivan reviewed reinsurance reports for the FY19 and FY20 policy periods with claims data through June. She said that in FY20 there were 5 claimants with updated total paid claims of \$2,450,389. The amount exceeding the specific deductible of \$300,000 was \$950,390. Total reimbursements of \$448,864 left an outstanding reimbursement amount due of \$501,526. The FY19 policy had 2 claimants with total updated paid claims of \$993,564. Total excess claims were \$393,564. Total reimbursements were \$314,341, leaving outstanding reimbursements due of \$79,223.

Wellness Program report:

The Wellness Consultant, Marcy Morrison, reviewed the status of the Wellness programs. She said that after an interruption of a few months, the program is back on track remotely. Focus has been on the four topics of diabetes education, weight management, stress management and fitness. Ms. Morrison reached out to Abacus Health Solutions to create an informational email campaign to educate people on the importance of managing diabetes during this time. Covid seems to be particularly difficult for people with specific underlying conditions like diabetes and heart disease, so communication about managing these conditions is paramount. There were 60 participants who took place in a 6-week weight loss challenge losing a total of 193 lbs. A mindful meditation and hypnosis for behavior change class was offered on-line through Zoom and was very well received. Small group health coaching and fitness training will be offered to those in the high-risk category for those that feel they need more personalized help. A fitness challenge program is also anticipated for the fall.

Update on MMRA and OptiMed programs:

Last year the Mass Municipal Reinsurance Arrangement (MMRA) of which MNHG is a member, met with OPTiMed Health Partners. The reinsurance general managing underwriter brought OptiMed in because of their good record on reducing the high cost of specialty medications and improving the service of delivering those medications to members. The reinsurance pricing for next year was determinate on whether the MMRA would use a proactive model of the program.

It turned out that the contracts between the health plans and their pharmacy benefit managers (PBMs) prevented that approach from being used. The MMRA is now moving forward with a reactive approach that requires data from each of the health plans to identify members receiving specialty medications and giving them the option to participate on a voluntary basis. The health plans have been cooperative in providing data. Feeds from Blue Cross and Fallon have already identified 411 potential member contacts. Data from Harvard Pilgrim and Tufts will identify more. Targeted mailings will be provided to employer groups soon to distribute to employees. The mailings will explain the optional OptiMed program as a program approved by the MNHG.

Melisa Doig and Kevin Johnston, both of whom are on the MMRA Board, said that this should be a beneficial program for the group.

Diabetes Care Rewards program reports:

Patty Joyce of Abacus Health Solutions presented the Diabetes Care Rewards program report from Abacus Health Solutions through July 31, 2020. There is still great enrollment and adherence for the program with 32% enrolled and 47% adherent with an annual adherence rate of 64%. Because of impediments to care during the pandemic, Abacus is working with the vulnerable population to track and grant extensions on care deadlines for services required by the program when possible. Ms. Joyce said Abacus worked with Jocelyn Diabetes Center to develop a 5-question survey when members call in to get an extension and are able to grant 30-60 day extensions. They are continuing member and registration outreach. Working with Marcy Morrison, Abacus sent out mailers that resulted in 6 new members to the program. There is a new rebate structure in place with \$100 for brand and \$280 for mail order, therefore, the third quarter rebate was \$14,424. There has been \$274,943 in pharmacy claims with an estimated savings of \$44,178. Program promotion and outreach is ongoing with newsletters and webinars to keep members informed and promote participation.

CanaRx:

Chris Collins of CanaRx provided an update on some mail delays from Australia and some from the UK. He said that has been resolved. Members are being called earlier than usual regarding Rx renewals so that medications are provided in a timely fashion.

Medicare Buy-In:

Carol Cormier said that MNHG discussed the potential of having employers buy into Medicare for those members that are 65 or older and retired but have not accumulated 40 quarters paid into Medicare in order to be eligible. Employers could buy into Medicare for those members but the buy-in costs can be substantial. If an employer rather than the joint purchase group was the self-funding entity, they would be paying claims that could be moved over to Medicare, thus saving on claims costs. Because the MNHG is a joint purchase group, employers are not paying claims but are paying fixed funding rates, like premiums. The MNHG would benefit from the buy-ins but many employers would be paying higher costs. The analysis that has to be done is the premium difference between active and retiree plans plus all the additional costs associated with buying into Medicare. When this is done, there tend to be no winners in terms of individual employer group costs. If any individual employer wants to move forward with buying into Medicare it is free to do so. The recommendation from the MNHG Steering Committee is, as was the case for other groups, for the MNHG not to require employers within the group to buy-into Medicare but to allow them to do so if they wish. The illustration provided to the group

using average numbers could be used as a template for individual employer groups to put their own actual numbers in place to calculate their employer-specific costs.

There was no interest expressed for a buying into Medicare requirements, and no action was taken.

Looking to the Future of MNHG:

Two employer groups have left the MNHG. Every year employer groups do evaluations to see if they are in the best place for employee coverage. The claims world is changing a great deal with the increase of members on specialty medications. Careful consideration regarding claims experience needs to be made when looking at potentially adding new employer groups to the joint purchase group.

Carol Cormier is going to reach out to other consultants who might know of other groups looking for other options other than what they currently have. This would ideally be within the same geographic area. On a positive note, the fund balance has been good and rates have been favorable, so things could potentially stay stable.

Health Plan reports:

Harvard Pilgrim- Bill Hickey provided current claims data relating to Covid-19. He said that through August 18, there have been 12 confirmed cases within MNHG, 122 potential and 37 negative. Total claims costs for treatment and testing was \$15,214. The message is that costs are not extensive at this time.

Carol Cormier wanted to remind the MNHG that although member cost share for Covid testing and diagnosis is waived when ordered by a physician, it is not waived for return to work testing. That is not a covered service by the health plans.

Bill Hickey said that in regards to the Tufts and Harvard Pilgrim merger, it looks like it is on track for first quarter of 2021 but integration of products will probably not happen until the first quarter of 2022 when a new Prescription Benefit Manager is named.

Fred Winer from Tufts added that it would probably take longer for the merger to be operationalized for senior products.

Tufts – Lisa Despres said that when the organizations do come together they would most likely be moving to Town of Canton in the old Reebok building in the third quarter of 2021.

Fred Winer said that even though doctor visits for the senior population decreased recently due to Covid, pharmacy costs remained the same or increased. The expectation is that senior rates will increase because of the pharmacy trend. He said that CY21 rates should be released soon.

Fallon Health – Julia Lebrun said that there have been 13 Fallon members testing positive for Covid with 1 hospital admission and no deaths. Costs have not been extensive to the group.

Patrick Flattery said there was a general trend that pharmacy utilization was higher than normal. The Limited Central Network plan rate is staying the same but the Full Network Plan rate will see an increase.

Other Business:

Next meetings - Melisa Doig scheduled the next meetings:

- Steering Committee on Monday October 5, at 9:00 AM and
- Board meeting on October 5 at 10 AM.

The October 5 meetings were subsequently cancelled, and a Board meeting was scheduled for October 15 at 10 AM (virtual meeting).

Fred Winer asked about the possibility of doing a Zoom presentation for senior open enrollment.

Patrick Flattery suggested two or three meeting dates for the whole group which could be included in open enrollment mailings.

There was no other business.

Marie Sobalvarro motioned to adjourn the meeting.

Motion

Kerry Lafleur seconded the motion.

Melisa Doig, Chair, adjourned the meeting at 11:12 AM.

*Prepared by Karen Quinlivan,
Gallagher Benefit Services, Inc.*