

Scantic Valley Regional Health Trust (SVRHT)

Board Meeting

Thursday, December 12, 2013
9:30 AM

Wilbraham Town Hall
Wilbraham, MA

Meeting Minutes

Board Members and Alternates present:

Arlene Miller, Chair	Town of Longmeadow
Thomas Caliento	Town of East Longmeadow
Tom Sullivan	Town of Wilbraham
Richard Patullo	Town of Hampden
Beth Regulbuto	Hampden Wilbraham RSD

Guests present:

Paul Pasterczyk	SVRHT Treasurer
Lyn Hollinger	SVRHT Wellness Coordinator
Audra Staples	Town of Longmeadow
Christine Bagnon	Hampden Wilbraham RSD
Suzanne Donahue	Blue Cross Blue Shield of MA
Pat Kaplan	Blue Cross Blue Shield of MA
Laura Syron	Health New England
Erin Hayes	Tufts Health Plan
Fred Winer	Tufts Health Plan Senior plans
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 October 2, 2013 meeting:

Tom Sullivan move to approved the October 2, 2013 meeting minutes.

Motion

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

Treasurer's Report:

Treasurer Paul Pasterczyk reviewed the financial reports of September 2013 and October 2013 (unaudited figures). He said the SVRHT started September with \$8.8 million cash and ended with \$9.0 million. He said the Unreserved Fund Balance was \$4,947,524, which is \$2.6 million above the Fund Balance target.

Mr. Pasterczyk reviewed the October 2013 reports. He said the ending balance was \$9.1 million and that the Unreserved Fund Balance was \$5,060,730, \$2.7 million above the target.

Mr. Pasterczyk said that the FY13 audit was almost complete, and the item should be added to the agenda of the next meeting.

Mr. Pasterczyk said he set up the electronic bank statements with read-only access to Tom Caliento so he can review the statements to enhance internal controls.

Mr. Pasterczyk said he heard that MIIA would like to partner with SVRHT with BCBS as the only carrier.

Arlene Miller said she thinks the SVRHT is working well but that perhaps could attract additional members.

Wellness Program report:

Lyn Hollinger, SVRHT Wellness Coordinator, reviewed her report of the wellness programs and participation to date. She said the 5K walking program, Maintain Campaign, yoga, and line dancing are popular. She said she has received positive comments about the colonoscopy incentive and that it is really working. She reviewed upcoming programs.

Ms. Hollinger talked about Health Risk Assessments (HRAs), screenings, health promotion activities and providing incentives for completing them. She said that a study showed that participation improves if members are doing the activities in groups. She said usually there is a kick-off incentive of \$25 and a \$50 incentive for completing the HRA. She suggested tiered incentives, \$25, \$50, \$100, based on number of activities in which the member participates. Ms. Hollinger said BCBS and HNE are able to identify and track participation through their systems.

Arlene Miller said that if the Board approves the concept, the recommended funding for the incentives is \$22,500.

Suzanne Donahue said that Amy Higgins, BCBS Wellness Coordinator, is working with Lyn Hollinger on this.

There was a discussion.

Tom Sullivan moved to approve up to \$25,000 for the wellness incentive program as described by Ms. Hollinger.

Motion

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

Ms. Hollinger said that the new website is almost complete and asked the Board to check it out and provide feedback.

Group Benefits Strategies reports:

Funding Rate Analysis report – Carol Cormier reviewed the report with data through October 2013. She said that Medex was underfunded by 6%; however, HNE Medwrap plan was over-funded with an expense-to-funding ratio of 70.2%. She said on a composite basis there was an excess of funding over expenses of \$833,159. Ms. Cormier noted that the Retiree Drug Subsidy (RDS) has been over \$200K each year. She said that since SVRHT will incorporate Medicare Part D into the Medex and Managed Blue for Seniors plans as of January 1, 2014, these plans will no longer qualify for the RDS. She said, however, that the rates are going down considerably because of the change.

