

Scantic Valley Regional Health Trust (SVRHT)

Board Meeting

Tuesday, January 12, 2016
9:30 AM

Wilbraham Town Hall
Wilbraham, MA

Meeting Minutes

Board Members and Alternates present:

Arlene Miller, Chair	Town of Longmeadow
Tom Sullivan	Town of Wilbraham
Richard Patullo	Town of Hampden
Cheryl Wiblyi	Lower Pioneer Valley Educ. Coop. (LPVEC)
Anna Bishop	Lower Pioneer Valley Educ. Coop. (LPVEC)
Beth Regulbuto	Hampden Wilbraham RSD
Sara Menard	Town of East Longmeadow

Guests present:

Paul Pasterczyk	SVRHT Treasurer
Lyn Fioravanti	SVRHT Wellness Consultant
Corinne Tranghese	Town of East Longmeadow
Greg Neffinger	Town of East Longmeadow
Christina Gagnon	Hampden Wilbraham RSD
Jay Swanson	Blue Cross Blue Shield
Erin Hayes	Tufts Health Plan
Fred Winer	Tufts Health Plan
Steve Presnal	Southwick-Tolland-Granville RSD
Carol Cormier	Group Benefits Strategies
Karen Carpenter	Group Benefits Strategies

Arlene Miller, Chair, called the meeting to order at 9:32 AM.

Approval of the minutes of the December 10, 2015 meeting:

Tom Sullivan moved to approve the December 10, 2015 meeting minutes as written.

Dick Patullo seconded the motion. The motion passed by unanimous vote.

Motion

Treasurer's Report:

Treasurer Paul Pasterczyk reviewed the financial reports of November and a partial report for December 2015 (unaudited figures). He said the December report is missing one bank statement balance. He said that the Unreserved Fund Balance was \$5.6M through November, which, he said, is \$3.1M above the target. Mr. Pasterczyk reported a total of \$129K in reinsurance

reimbursements received. He said the BCBS quarterly level monthly payment was \$1.369M and the HNE claims payment was \$579K.

Mr. Pasterczyk said the audit report should be ready for the February meeting and noted that the IBNR seems to have increased. He said he discussed this with the auditor.

Arlene Miller introduced Greg Neffinger, Interim Town Administrator for the Town of East Longmeadow.

Wellness Program Report:

Lyn Fioravanti, Wellness Consultant, distributed and reviewed reports on the participation in the SVRHT Wellness Programs and the budget through December 2015. She said the current programs include the Colonoscopy Incentive Program, Smoking Cessation Program, Yoga, Walking Works and Zumba. She said in total, 81% of the 118 participants of the Maintain Don't Gain program that weighed out as having maintained or lost weight.

Ms Fioravanti said that the BCBS Incentive program began this week, and the HNE program will begin in February of 2016.

Ms. Fioravanti noted that 20% of the FY16 wellness budget of \$97,350 has been spent to date.

GBS Reports:

Funding Rate Analysis (FRA) report - Carol Cormier reviewed the FRA report with data through November of FY16. She noted that the HNE data has been updated to separate the deductible plan data from the regular plan data. Ms. Cormier said the same issue is occurring with the Network blue (NWB) enrollment numbers. She said it will be corrected. Ms. Cormier said the expense-to-funding ratio was 104.1%. She said the estimated shortfall of funding from rate revenue was \$369K at the end of November. She said the NWB plan is severely underfunded, and said there will probably be a significant rate increase indicated for FY17.

BCBS Level Monthly Deposit (LMD) – Carol Cormier reviewed the report and said the LMD payments for November and December exceed actual costs by almost \$153K.

Reinsurance reports – Karen Carpenter reviewed the reinsurance excess report for FY15 with claims paid through November. She said that there were six members with claims over the \$175K deductible. She said the total excess claims amount was \$386,319 and said there are reimbursements of \$25,846 due the group. She said that there were 13 members with claims between 50-100% of the deductible with total claims of \$1.54M.

Karen Carpenter reviewed the excess report for the FY16 policy period and said there was one member with excess claims of \$252,558. She said the Aggregating Specific Deductible of \$150K has been met. Ms. Carpenter said there are reimbursements of \$5,727 due to the group. She said there were six members that had claims between 50-100% of the deductible and the total claims amount was \$643,334.

