

Scantic Valley Regional Health Trust (SVRHT)

Board Meeting

Wednesday, June 10, 2015

9:30 AM

Wilbraham Town Hall

Wilbraham, MA

Meeting Minutes

Board Members and Alternates present:

Arlene Miller, Chair	Town of Longmeadow
Marie Angelides	Town of Longmeadow
Tom Sullivan	Town of Wilbraham
Lynne Frederick	Town of Wilbraham
Richard Patullo	Town of Hampden
Cheryl Wiblyi	Lower Pioneer Valley Educ. Coop. (LPVEC)

Guests present:

Paul Pasterczyk	SVRHT Treasurer
Christina Gagnon	Hampden Wilbraham RSD
Nick Breault	Town of Wilbraham
Herta Dane	Town of Wilbraham
Corinne Tranghese	Town of East Longmeadow
Sandra Stankiewicz	Blue Cross Blue Shield
John (Jay) Swanson	Blue Cross Blue Shield
Fred Winer	Tufts Health Plan
Erin Hayes	Tufts Health Plan
Sandra Ruiz	Health New England
Carol Cormier	Group Benefits Strategies
Karen Carpenter	Group Benefits Strategies

Arlene Miller, Chair, called the meeting to order at 9:30 AM.

Approval of the minutes of the April 9, 2015 meeting:

Dick Patullo moved to approve the April 9, 2015 meeting minutes.

Motion

Cheryl Wiblyi seconded the motion. The motion passed by unanimous vote.

Treasurer's Report:

Treasurer Paul Pasterczyk reviewed the financial report of April 2015 (unaudited figures). He said that the Unreserved Fund Balance was \$6,477,705, which he said is \$4.05 million above the target. He said all units are up to date on payments.

Mr. Pasterczyk reviewed financial information for May 2015 but said the report was incomplete.

Tom Sullivan suggested including the excess above the fund balance target as a cushion in the GASB reports.

Mr. Pasterczyk reviewed the certificates of deposit (CD) exhibit. He said that one of the CDs reached its maturity of \$400K. Mr. Pasterczyk said he reinvested the money into two \$200K CDs. Mr. Pasterczyk noted that Berkshire Bank has purchased Hampden Bank. He said as each CD matures, he will be moving them to a different FDIC bank and will keep the Board informed.

Mr. Pasterczyk asked the Board to consider increasing the Treasurer's stipend from \$5,000 to \$6,000 effective July 1, 2015. He said his last increase was effective in 2009.

Dick Patullo made a motion to approve increasing the Treasurer's stipend to \$6,000 effective July 1, 2015.

Motion

Cheryl Wiblyi seconded the motion. The motion passed by a unanimous vote.

Marie Angelides joined the meeting.

Wellness Program Report:

Arlene Miller said that Lyn Hollinger, SVRHT Wellness Coordinator, is unable to attend the SVRHT meeting. Ms. Miller distributed the Wellness program and budget reports. She said the Wellness Committee met a few weeks ago, and Ms. Hollinger will discuss the FY16 wellness plan at the next meeting.

GBS Reports:

Funding Rate Analysis (FRA) report - Carol Cormier reviewed the report with data through April. She said the expense-to-funding ratio was 91.3%. She noted that \$173K of reinsurance reimbursements is included in the surplus of funding over expenses.

BCBS Level Monthly Deposit (LMD) – Carol Cormier reviewed the report and said the LMDs significantly exceeded the actual claims payments throughout FY15. Ms. Cormier said she asked BCBS to reconsider the proposed FY16 LMD and said BCBS has agreed to hold the current payment amount.

Reinsurance reports – Karen Carpenter reviewed the reinsurance excess report for FY15 with claims paid through April. She said that there were four members with claims over the \$175K deductible. She said the excess claims amount was \$75,761, but said there were no reimbursements because the \$150K Aggregating Specific Deductible has not been met. She said that there were six members with claims between 50-100% of the deductible with total claims of \$390,870.

Karen Carpenter reviewed the reports for the FY14 policy period. She said that five members exceeded the \$175K deductible and that the SVRHT has received \$225,570 in reimbursements. Ms. Carpenter said 14 members had claims between 50-100% of the deductible and the total claims amount was \$1,620,441.