Level Monthly Deposit (LMD) Reconciliation report for BCBS plans: Ms. Cormier said that the actual costs for October were \$134,842 lower than the LMD. She said in the prior quarter, July through Sept., the group had a credit balance of \$625,596.

Stop Loss reports – Karen Carpenter reviewed the stop loss report for the FY13 policy year. She said there were six claimants with total claims of \$1,474,702. She said the specific deductible was \$175K and the excess claims were \$424,702. She said the group met the \$150K aggregating specific deductible and has been reimbursed \$264,222. She said there is \$10,480 in outstanding reimbursements. Ms. Carpenter said that there were 15 claimants with claims between \$87.5K and \$175K with claims totaling \$1.85M.

Ms. Carpenter said that there were no claims exceeding the \$175K specific deductible in the FY14 policy period.

My Medication Advisor (MMA) report – Carol Cormier reviewed the report from the Abacus Group that compares the CY13 budget for the MMA programs through September with actual utilization and expenses. She said that 1,293 scripts have been filled through the international buying program and the projection was for 1,290 scripts. She said that the Alternative Savings Program is running behind projections. Ms. Cormier said that Abacus reports total net savings through Sept. of \$192,013. She said projected savings were \$133,477. She said employees saved \$97K in waived co-pays.

There was a discussion about how to better promote the programs.

Tom Sullivan requested Ms. Cormier to ask Abacus for additional promotional materials.

Dick Patullo asked for a count of members using the programs.

Prescription Benefits Services (PBS) proposed contract:

Carol Cormier said that PBS has proposed to hold its fees again with no substantial changes to the contract.

Tom Sullivan moved to approve the contract renewal.

Motion

Beth Regulbuto seconded the motion. The motion passed by unanimous vote.

Revised HNE Medicare Secure Freedom FY14:

Laura Syron, Health New England (HNE), said that there has been an unexpected reduction to the quoted rate, from \$227 to \$216 to be effective January 1, 2014.

Tom Caliento moved to accept the CY14 HNE Medwrap rate of \$216.

Motion

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

Update on Multi-Level Reinsurance Pooling Arrangement (MLRPA):

Carol Cormier said that there has been a change in the model originally proposed. She reviewed the changes and said that three groups - Cape Cod Municipal Health Group, Minuteman Nashoba Health Group and West Suburban Health Group – are seriously considering this arrangement for FY15 and have formed an Advisory Committee to work out the details.

Tom Sullivan said that they should give the three joint purchase groups a year to see how the pooling arrangement is working.

Health Plan reports:

Health New England (HNE) – Laura Syron said that the HNE semi-annual notice clarifying administrative procedures was in the packet. She said the information about eligibility of students that live outside the service area was not clear in previous documents.

BCBSMA – Suzanne Donahue distributed a flyer pertaining to ER, Urgent Care, Nurse Care Line, and Minute Clinics. Suzanne said she would like it to be sent to the full Board and be put on the website.

Pat Kaplan said that the enrollment into Blue Medicare RX for Medex and Managed Blue for Seniors members went well. She said members will get two cards, the Medex ID card and the Blue Medicare Rx ID card. She said packets will go out soon.

Tufts Health Plan – Erin Hayes said that Tufts members can use the CVS Mini Clinics without referrals. She said Urgent Care facilities still require a referral. She said there's been an update in eligibility policy, and members may live, reside or work in the service area. She said "work" has been added.

Tufts Senior Plans – Fred Winer said Open Enrollment for Senior plans went very well. He said it was a good decision by SVRHT to move all the senior plans to a January 1 anniversary date. He asked to be invited to the Open Enrollment for active employee plans in the spring so that he could speak with those aging in to Medicare plans.

Other Business:

There was a discussion about OPEB liability.

Arlene Miller said that money saved by moving the plans to EGWPs lowers the OPEB liability.

Arlene Miller set the next SVRHT Board meeting for February 13, 2014 at 1:00 PM.

There was no other business.

Arlene Miller adjourned the meeting at 10:35 AM.

*Prepared by Carol Cormier
Group Benefits Strategies*