

Minuteman Nashoba Health Group

Board Meeting

Monday, February 6, 2023 at 10:00 AM
Virtual Meeting by Remote Participation

Meeting Minutes

Board and Alternate Members Present:

Melisa Doig, Chair	Town of Groton
Amanda Lewis	Town Of Ayer
Kristen Noel	Town of Bolton
Rajon Hudson	Town of Boxborough
John Kittredge	Town of Clinton
Ian Rhames	Concord Carlisle RSD
Gail Dowd	Town of Concord
Chelsea Mason	Narragansett RSD
Anne Marie Tucciarone-Mahan	North Middlesex RSD
William Schlosstein	Town of Pepperell
Dolores Hamilton	Town of Stow

Guests Present:

Marcy Morrison	MNHG Wellness Consultant
Michael Hartnett	MNHG Treasurer
Malyssa Simard	Town of Concord
Stephanie Oliver	Town of Concord
Andrew Maclean	Town of Pepperell
Brad Brightman	Town of Stow
Christine Purple	Town of Clinton
Hannah Moller	Town of Groton
Sue Shillue	Cook and Company
Lisa Despres	Tufts Health Plan
Diana Hernandez	Tufts Health Plan
Patrick Flattery	Fallon Health
Mark Nicholson	Harvard Pilgrim Health Care
Caroline Burnham	Blue Cross Blue Shield of MA (BCBS)
Judy Moniz	Blue Cross Blue Shield of MA (BCBS)
Chris Collins	CanaRx
Jim Riley	CanaRx
Patricia Joyce	Abacus Health Solutions
Joseph Anderson	Gallagher Benefit Services, Inc., (GBS)
Karen Quinlivan	Gallagher Benefit Services Inc., (GBS)

The Chair, Melisa Doig, called the meeting to order at 10:02 AM.

Ms. Doig reminded those present that the meeting was being recorded and asked if there were any objections. There were none. Roll call was taken with voting attendees listed as:

Melisa Doig, Chair	Town of Groton
Amanda Lewis	Town of Ayer
Kristen Noel	Town of Bolton
Rajon Hudson	Town of Boxborough
John Kittredge	Town of Clinton
Ian Rhames	Concord Carlisle RSD
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William Schlosstein	Town of Pepperell
Dolores Hamilton	Town of Stow

Approval of the minutes of December 5, 2022:

Anne Marie Tucciarone-Mahan moved approval of the Board minutes of December 05, 2022 as presented.

Motion

Ian Rhames seconded the motion. There was a roll call vote

Melisa Doig, Chair	yes
Amanda Lewis	yes
Kristen Noel	yes
Rajon Hudson	yes
John Kittredge	abstain
Ian Rhames	yes
Gail Dowd	yes
Anne Marie Tucciarone-Mahan	yes
William Schlosstein	yes
Dolores Hamilton	abstain

The motion passed by majority vote.

Chelsea Mason a voting member joined the meeting at this time

Treasurer's Report:

Treasurer Ian Rhames presented the Treasurers report through December (unaudited figures). There was bounce back in November with only a slight decrease in December so the group is just over \$2.4M in fund balance. The target fund balance runs parallel to the slight decline so the group's position has held. Hopefully positive trend continues with no surprises. The group is at the point where reinsurance reimbursements will begin to be received. Gallagher reports seem to be a leading indicator of where the fund balance is heading. Cash flow is looking better. Michael Hartnett thanked members for getting payments in on time and switching to ACH payment when possible.

GBS Reports:

Funding Rate Analysis (FRA) report – Joseph Anderson reviewed the FY23 *FRA* with data through December, 2022. He said the expense-to-funding ratio on a paid claims basis was 98.0 with a surplus of funding to major expenses of \$408,066. This was a better result than before. Harvard Pilgrim has over \$1M in large claimants but two of them have termed.

