

Scantic Valley Regional Health Trust (SVRHT)

Board Meeting

Wednesday, June 4, 2014

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
Cheryl Decoteau	Lower Pioneer Valley Ed. Collaborative
Marie Angelides	Town of Longmeadow
Beth Regulbuto	Hampden Wilbraham RSD

Guests present:

Paul Pasterczyk	SVRHT Treasurer
Lyn Hollinger	SVRHT Wellness Coordinator
Christina Gagnon	Hampden Wilbraham RSD
Corinne Tranghese	Town of East Longmeadow
Audra Staples	Town of Longmeadow
Linda Loiselle	Abacus Health Solutions
Jillian Kiernan	Abacus Health Solutions
Suzanne Donahue	Blue Cross Blue Shield of MA
Pat Kaplan	Blue Cross Blue Shield of MA
Yvonne Diaz	Health New England
Erin Hayes	Tufts Health Plan
Fred Winer	Tufts Health Plan
Carol Cormier	Group Benefits Strategies
Karen Carpenter	Group Benefits Strategies

Arlene Miller, Chair, called the meeting to order at 9:34 AM.

Approval of the minutes of the March 13 2014 meeting:

Dick Patullo moved to approve the March 13, 2014 meeting minutes as written.

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

Motion

Wellness Program report:

Lyn Hollinger, SVRHT Wellness Coordinator, reviewed the program participation report. She said that 26 employees completed the colonoscopy incentive program. Ms. Hollinger reported that 4 of the 11 participants in the Smoking Cessation program have been smoke-free for 6

months. She said that 207 employees have completed their on-line Health Assessments (HA) and that 38 of those employees had completed both challenges. She noted that the BCBS physical challenge was not available on-line at first, so she expects to see more employees meeting their challenges now that it is up and running.

Arlene Miller asked Ms. Hollinger to include a summary of the HA results in the next wellness newsletter.

Ms. Hollinger said that some of the employees were not happy with the on-line process and inaccurate screening results. She said that she wants to make some improvements for next year's program.

Lyn Hollinger reported participation counts for the Yoga, Line Dancing and Zumba classes. Ms. Hollinger said that the health fairs went well.

Arlene Miller suggested looking into utilizing the Longmeadow nurse to perform the Derma Screenings at next year's health fair.

Tom Caliento joined the meeting.

Ms. Hollinger reviewed the FY14 wellness budget and said that 63.22% of the budget was used through May 2014.

Treasurer's Report:

Treasurer Paul Pasterczyk reviewed the financial reports of March 2014 and April 2014 (unaudited figures). He said the SVRHT started March with \$9.4 million cash and ended with \$9.2 million. He reviewed the report of CDs and said that the ending balance in March was \$5.9M. Mr. Pasterczyk said the Unreserved Fund Balance was \$6,004,630.86, which, he said, is \$1.2M million above the Fund Balance target.

Mr. Pasterczyk reviewed the April 2014 reports. He said the ending balance was \$9.68 million and that the Unreserved Fund Balance was \$6,118,422.73, which is \$1.41 million above the target.

Mr. Pasterczyk said that the May reports are not completed, but noted that the member premiums have been received. He said that he may propose investing an additional \$500K in CDs at a future meeting.

Group Benefits Strategies reports:

HIPAA Business Associates Agreement (BAA) – Carol Cormier said that the GBS HIPAA BAA has been updated to include the new rules required by the Affordable Care Act. Ms. Miller signed the agreement.

Funding Rate Analysis Report – Carol Cormier reviewed the report with data through April 2014. She said that the report continues to show a favorable pattern with funding from the rate revenue exceeding claims, administration, and net reinsurance expenses. She said the expense-

to-funding ratio was 87.9% and that there was an excess of funding over expenses of \$2.2 million.

Level Monthly Deposit (LMD) Reconciliation report for BCBS plans: Ms. Cormier said that the report is for the month April and that there is a credit balance of \$281,882 for the month.

Paul Pasterczyk asked Suzanne Donahue to request a LMD review for a possible reduction.

Ms. Donahue said that they will review it following the May claims and the member enrollment numbers following the open enrollment period.

Stop Loss reports – Karen Carpenter reviewed the stop loss report for the FY14 policy year. She said there was one claimant who exceeded the \$175K specific deductible with total claims of \$258,038 and excess claims of \$83,038. Ms. Carpenter said the \$150K aggregating specific deductible had not yet been met. She said that there were eight claimants on the report of claims between 50% and 100% of the stop loss deductible with claims totaling \$950,213.

Ms. Carpenter said that there were six claimants on the FY13 policy period excess report and that total claims were \$1,475,692 and excess claims were \$425,692. She said that \$285,362 has been reimbursed to the SVRHT and this was an overpayment of \$9,658.

