

## Scantic Valley Regional Health Trust (SVRHT)

### Board Meeting

Wednesday, October 14, 1:30 PM

Remote Participation by WebEx

### Meeting Minutes

#### Board Members and Alternates present:

Arlene Miller, Chair	Town of Longmeadow
Dick Patullo	Town of Hampden
Tom Sullivan	Town of Wilbraham
Corinne Traghese	Town of East Longmeadow
Anna Bishop	Lower Pioneer Valley Education Collaborative (LPVEC)
Aaron Osborne	Hampden Wilbraham RSD

#### Guests present:

Paul Pasterczyk	SVRHT Treasurer
Lyn Fioravanti	SVRHT Wellness Coordinator
Herta Dane	Town of Wilbraham
Christina Gagnon	Hampden Wilbraham RSD
Cheryl Wiblyi	Lower Pioneer Valley Education Collaborative (LPVEC)
Erica Gelinis	Town of Longmeadow
Jocelyn Sanchez	Town of Longmeadow
Patty Joyce	Abacus Health Solutions
Linda Loiselle	Abacus Health Solutions
Heidi Fountain	Blue Cross Blue Shield of MA (BCBS)
Jonathan Payson	Blue Cross Blue Shield of MA (BCBS)
Sandra Ruiz	Health New England (HNE)
Lisa Despres	Tufts Health Plan
Rae Felts	Tufts Health Plan
Fred Winer	Tufts Health Plan Senior Products
Chris Collins	CanARx
Jeffrey Beane	MyTelemedicine
Joseph Anderson	Gallagher Benefit Services, Inc. (GBS)
Carol Cormier	Gallagher Benefit Services, Inc. (GBS)
Karen Quinlivan	Gallagher Benefit Services, Inc. (GBS)

Arlene Miller, Chair, called the meeting to order at 1:33 PM. Roll call was taken with voting attendees listed as:

Arlene Miller, Chair	Town of Longmeadow
Dick Patullo	Town of Hampden
Corinne Traghese	Town of East Longmeadow
Tom Sullivan	Town of Wilbraham
Aaron Osborne	Hampden Wilbraham RSD
Anna Bishop	Lower Pioneer Valley Education Cooperative (LPVEC)

**Approval of the minutes of the September 15, 2020 meeting:**

Paul Pasterczyk said that on page 2 of the minutes under Treasurer’s Report there was an error, i.e. “Fund Balance” should be changed to “Cash Balance” in the last sentence.

Corinne Tranghese pointed out two typo corrections.

Dick Patullo moved approval of the minutes as corrected.

Motion
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Corinne Tranghese seconded the motion.

There was a roll call vote on the motion:

Arlene Miller	Yes
Dick Patullo	Yes
Corinne Tranghese	Yes
Tom Sullivan	Yes
Aaron Osborne	Yes
Anna Bishop	Yes

The motion to approve the minutes of September 15, 2020 passed by unanimous vote.

**Wellness Program report:**

Lyn Fioravanti, Wellness Consultant, reviewed her report of the wellness budget and spending and the programs. She showed participation in the five wellness initiatives: Colonoscopy incentive, Pilates, Yoga, Wellness Navigator call from HNE, and Mindfulness in Workplace webinar. She talked about the HNE Wellness Awards Ceremony and the award for SVRHT wellness activities. Ms. Fioravanti reviewed the FY21 YTD Wellness Budget Summary and said that 11% of the approved budget was used as of the end of September.

**Treasurer’s report:**

Treasurer Paul Pasterczyk reviewed the August 2020 financial reports (unaudited figures). He said as of August 31<sup>st</sup> the Fund Balance (Equity) was \$4,812,512 which is almost \$1.7 million above the Fund Balance target.

Mr. Pasterczyk reviewed the September cash worksheet (unaudited figures). He said SVRHT started with about a \$9.4 million cash balance. September Trust Premiums totaled about \$2.94 million, and SVRHT received about \$82K in reinsurance reimbursements and \$20K from HNE. The ending cash balance was ~\$9.64 million. Mr. Pasterczyk said that on October 13<sup>th</sup> SVRHT received over \$677K in HNE Rx rebates from 2019.

**GBS reports:**

Carol Cormier said that Joe Anderson, Gallagher Area Vice President, will be the new consultant for SVRHT and that he would take over the presentations along with Karen Quinlivan. She said that Joe Anderson was recently hired by Gallagher and had been the Director of Municipal Business for Fallon Health for ten years. She said he attended meetings for joint purchase groups (JPGs) that offered Fallon, and is very familiar with the business and operations of JPGs.

Joe Anderson reviewed the FY21 Funding Rate Analysis (FRA) report with two months of data – July and August. He noted that the Tufts data had not yet come in but that since the enrollments in that plan were very low, it would not affect the overall status of rate revenues versus major expenses. Mr. Anderson said the expense to funding ratio through August was 86.3% resulting in a funding surplus of \$697,469 which included \$426,360 in reinsurance reimbursements from previous year’s high cost claims. Karen Quinlivan reviewed the FY20 reinsurance reports. She said with data through August, there are \$1,530,438 in claims above the \$250K deductible. The \$150K Aggregating Specific Deductible has been met. Total reimbursements to date are \$1,034,724 and outstanding reimbursements are \$231,657.

It was subsequently found that the outstanding reimbursements due were \$345,715.

Ms. Quinlivan reviewed the FY20 “50% Report” with 17 claimants having claims between \$125K and \$250K that cumulatively totaled \$3.06 million.

**HNE issues:**

Joe Anderson said that the proposed agreement with HNE would be discussed at a future meeting.