Reinsurance reports – Karen Quinlivan reviewed reinsurance reports for the FY22 policy period with claims data through December. She said that there were 3 claimants with updated total paid claims of \$2,610,929. The amount exceeding the specific deductible of \$400,000 was \$1,410,929. Total reimbursements of \$1,408,056 left an outstanding amount due of \$2,873. There were 17 claimants on the 50% Report with updated total paid claims of \$4,703,116. The same reports for the FY23 showed 1 claimants with updated total paid claims of \$507,207. The amount exceeding the specific deductible of \$400,000 was \$107,207. Total reimbursements of \$0 left an outstanding reimbursement amount due of \$107,207. The lasered claimant for FY23 had updated paid claims of \$461,080.87 but this individual termed effective 11/30/2022. There were 5 claimants on the 50% report with total updated claims of \$1,280,497.03.

FY24 Rate Projections for Active Plans:

Joseph Anderson said that last year Fallon exited the market and that threw things into flux. The decision was to bring in Blue Cross as the lowest priced carrier. As a result of that decision, Blue Cross has become the dominant carrier in terms of market share. When calculating the renewal for this year, carrier predictions are difficult because Blue Cross has not had enough experience and the others have had many members in motion so their predictions are not credible. Once again, claims need to be pooled together to make one funding and pricing decision for the next fiscal year. Tufts and Harvard Pilgrim called for a 3% administrative fee increase and Blue Cross 2.5%. GBS Fees increased 2%. Claims experience had to be adjusted for the groups that departed. CY22 claims showed a .99% increase over CY21. Current funding is \$ 39.2M. Trend of 7.5% was used to calculate required funding going forward. Stop loss was calculated at a 10% increase. Admin and fees plus the CanaRx program brings a required funding amount of \$44,606,975. That represents a large number and is reflective of an anomaly of bad claims experience. The calculated increase would represent a 13.75% increase in funding.

Melisa Doig said that the Steering Committee just met and the recommendation from the Steering is the 13.75% increase.

Andrew Maclean had a question regarding the number of contracts. He also said that his community would have a hard time absorbing that amount of an increase.

Joe Anderson said that the number of contracts took into account departing units and the rating is based on contracts at the end of December, so the comparison is not exact.

There was discussion.

Andrew Maclean brought plan design changes as a basis for future discussion and asked if they were considered by the Steering Committee for this rate setting.

Melisa Doig said they were not. It is late for the FY24 considering negotiations that may be required. The immediate consideration is the financial stability of the group and maintaining necessary funding.

Chelsea Mason said that from her community perspective the impact will be very large.

Melisa Doig said she understood that unfortunately the impact will be large for all groups.

Gail Dowd said she was surprised and asked about the other funding options.

Alternative rating scenarios were reviewed showing 12.5%, 11%, 10% and 9% increases. Trust impact was from \$.5M to \$1.8M respectively.

Anne Marie Tucciarone-Mahan said that no group is happy about a 13.75% increase but unfortunately the claims numbers speak for themselves. She recalled the prior 2020 discussion regarding the potential for increased claims coming out of Covid and the adverse claims experience perhaps is the result of that.

Joe Anderson said that could be the case but there was an extended period of adverse claims experience for MNHG. The Covid environment is marked by volatility across the board.

William Schosstein asked if the group will become sicker because the healthy member pick cheaper plans and should the group look to recruiting new units.

Joe Anderson said he would be welcome to growing the group but discussions need to be made from a position of fiscal strength of the group.

Andrew Maclean asked what happens if the trust fund balance is used up.

Joe Anderson said that many years ago that exact scenario played out and there needed to be an advance funding of a month with the stipulation that the money be returned to the units when possible and that subsequently happened. One of the other considerations is that what has become apparent is the over the last three years or so, five units have left and there was not provision for them to pay their runoff claims. A provision is recommended to require departing units to pay those incurred claims. Between Harvard departing and the runout administrative claims for Fallon, that was about a \$500,000 impact to the trust.

Andrew Maclean said that if it is too late to do it for FY24, a plan design review needs to be done for FY25.

Melisa Doug agree that plan design review would be warranted after the rates are set.

Ms. Doig said that the Steering Committee recommended the 13.75% increase. That does not mean that the Board has to consider that option. A motion can be made for discussion and another motion can be made.

Anne Marie Tucciarone-Mahan motioned to approve a 13.75% rate increase For FY24 based on trend and claims.

