

Scantic Valley Regional Health Trust

Board Meeting

Wednesday, May 2, 2012

9:30 a.m.

Wilbraham Town Hall

Wilbraham, Massachusetts

Meeting Minutes

Members and Alternates Present

Arlene Miller, Chair
Thomas Sullivan
Beth Regulbuto
D. John McCarthy
Ann Bishop
Cheryl Decoteau
Rick Green

Town of Longmeadow
Town of Wilbraham
Hampden Wilbraham Regional School District
Hampden Wilbraham Regional School District
Lower Pioneer Valley Education Cooperative
Lower Pioneer Valley Education Cooperative
Town of Hampden

Guests Present

Paul Pasterczyk
Amy Higgins
Christina Gagnon
Corinne Tranghese
Herta Dane
Suzanne Donahue
Jim Delisle
Yvonne Diaz
Carol Cormier
Karen Carpenter

SVRHT Treasurer
SVRHT Wellness Coordinator
Hampden Wilbraham Regional School District
Town of East Longmeadow
Town of Wilbraham
Blue Cross Blue Shield (BCBS)
Tufts Health Plan (THP)
Health New England (HNE)
Group Benefits Strategies (GBS)
Group Benefits Strategies (GBS)

Chair, Arlene Miller called the meeting to order at 9:35 AM.

Approval of the minutes of the March 22, 2012 Board meeting:

Tom Sullivan made a motion to approve the minutes of March 22, 2012.

Motion

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

Treasurer's Report:

Treasurer Paul Pasterczyk reviewed the Treasurer's financial worksheets and statements for the period ending March 31, 2012. Mr. Pasterczyk said that the unrestricted fund balance last month was \$5.07M and said that there was an excess of \$2.58M over the policy target of \$2.49M. Mr. Pasterczyk reviewed the accounts receivable and said that all members have paid through April.

Wellness Program Report:

Amy Higgins distributed and reviewed the Wellness Budget and Agenda through March 2012. She said that 66% of the Coordinator's Salary and 95% of the Coordinator's Expenses have been utilized. Ms. Higgins said that 83% of the Program budget for expenses has been spent. She said this accounts for 70% of the overall budget.

Ms. Higgins reviewed the program participation of the current wellness programs. She said that there are 30 members participating in the colonoscopy incentive program. She said that there are an additional 10 members who are scheduled. Ms. Higgins said that there are 154 members signed up to participate in the walking program. She said that the cost of the pedometers may exceed the budget.

The Board members agreed that the additional cost of the pedometers and colonoscopy incentives should come out of the \$5,000 BCBS Wellness Innovations Award that was received.

Suzanne Donahue said that routine colonoscopy screenings with or without a finding are provided by BCBS at no cost to the member.

Yvonne Diaz said that she will confirm if there is a copay for a surgical intervention during a colonoscopy screening with Health New England (HNE).

Jim Delisle said that Tufts Health Plan's benefit is similar to that of BCBS, but said that it is not set up in the system yet. He said that their system will be modified to be in compliance with any new legislation.

Arlene Miller asked that this topic be discussed at the next Board meeting.

Ms. Higgins said that 311 members have participated or are participating in the various wellness programs since January.

Arlene Miller asked Ms. Higgins to provide the participant totals according to the fiscal year.

There was a discussion about providing fitness equipment and videos onsite at the Community House Auditorium.

Arlene Miller asked Ms. Higgins to do additional research and to present a proposal to the Board.

There was a discussion about raising Ms. Higgins authorized monthly spending limit.

Tom Sullivan made a motion to raise the monthly spending limit to \$3,000, up from \$1,000.

Rick Green seconded the motion. The motion was approved by a unanimous vote.

Motion

Arlene Miller said that she would like the Board to discuss increasing the Wellness Coordinator's weekly hours at the next meeting.

Amy Higgins said that regarding the cost of the pedometers, BCBS has offered to and has supplied the pedometers in the past. She said that while she appreciated BCBS's generosity in supplying them, they did not work well.

Suzanne Donahue said that she would check into this and said that she thought that BCBS was now using another vendor.

Arlene Miller asked Ms. Higgins to work with Ms. Donahue to resolve the issue and asked Ms. Higgins to speak with the Tufts and HNE representatives as well about what they might be willing to provide to the Group's wellness programs.

GBS Reports –

Funding Rate Analysis by Plan - Ms. Cormier reviewed the FY12 Funding Rate Analysis by Plan with data through March. She said that the expense-to-funding ratio was 93.9%. Ms. Cormier reviewed the

BCBS Level Monthly Deposit Quarterly Accounting report with claims paid through March 2012 and said that \$237K was due BCBS.

