

## Scantic Valley Regional Health Trust

### Board Meeting

Tuesday, September 14, 2010

9:30 a.m.

Wilbraham Town Hall

Wilbraham, Massachusetts

### Meeting Minutes

#### Members and Alternates Present

Arlene Miller, Chair

Beth Regulbuto

Tom Sullivan

Anna Bishop

Cheryl Decoteau

Town of Longmeadow

Hampden Wilbraham RSD

Town of Wilbraham

Lower Pioneer Valley Education Collaborative

Lower Pioneer Valley Education Collaborative

#### Guests Present

Paul Pasterczyk

Amy Higgins

Erica Gelinis

Corrine Trangese

Kate Sharry

Steve Corbin

Fred Winer

Linda Wentworth

Carol Cormier

Karen Carpenter

SVRHT Treasurer

SVRHT Wellness Coordinator

Town of Longmeadow

Town of East Longmeadow

Group Benefits Strategies

Blue Cross Blue Shield of MA

Tufts Health Plan

Health New England (HNE)

Group Benefits Strategies (GBS)

Group Benefits Strategies (GBS)

Chair, Arlene Miller called the meeting to order at 9:25 a.m..

#### Approval of the minutes of the June 15, 2010 Board meeting:

Tom Sullivan made a motion to accept the minutes of June 15, 2010.

Motion

Beth Regulbuto seconded the motion. The motion was approved by unanimous vote.

#### Treasurer's Report:

Treasurer Paul Pasterczyk reviewed the Treasurer's Worksheets for June and July 2010 (unaudited figures).

Mr. Pasterczyk said that the Unreserved Fund Balance at the end of July was \$4.0M, which is \$1.6M over the target.

#### GBS Reports:

Ms. Cormier reviewed the Funding Rate Analysis by Plan and the Level Monthly Deposit Quarterly Accounting report.

Ms. Cormier reviewed the myMedicationAdvisor® report through July.

Karen Carpenter reviewed the Stop Loss Reports with data through July.

**Wellness Report:**

Amy Higgins distributed and reviewed the year-to-date (YTD) Wellness Budget Summary for 2010 with expenses through September 2010.

Ms. Higgins reviewed the FY11 Wellness Programs and said that the colonoscopy incentives had been paid to all participants

Ms. Higgins asked if the approved SVRHT Board meeting minutes could be posted on the website.

The Board agreed that would be a good idea.

**FY11 Reinsurance Quotations:**

Carol Cormier said the Board made a motion at the June Board meeting to approve the lowest reinsurance quote once HM and ACE submitted their final quote. Ms. Cormier said that ACE, the incumbent carrier sent a final reinsurance policy quote at a decrease of -17.7%. She asked the Board to confirm its decision.

The Board confirmed its acceptance of the lowest quote which was made by ACE American Insurance Company, the incumbent carrier.

**Proposal for Dependent Eligibility Audit – Kate Sharry, GBS:**

Kate Sharry said that Carol Cormier sent samples of the documents usually sent to members during a dependent eligibility audit and explained that they could be customized to fit the needs of SVRHT. Ms. Sharry reviewed the documents and said that the audit generally takes three months to complete.

The Board members decided to discuss the proposal with the elected officials to get their input.

**National Health Insurance Reform (PPACA):**

*Grandfathering* - Carol Cormier said that PPACA allows employers to “grandfather” certain plans that were in existence on March 23, 2010 temporarily exempting them from some of the reform requirements. Ms. Cormier said that under the grandfather rule, until 2014 plan sponsors would not be required to cover adult children on their parent’s family plan if they were eligible for coverage under a non-parent, employer-sponsored plan. Ms. Cormier said that certain plan and/or contribution changes would result in a loss of grandfathered status and said that SVRHT would need to make a decision as to whether or not it wants to apply to be grandfathered. Ms. Cormier said that grandfathering plans would restrict the Group from making changes to co-pays, employer contributions and changing carriers for example. Ms. Cormier said that a decision would need to be made before spring.

*Early Retiree Reimbursement Program (ERRP)* - Carol Cormier said that the SVRHT ERRP application was approved and said that Arlene Miller, the Authorized Representative, would be receiving an invitation from the Department of Health and Human Services (HHS) to register as such on-line.

Ms. Cormier said that GBS is charging a one-time \$2,500 fee to each of its clients for providing services related to the completion and submission of the ERRP applications.

Tom Sullivan made a motion to approve the GBS Memorandum of Understanding for the ERRP.

Anna Bishop seconded the motion. The motion was approved by unanimous vote.

Motion
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**Health Plan Reports:**

*Blue Cross Blue Shield (BCBS)*- Steve Corbin, Account Executive for BCBS said that effective October 1, 2010, BCBS will reimburse members directly for covered services provided by non-participating providers. He said this impacts PPO members. He said that the members will be responsible to pay the

provider. Mr. Corbin said that notification letters would be sent to members who have used non-participating providers two or more times over the past 13 months.

Pat Kaplan, Account Service Coordinator for BCBS said that student certification forms would be going out to students on November 1, 2010.

*Tufts Health Plan (THP)*- Fred Winer, Account Executive of senior products for THP said that effective January 1, 2011, routine physicals would be a \$0 co-pay for all Medicare Advantage plans.

*Health New England (HNE)* – Linda Wentworth, HNE, said that there is nothing new to report.

**Other Business:**

Paul Pasterczyk said that he would like the Board to review the auditors comment in the FY09 audit regarding segregation of duties. Mr. Pasterczyk said that it was agreed at a previous meeting that Tom Caliento would review the bank statements monthly and asked if he would be continuing to review them.

Arlene Miller said that since Mr. Caliento was not in attendance that she would like to confirm that the process is working and would contact Mr. Caliento.

Mr. Pasterczyk offered to draft copies of a financial and investment policy for the Board's review and consideration.

Carol Cormier said that BCBS publishes a SAS70 report yearly and asked HNE to provide a similar report.

The next SVRHT Board Meeting was scheduled on October 19, 2010 at 9:30 a.m. to be held in the Wilbraham Town Hall.

Arlene Miller adjourned the meeting at 10:55 a.m.

*Prepared by Karen Carpenter  
Group Benefits Strategies*