Motion

Ian Rhames seconded the motion. There was no further discussion. There was a roll call vote.

Melisa Doig, Chair	yes
Amanda Lewis	no
Kristen Noel	yes
Rajon Hudson	no response
John Kittredge	yes
Ian Rhames	yes
Gail Dowd	yes
Chelsea Mason	no
Anne Marie Tucciarone-Mahan	yes
William Schlosstein	no
Dolores Hamilton	yes

The motion passed by majority vote.

Anne Marie Tucciarone-Mahan motioned to add language for departing member units to pay runout claims going forward.

Motion

There was no second on the motion. Specific language will be drafted and proposed at the next Board meeting.

Wellness program report:

The Wellness Consultant, Marcy Morrison, provided her Wellness report. This month the wellness program will focus on numerous heart healthy habits as well as preventive measures to maintain a healthy heart. Resolution Reset is an online course that will help members who made New Year's resolutions and had difficulty keeping them. Yoga programs are continuing at various towns and schools. A three page brochure has been created to deliver to groups who want to have wellness program information available in common areas and in new-hire packages. It encourages all employees to join the wellness programs and invites employees to become wellness champions. The January and February newsletters are loaded with information and CanaRx and Good Health Gateway info is now included in both. A meeting with Blue Cross was held to discuss their Healthy Me Program for MNHG. The group has \$7,500 to use for the wellness program. The money will come in the form of gift cards to be used for incentives for participating in wellness programs. The money must be used by June so suggestions are welcome.

Abacus Good Health Gateway Report:

Patty Joyce provided a Good Health Gateway annual report through November 30, 2022. The program is focused on engaging, supporting and rewarding members who meet the American Diabetes Association standards of diabetes care. Members can develop their relationship with their physician to improve their disease state. Member engagement was based on 269 eligible members. There were 83 members or 31 % enrolled with 61% adherent in the plan. As of 11/30/2022 there was an increase of 22 members over this same time last year. There were 526 medications and supplies filled with \$10,921 in estimated waived copays. Net estimated savings were \$75,159. Rebates distributed during the reporting period total \$84,402. Outreach is

ongoing with promotions to make people aware of the program. There has been a reduction in A1C numbers over 9.0 of 41%. High risk members are enrolled at a rate of 54% and 64% of those are adherent in the program. Promotion and outreach is ongoing with quarterly mailings. Abacus will be at health fairs to promote the program. Annual survey results show that 85% of members have a better understanding of the program and 92% are feeling better since participating. Text messaging was added as a communication tool based on survey results.

Health Plan and vendor reports:

CanaRx- Jim Riley said that the group has saved \$161,543 for the year compared to \$171,683.32 last year. The comparison removing departed units was difficult to do so the focus will be on moving forward. The average employee enrolled in the program is saving approximately \$476.00 per year.

Tufts – Lisa Despres said the PBM change to Optum Rx is complete. Members should contact member services if they have any issues.

Patty Joyce reminded folks to bring their cards for the Good Health Gateway program as well when they fill prescriptions.

Fred Winer was unable to attend the meeting.

Blue Cross – Caroline Burnham said that their PBM change is complete as well to CVS Caremark so members should contact member services as well if they have issues. Members have until March 31, 2023 to submit for Fitness Reimbursements. They are also available for health fairs and any materials that units need for open enrollment.

Harvard Pilgrim- Mark Nicholson said that the PBM change holds for Harvard Pilgrim as well. He also said that 1099HC forms have been sent. If people need a copy, please contact member services.

Fallon - Patrick Flattery said that they are available for health fairs as needed.

Other Business:

Next meetings - Melisa Doig announced the next scheduled meetings:

Board meeting on Monday, March 6, 2023 at 10:00 A.M. (virtual)

Board meeting on Monday, April 3, 2023 at 10:00 A.M. (in-person at Groton Fire Station)

There was no other business.

Anne Marie Tucciarone-Mahan motioned to adjourn the meeting.

Motion

Chelsea Mason seconded the motion.

Melisa Doig, Chair, adjourned the meeting by unanimous consent 11:32 AM.

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