MyMedicationAdvisor® & Diabetes Rewards Program reports – Linda Loiselle and Jillian Kiernan, Abacus Health Solutions:

myMedicationAdvisor® - Linda Loiselle reviewed the first quarter report and said that the top portion of the report is the budget and the lower portion is the actual figures. Ms. Loiselle said that the prescription drug Lipitor is still available through the MMA program because there are still cost savings compared to purchasing the generic counterparts locally. She said the total net savings after program fees is \$56,500 and the employee savings through waived co-pays is \$24,733. Ms. Loiselle said the new medication lists will be available on August 1.

Diabetes Rewards Program – Linda Loiselle reviewed the report dated September 13, 2014 through February 28, 2014. She said that as of today, the number of members enrolled is 123. She said that 52 of those enrolled have met all five program requirements. Ms. Loiselle reported estimated SVRHT savings, net of fees and pharmacy co-pays of \$59,644. She said co-pays waived totaled \$13,359 and the total medication claims cost was \$102,618.

Jillian Kiernan reviewed the program promotional efforts including on-site attendance at the benefit fairs, flu clinics and biometric screenings. She reviewed the targeted mailings and in and outbound helpline calls. Ms. Kiernan said these efforts have helped to increase participation in the program.

Linda Loiselle said that members prescribed a pre-diabetes medication are also eligible for the program, but may not require all five of the requirements. She said the physician in that case can write “n/a” on the form, and the member will be eligible to receive their medications at no co-pay.

Jillian Kiernan reviewed a flyer that she said Abacus would like to send out to the members that are currently participating in the program. She said that each month, the names of participants are entered into a drawing for one of ten \$25 bonus checks. She said if the participants chosen have not met the program requirements, they are not eligible to receive the bonus. Ms. Kiernan said a regret letter would be generated to those ineligible to let them know their name was picked but they weren't eligible. She said the incentive is intended to encourage compliance. She said that Abacus Health Solutions funds the incentives.

The Board members approved of the letter and asked Ms. Kiernan to use it.

Tom Caliento asked if some type of referral incentive program may be implemented.

Linda Loiselle said that they would look into the possibility.

Reinsurance Proposals for FY15:

Carol Cormier reviewed the FY15 reinsurance quotes exhibit and said that two quotes were received from the broker Stop Loss Insurance Brokers (SLIB) and the incumbent carrier, HM Insurance Co. She said one of those quotes would increase the Specific Deductible from \$175K to \$200K.

There was a discussion about the lack of quotes submitted and the MA Municipal Reinsurance Arrangement (MMRA), a new reinsurance risk pooling arrangement.

Tom Caliento made a motion to approve quote "a", submitted by SLIB and HM Insurance Co., keeping the current Specific Deductible of \$175K and \$150K Corridor (ASD) with a 7.5% rate increase.

Motion

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

Affordable Care Act (ACA) Issues:

PCORI Fees due by July 30, 2014 – Ms. Cormier said that by July 31, 2014 the SVRHT will have to pay the Patient Centered Outcomes Research Institute (PCORI) fees of \$1/member per year for the policy year ended June 30, 2013. She said the fee will be \$4,207 for SVRHT.

Health Plan Reports:

Suzanne Donahue, BCBSMA, said in addition to the PCORI fees, the next fee that will become due is the Transitional Reinsurance Program Fee. She said that the fee for 2014 is \$63 per covered life. She said the fee can be paid in two installments. Ms. Donahue said obtaining a Health Plan Identifier (HPID) is another ACA requirement for self-funded plans.

Pat Kaplan said that she will be retiring next month and said she was proud to see what SVRHT has accomplished over the years. She thanked everyone and said she enjoyed working with the group.

Erin Hayes, Tufts Health Plan, said she had some sunscreen giveaway samples that she sent to Lyn Hollinger for the wellness programs.

Yvonne Diaz, HNE, said she needed Ms. Miller to sign off on the new amendments to the plans.

Carol Cormier said that she was waiting for clarification on a couple of items prior to obtaining the signature.

Fred Winer, Tufts Senior Products, said the drug trend is going up, and it is expected that the PDP plan rates may increase for 2015.

Other Business:

Marie Angelides asked if there has been an increase in the MRI utilization at freestanding facilities with the introduction of the waiver of co-pay when free-standing facilities are used.

Suzanne Donahue said that she will run a comparison of last year with this year.

Tom Caliento asked if the fund balance can be utilized for incentives and if a consultant could be brought in to determine a plan.

Arlene Miller said that they will discuss incentives at the next Wellness meeting and asked that it be added to the next agenda.

The next meeting was scheduled for September 10, 2014 at 9:30 at the Wilbraham Town Hall.

Arlene Miller adjourned the meeting at 10:50 AM.

*Prepared by Karen Carpenter
Group Benefits Strategies*