

**Scantic Valley Regional Health Trust (SVRHT)**

**Board Meeting**

Thursday, February 22, 2018  
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
Anna Bishop	Lower Pioneer Valley Educ. Coop. (LPVEC)
Tom Sullivan	Town of Wilbraham
Dick Patullo	Town of Hampden
Howie Barber	Hampden-Wilbraham RSD
Sara Menard	Town of East Longmeadow

**Guests present:**

Paul Pasterczyk	SVRHT Treasurer
Lyn Fioravanti	SVRHT Wellness Coordinator
Herta Dane	Town of Wilbraham
Christina Gagnon	Hampden Wilbraham RSD
Christi Brothers	Hampden Wilbraham RSD
Corinne Tranghese	Town of East Longmeadow
Sandra Ruiz	Health New England
Heidi Fountain	Blue Cross Blue Shield of MA
Jonathan Payson	Blue Cross Blue Shield of MA
Fred Winer	Tufts Health Plan – Senior products
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 January 10, 2018 meeting:**

Paul Pasterczyk said on page 3, at the end of paragraph six, negotiated should be negotiating. He also said on page 4, under Tufts Health Plan report, the last sentence should be stricken.

Motion

Dick Patullo made a motion to approve the meeting minutes of January 10, 2018 as amended.

Howie Barber seconded the motion. The motion passed by a majority vote. Sara Mendard abstained.

**Wellness Program Report:**

Lyn Fioravanti, Wellness Consultant, distributed and reviewed reports on the year-to-date participation in the SVRHT Wellness Programs. She said the Pilates classes are running well and have been very well received. Ms. Fioravanti said the 15-40 cancer webinar will be re-run in April since there may have been an issue with the log-in when it was first presented. She reviewed the current programs to include the Biometric Screenings, and Yoga and Cooking classes.

Ms. Fioravanti said the “Make your work-site a little more well” Contest winner was the East Longmeadow Fire Department. She said their submission was chosen and the award of \$6,995, which was used to purchase a specialized dryer to be used in conjunction with the extractor, which removes the cancer-causing materials from the turnout gear.

There was a discussion about the contest due to a concern about being outside of the normal type of wellness programs that are usually run.

Ms. Fiorvanti reviewed the FY18 YTD wellness budget and said 53.4% of the overall budget has been spent.

#### **Treasurer’s Report:**

Treasurer Paul Pasterczyk distributed and reviewed the January 2018 financial report (unaudited figures). He reported an Unreserved Fund Balance at the end of January of \$4.88 million, the fund balance target was \$3.05 million. Mr. Pasterczyk reviewed the list of Certificates of Deposits and said the ending balance was \$6,709,304.

#### **GBS Reports:**

*Funding Rate Analysis (FRA) report* - Carol Cormier reviewed the FY18 FRA report with data through December 2017 and said the 6-month expense-to-funding ratio was 89.0%. She said the funding surplus on the *paid claims basis* report was \$1,453,574. She noted over \$740,000 was from reinsurance reimbursements.

*Level Monthly Deposit (LMD) report* – Ms. Cormier said the LMD payments exceeded the actual claims cost by \$266,860 for 6-months ending December 31st. She said the proposed LMD was not accepted and asked Heidi Fountain for a reduction. Ms. Cormier said SVRHT will pay the current LMD until June 20<sup>th</sup> 2018.

*Reinsurance reports* – Karen Carpenter said there were seven claimants in the *FY17 policy period* who have exceeded the specific deductible of \$175K. She said these claims total \$1,673,648 with excess claims of \$273,648. She said that the \$100K Aggregating Specific Deductible has been met, and \$173,648 has been reimbursed. She said there are no outstanding reimbursements due.

Ms. Carpenter said there were no claimants in the *FY18 policy period* who exceeded the specific deductible of \$225K through January.

#### **WestComm regional dispatch center – interest in SVRHT:**

Carol Cormier said the Town of Longmeadow and the Town of Chicopee are looking to see if SVRHT would entertain the possibility of membership when hiring their dispatchers. Ms. Cormier said there are no employees yet, but said there would be approximately 30 dispatchers and administrative staff. She said they will need to be a Chapter 32B, and may come through the Town of Longmeadow. Ms. Cormier said they will be a mini-JPG and there will continue to be one vote for the town.

Paul Pasterczyk said they are looking to hire an Executive Director this June or July. He said he will confirm about 32B.

Carol Cormier said SVRHT can recommend they join through the Town of Longmeadow. She said she will send a sample of the mini-JPG Agreement to the Board to discuss at the next meeting.

**Diabetes Care Rewards program report and program enhancements:**

Carol Cormier reviewed the Total Spend report for the Diabetes Rewards program and said for the 7-months through December, the total spend was \$184K. She said Abacus is no longer reporting on the myMedicationAdvisor program since the employees are now ordering direct from CanaRx.

**FY19 funding rates for active employee plans – VOTE:**

Carol Cormier reviewed the SVRHT fixed expenses to include the health plan carrier fees. She said Health New England proposed a 10% increase to their fees, but said she requested a decrease. Ms. Cormier said HNE then decreased it to a 7% increase.

Sandra Ruiz said HNE completed an analysis and found their fees were not in line with the industry standards.

Arlene Miller said the Board is not happy with a 7% increase and asked Ms. Ruiz to find out if HNE will give SVRHT a 3-year contract.

Ms. Cormier continued the review of the FY19 rate projections and said she included the CanaRx and Diabetes Rewards program fees into the proposed rates. She said the cost of those programs add about 1.5% to the rates.

Ms. Cormier said she pooled out the high cost claims and noted the only ACA fee currently charged is the PCORI fee, which she said is low. She said she didn't add the PCORI fee to the rates. Ms. Cormier reviewed the BCBS Network Blue GBS and BCBS projections, as an example of how they were determined.

Ms. Cormier reviewed the following scenarios:

Current Funding Scenario – Based on December 2017 enrollments, an annual funding of \$24,158,856

Scenario A – Health Plan Carrier projections, except for Blue Care Elect & Tufts HMO, a composite increase of 16.2%.

Scenario B – GBS projections, a composite increase of 15.5%.

Carol Cormier asked the Board to disregard Scenario C as it was incomplete.

Arlene Miller asked Heidi Fountain to go back to BCBS to see if they will keep their fees at the FY18 rates with no increase.

The Board discussed the preliminary projections and asked Ms. Cormier to complete alternative scenarios to review at the next meeting, scheduled on March 1<sup>st</sup>.

**Health Plan reports:**

*Health New England* – Sandra Ruiz had nothing new to report.

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*Tufts Health Plan* – Fred Winer said new Medicare cards will be issued to all members beginning in April. He said they will be replacing the social security numbers with a random number and noted the transition may take up to 18 months.

*Blue Cross Blue Shield* – Heidi Fountain said BCBS has redesigned their member phone App. She said BCBS has a new program called Smart90, which will allow members to receive 90-days of medication at a retail setting for the mail-order co-pay.

Carol Cormier asked to see the pricing in writing through an email.

**Other Business:**

The next meeting was scheduled for March 1, 2018 at 9:30 AM at the Wilbraham Town Hall, Wilbraham, MA. Ms. Miller noted the only topic at this meeting would be the rates. She said the health plan reps did not need to attend.

There was no other business.

Arlene Miller adjourned the meeting at 11:10 AM.

*Prepared by Karen Carpenter  
Group Benefits Strategies*