Reinsurance Reports - Karen Carpenter reviewed the Stop Loss reports for FY11 and said that the Group has met the Aggregating Specific Deductible of \$150K and said there are 3 claimants on the report and a \$586.99 reimbursement is due the group through March 2012. Ms. Carpenter said that there are 9 claimants on the report of claimants that have reached between 50% and 100% of the specific deductible with claims totaling \$1.13M.

Ms. Carpenter reviewed the Stop Loss reports for FY12 and said that there are 10 claimants on the report of claimants that have reached between 50% and 100% of the specific deductible with claims totaling \$1.16M. She said that there are no claimants that have reached or exceeded the specific deductible for FY12.

Reinsurance RFQ for FY13 – Carol Cormier said that she will be sending out the RFQ for FY13 later this month.

Retiree Drug Subsidy (RDA) attestation fee for HNE plans:

Carol Cormier said that BCBS has contracts with Milliman in Milwaukee to perform their RDS attestations for a fee of \$3,500 for two BCBS plans. Ms. Cormier said that the Milliman in Connecticut charges \$6,200 to complete an attestation for one Health New England plan. Ms. Cormier said that she spoke to her contact at Milliman in CT, and they said that they would charge a fee of \$4,500 if SVRHT will sign up for a 2-year time period. Ms. Cormier said that she spoke to Milliman in Milwaukee and they said that they would do it for the fees that they charge for the BCBS plans. Ms. Cormier said that SVRHT is committed to using Milliman in CT for the HNE attestation for the FY13 RDS application.

Tom Sullivan made a motion to approve utilizing Milliman in Milwaukee for the RDS attestation for FY14.

Motion

Rick Green seconded the motion. The motion was approved by unanimous vote.

Dependents of Dependents:

Carol Cormier said that effective July 1, 2012, the Tufts Health Plans will be self-funded and as such, Tufts has asked for clarification on whether or not dependents dependents should be covered.

Carol Cormier said that the PPACA does not require coverage of dependents of dependents even if they are living with the subscriber. She said state law does require coverage of dependents of minor children.

Suzanne Donahue, BCBSMA, said that BCBS follows the state mandate even when the account is self-funding.

Yvonne Diaz, HNE, said that HNE is administering the plan without coverage of dependents of dependents as instructed by SVRHT.

There was a discussion.

Anna Bishop made a motion to instruct Tufts to administer the dependent of dependent coverage the same as HNE, i.e. not cover dependents of dependents per the PPACA guidelines.

Motion

Rick Green seconded the motion. The motion passed by unanimous vote.

Information about the HNE PPO plan:

Yvonne Diaz distributed and reviewed information about the different plan designs available on the PPO format. She said that she did not price a plan for SVRHT yet and said that the plans can be customized to the SVRHT specifications.

Rick Green said that the out-of-area members do not seem to have a cost effective option available.

Carol Cormier said that the PPO plans are rated by cost margin now and said that she does not think that SVRHT should offer two PPO plans since there are only 16 subscribers on the current BCBS PPO and since the PPOs are the more expensive alternative compared to the HMO plans.

There was a discussion.

Arlene Miller asked Yvonne Diaz to price a PPO plan for SVRHT and asked BCBS and Tufts to also provide quotes. She said that the discussion would be resumed at the next Board meeting.

Status of employers on implementing plan design changes for FY13:

Carol Cormier said that today is the deadline to notify employees and retirees affected by plan design changes of what those FY13 plan design changes are.

Health Plan Reports:

Tufts Health Plan (THP)- Jim Delisle said that smoking cessation product costs were formerly only eligible for reimbursement when the member completed a smoking cessation program. He said that they are now covered at the pharmacy with a prescription for Tufts fully insured plans and said that the benefit is available for the self-funded plans as an option.

After a brief discussion, Tom Sullivan made a motion to approve making prescribed smoking cessation products available at no cost to its Tufts members.

Motion

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

Blue Cross Blue Shield (BCBS) - Suzanne Donahue said that for BCBS plans the over-the-counter smoking cessation products can be purchased through a prescription at the lowest prescription co-pay.

Ms. Donahue said that effective July 1, 2013, per the health care reform, health plans will be required to provide a summary of benefits in language that is easy to understand and uniform across all plans. She said that BCBS will provide the plan descriptions to the SVRHT employers for distribution to their employees at that time.

Other Business:

The next SVRHT Board meeting was scheduled on June 13, 2012 at 9:30 a.m. to be held at the Wilbraham Town Hall.

There was no other business.

Chair Arlene Miller adjourned the meeting at 10:45 AM.

*Prepared by Karen Carpenter
Group Benefits Strategies*