Reports from the Abacus Group – Diabetes Rewards program – Carol Cormier reviewed the report for the period of September 1, 2015 through November 30, 2015. She said the SVRHT participation of 60% is above the Municipal average of 42%. She said the estimated savings net of fees and pharmacy copays is \$29,320. Ms. Cormier said the number of medications and supplies was 301 and estimated member copays waived is \$7,881. She said the total diabetes medication cost was \$65,618.

ACA Employer Reporting deadline delay – Carol Cormier said that the ACA employer reporting deadline has been delayed. She said the BCBS enrollment data is expected to be sent to GBS by January 15, 2016. She said that GBS will sort the data that is in text format by employer.

Tom Sullivan said that the Town of Wilbraham purchased a program called Pro-Ware to help with the reporting requirement.

Comparative risk analysis of Southwick Tolland Granville (STG) RSD compared to SVRHT:

Carol Cormier said that SVRHT received a letter of interest from Steve Presnal, Business Manager of Southwick Tolland Granville Regional School District (STG) which is currently a member of Berkshire Health Group (BHG). She said the SVRHT did not exist at the time the school district joined the BHG.

Carol Cormier said she completed a data analysis comparing the District's claims risk with SVRHT's. She reviewed the STG enrollments said there is a total of 194 individual and family subscribers on the active plans and 133 Medicare retirees. Ms. Cormier noted that enrollment is highest in the Berkshire Health Group's Network Blue plan. She said that the STG members are geographically located in the SVRHT area. Ms. Cormier said the STG risk is lower than that of the SVRHT and said the school districts typically have a slightly lower average age than that of the towns. Ms. Cormier said three STG Medex members had claims reaching approximately \$80K over the past two years. She said there were no active members with claims over \$50K. Ms. Cormier said adding enrollment numbers with good risk to SVRHT will help to lower the group's overall risk.

There was a discussion about the next steps and various conditions of entry into the group.

Steve Presnal said the district is looking into its options including Hampshire County and reviewing differences in benefits. He said should SVRHT extend an offer that is accepted, STG will conform to the SVRHT benefit plans. Mr. Presnal said they are looking to find the best fit for the long term.

Carol Cormier suggested a 3-year commitment to SVRHT and said some groups have a 2-year wait to receive the subsidized rates and some charge an entrance fee. She said she will put together a list of terms to consider and noted that STG will also need to sign the Joint Purchase Agreement if it becomes a member.

Arlene Miller said she would entertain a motion to formalize the consensus of the Board.

Beth Regulbuto made a motion to consider accepting the Southwick Tolland Granville RSD pending developing the terms of an offer.

Motion

Dick Patullo seconded the motion. The motion passed by a unanimous vote.

Retiree Drug Subsidy (RDS) re-opening:

Carol Cormier said that she spoke to the Board a while back about looking into the re-opening and auditing of the Retiree Drug Subsidy applications. She said that RDS auditors work on a contingency basis if it is found that additional payments are due to the client. She referred to the exhibit in the packet describing the process.

Arlene Miller asked in the interest of time that this item be added to another meeting agenda.

Health Plan Reports:

Blue Cross Blue Shield (BCBS) – eKits replacing Summary of Benefits – Jay Swanson referred to the eKit exhibit and said that BCBS is moving towards distributing a one page summary with links to the specific plan benefits including the *Summary of Benefits and Coverage* document. He said the form can be scanned into a member's phone or onto their iPad for 24/7 information. Mr. Swanson said the form can also be accessed by computer. He said the roll-out to the commercial market went very well. Mr. Swanson noted that the document could be customized to SVRHT and is currently only available for the active plans.

Tufts Health Plans – Erin Hayes, Account Executive, said Tufts has received positive and negative feedback regarding their new web portal. She said there were concerns about the security questions and that Tufts is looking at making some adjustments to the portal.

Fred Winer, Account Executive for the senior products said there was nothing new to report.

Other Business:

The next meeting was scheduled for February 24, 2016 at 9:30 a.m. to be held at the Wilbraham Town Hall, Wilbraham, MA.

In response to a comment regarding the SVRHT website, Ms. Miller asked Ms. Cormier to add the item to the agenda.

There was no other business.

Beth Regulbuto moved to adjourn.

Motion

Anna Bishop seconded the motion. The motion passed by unanimous vote.

Arlene Miller adjourned the meeting at 10:33 AM.

*Prepared by Karen Carpenter
Group Benefits Strategies*