Reinsurance proposals for FY16:

Carol Cormier said HM Insurance has been the SVRHT's reinsurance carrier for the past several years. She said that the current annual premium is approximately \$450,381 with a \$175K Specific Deductible and a \$150K Aggregating Specific Deductible (ASD). Ms. Cormier reviewed the FY16 quotes received and noted that quotes were received by HM Insurance and BCBS. She said that the incumbent carrier's bid with a 10% rate increase is lower than the BCBS quote with a 13.% rate increase. She said BCBS did not quote on the HNE MedPlus plan. Ms. Cormier said the Board also requested quotes with a \$200K Specific Deductible. She noted that the Medex plan was previously covered but now that the prescription drug portion of the plan is fully insured, she said there is no need for reinsurance coverage.

There was a discussion about the possibility of increasing the Specific Deductible.

Dick Patullo made a motion to accept the FY16 reinsurance quote "a" from HM Insurance as presented, with no changes to the current specific deductible levels and a 10% increase to the rates, \$13.97 Individual and \$33.53 Family.

Tom Sullivan seconded the motion.

Motion

There was a brief discussion.

A vote was taken and passed unanimously.

Retiree PPO plan issue:

Arlene Miller said she asked that this item, which is not new, be added to the agenda. She said that an early retiree of the Town of East Longmeadow would like to move out of state and the Blue Care Elect (BCE) plan is the only plan that will work for him and his spouse. Ms. Miller said the retiree has requested other options because of the high cost of the plan. She said Sarah Menard, Town of East Longmeadow, Town Accountant brought this issue to the Board, but could not attend today's meeting.

Carol Cormier noted that there are only 8 members currently enrolled on the BCE plan and said SVRHT can deal with the cost of this plan through the rate setting process and/or benefit design changes. She said this will need to be done to avoid the ACA Cadillac Tax in 2018.

There was a brief discussion about non-Medicare eligible retirees.

Comparison of SVRHT plans and GIC plan design changes:

Carol Cormier said that she reviewed the FY16 GIC plan design changes with the SVRHT current plan designs at the previous meeting. She said based on the group's financial situation, she realizes that there is no immediate action necessary, but wanted to let the Board know its options.

The Board took no action.

Affordable Care Act:

Carol Cormier said she didn't have any additional ACA information to add and that GBS has continued to send information to its clients about employer requirements under the ACA through email blasts.

Health Plan Reports:

Blue Cross Blue Shield (BCBS) – Sandra Stankiewicz, Account Executive, said the open enrollment system transactions went smoothly.

Jay Swanson, BCBS Account Service Consultant, said he met with several members and said he will be making appointments to visit with each of the units. Mr. Swanson said BCBS will be eliminating paper and providing e-kits, electronic health plan information packets.

Health New England (HNE) – Sandra Ruiz, Account Executive, said the FY16 health plan amendments will be mailed to members next week. She said effective August 1, 2015, HNE is rolling out a new telehealth program named Teladoc to its members and said it is an option for SVRHT. She explained that members can request a phone or online video consultation with a Teladoc physician to treat non-emergency medical issues. She said it is available 24/7 and guarantees to connect the member with a doctor in less than an hour and will provide notice of the consult to the member's primary care physician (PCP). Ms. Ruiz said the physician can prescribe certain medications, but nothing narcotic. She said the member is responsible to pay their PCP co-pay and the claim and the remainder of the flat fee of \$40 would be charged as a claim. Ms. Ruiz said the cost of the Teladoc service is \$0.26 per member per month and estimates the monthly cost to SVRHT at \$547.00.

There was a discussion.

Tom Sullivan made a motion to approve adding the Teladoc program to the HNE plans effective August 1, 2015.

Motion

Cheryl Wiblyi seconded the motion.

In response to a question, Ms. Ruiz said a notice will go out to all members from HNE to notify them of the new program.

A vote was taken and passed unanimously.

Christina Gagnon asked that a link to the program be added to the SVRHT website.

Tufts Health Plan – Erin Hayes said the Tufts member kits will be changing to a smaller version and enrollment and fitness paper forms will be eliminated. She said they will be available on-line at Tufts. She said new ID cards will be mailed to members in August.

Fred Winer said Tufts is implementing a new web portal where Senior plan members can access their claims and plan documents. He said there will be additional information about the portal released in the fall.

Other Business:

Arlene Miller scheduled the next Board meeting for September 10, 2015 at 9:30 AM at Wilbraham Town Hall.

There was no other business.

Dick Patullo moved to adjourn.

Motion

Tom Sullivan seconded the motion. The motion passed by unanimous vote.

Arlene Miller adjourned the meeting at 10:35 AM.

*Prepared by Karen Carpenter
Group Benefits Strategies*