Mr. Anderson said that HNE has given SVRHT \$20,000 to help defray costs of the MedPlus plan. He said that HNE has also offered to waive the HNE administrative fees for MedPlus for CY21 which will save more than \$65,000.

Ms. Ruiz, HNE, explained that the high costs on the MedPlus plan were largely the result of seven claimants with very high claims including high cost specialty medication claims.

Mr. Anderson said that the design of the MedPlus plan should be looked at for the future in order to make it cost effective. He said he sought Medicare Part D plan quotes to replace the current self-funded pharmacy on the plan. He said that the quotes were favorable and this would be much more cost effective than the current arrangement but that he is not recommending changing the design for CY21 considering the difficulties in communicating due to COVID-19 shutdowns. He said he recommends looking into this for the following year, CY22.

There was a consensus that the MedPlus plan should continue without change for CY21.

**Senior Plan CY21 Rates:**

Medex CY21 rate projections: Joe Anderson reviewed the GBS claims projections compared to the BCBS projections for Medex. He said that they were very close. He reviewed proposed rates for Medex that included claims projections for medical, the CY21 Blue Medicare Rx premium of \$185.55 (0.8% decrease), BCBS administrative fee (2% increase), and GBS management fee (\$8.14). He said the recommendation is to hold the Medex rate at the current level of \$378 for CY21.

HNE CY21 rate projections: Mr. Anderson reviewed the GBS and HNE claims projections for MedPlus. Both projections were quite high not taking into account possible Rx rebates. With the anticipated Rx rebates factored in, the GBS projection for CY21 was a 1.5% increase over current. He said that given the SVRHT’s Fund Balance and the expectation of Rx rebates, he is comfortable with holding the rate at the current amount of \$480 for CY21.

There was a discussion.

Dick Patullo moved to hold the Medex rate at \$378 (0% increase) and the MedPlus rate at \$480 (0% increase) for CY21.

Motion

Tom Sullivan seconded the motion.

Arlene Miller said she thought the MedPlus plan rate should increase by 1.5% based on the calculation that included the Rx rebates.

Anna Bishop said she agreed with Ms. Miller.

Ms. Miller called for a roll call vote on the motion:

Arlene Miller	No,	Aaron Osborne	Yes,
Dick Patullo	Yes,	Tom Sullivan	Yes,
Corinne Tranghese	Yes,	Anna Bishop	No.

The motion passed by a majority vote of 4 to 2.

Chris Collins, CanaRx, said that if the medications the high cost members on MedPlus could be identified, CanaRx may be able to offer the same meds at considerable lower costs.

Fully Insured Senior Plan CY21 rates –

Corinne Tranghese said she would prefer not to offer the insured Medicare Advantage plans to the Medicare eligible retirees in Town of East Longmeadow. She said she thinks they do not offer much and add to the confusion.

Joe Anderson spoke of the benefits and popularity of Medicare Advantage plans across the US. He noted that the SVRHT Joint Purchase Agreement requires all employers to offer all plans offered by the Group.

Heidi Fountain presented the CY21 BCBS Managed Blue for Seniors rate of \$378 (1.1% increase) and the Medicare HMO Blue rate of \$393.889 (2.8% increase).

Fred Winer presented the CY21 Tufts Medicare Supplement with PDP Plus plan rate of \$364 (1.7% increase) and the Tufts Medicare Preferred HMO rate of \$341 (4.3% increase).

Sandra Ruiz said the CY21 HNE Medicare Freedom plan rate will be \$334 (1.8% increase).

**Diabetes Care Rewards Program Annual report:** *Linda Loiselle and Patty Joyce, Abacus Health Solutions*

Linda Loiselle told the Board that within the next two weeks SVRHT will receive an Rx rebate amount of over \$30,000 for two quarters of the year.

Patty Joyce reviewed the Annual Report covering the period 9/1/2019 – 8/31/20. She said that there were 1,266 prescriptions filled through the program with \$451, 631 prescription drug spend and with \$27,947 waived in member copays. She said the estimated savings to SVRHT for the year are \$132,543. She said savings since 2010 are \$1,208,408. Ms. Joyce reviewed the Outcome Metrics saying that there was a 13% decrease in number of members with A1cs greater than 8.0 which includes a 71% decrease in the number of members with an A1c >10.

Ms. Joyce spoke about the Remote Glucose Monitoring Service, Clinical Support Services, and Abacus's program promotion and outreach to members. She presented very positive Satisfaction Survey results with 23% response rate, which she said is good for a program in which members have been participating for a very long time. She reviewed recommendations and program enhancements.

The total Diabetes Care Rewards Program spend for July – Sept. 2020 was \$115,994.

**COVID-19 update:**

Tufts, BCBS, and HNE presented their reports on COVID-19 cases and utilization from March – September 2020.

**Items for consideration - HSA Qualified plans, Plan design changes to currently offered plans, and chiropractic coverage:**

Joe Anderson said that adding HSA-Qualified plans (HSAQs) requires a lot of employee education which can be difficult during the coronavirus pandemic.

The Board members agreed that this was not the best time to consider adding the HSAQs or changing plan design for existing plans.

Joe Anderson said that if the Board wants to add chiropractic coverage to the plans that do not already have it, this should probably be decided at the next Board meeting so that the added costs of this coverage could be factored into the FY22 rate projections.

**Other business:**

There was no other business.

The Chair, Arlene Miller, set the next Board meeting for December 1 at 9:30 AM.

Ms. Miller adjourned the meeting at 3:14 PM.

*Minutes prepared by Carol Cormier  
Gallagher Benefit Services, Inc.*