

Scantic Valley Regional Health Trust

Board Meeting

Wednesday, November 10, 2010

9:00 a.m.

Wilbraham Town Hall

Wilbraham, Massachusetts

Meeting Minutes

Members and Alternates Present

Arlene Miller, Chair	Town of Longmeadow
Tom Sullivan	Town of Wilbraham
Cheryl Decoteau	Lower Pioneer Valley Education Collaborative
Anna Bishop	Lower Pioneer Valley Education Collaborative
Richard Green	Town of Hampden
Nick Breault	Town of East Longmeadow
D. John McCarthy	Hampden Wilbraham Regional School District

Guests Present

Paul Pasterczyk	SVRHT Treasurer
Amy Higgins	SVRHT Wellness Coordinator
Erica Gelinias	Town of Longmeadow
Corinne Tranghese	Town of East Longmeadow
Steve Corbin	Blue Cross Blue Shield
Laura Syron	Health New England (HNE)
Rob Anderson	Fallon Community Health Plan (FCHP)
Kate Sharry	Group Benefits Strategies (GBS)
Carol Cormier	Group Benefits Strategies (GBS)
Karen Carpenter	Group Benefits Strategies (GBS)

Chair, Arlene Miller called the meeting to order at 8:58 a.m..

Approval of the minutes of the September 14, 2010 Board meeting:

Tom Sullivan made a motion to accept the minutes of September 14, 2010.

Motion

Cheryl Decoteau seconded the motion. The motion was approved by unanimous vote.

Acceptance of the notes of the October 19, 2010 Board meeting:

Erica Gelinias said that on page 2, second paragraph, last sentence should be changed to “discussed offering COBRA if a member *voluntarily* terminates during the 6-month audit period”.

Tom Sullivan made a motion to accept the meeting notes of October 19, 2010 as amended.

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

Motion

Treasurer's Report:

Treasurer Paul Pasterczyk reviewed the Treasurer's Worksheets for October 2010 (unaudited figures). He noted that the report is not complete stating that the PBS October transaction of approximately \$40K has not been received. Mr. Pasterczyk said that the Unreserved Fund Balance was \$3.7M as of October 30, \$1.3M above the Fund Balance target. Mr. Pasterczyk said that there are currently no outstanding Trust premiums due the Group.

Investment Policy- Mr. Pasterczyk said that per the recommendation of the Auditor's Management Letter, he is working on a draft Investment Policy. He said that the draft should be ready for the Board's review at the next Board meeting.

Wellness Report:

Amy Higgins reviewed the Wellness Budget to date and said that there is no change since it was last reviewed.

Ms. Higgins reviewed the FY11 Wellness Programs. She said that the participants of the Walking program are logging their progress on the BCBS website and said that it has created a lot of competition. She said the site will remain active through June of 2011. Miss Higgins asked the Board to consider adding an additional \$100 to the rewards incentive.

Rick Green made a motion to approve an additional \$100 in reward incentives to the Walking program.

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

Motion

Amy Higgins reviewed the upcoming programs.

Arlene Miller suggested adding the ongoing programs to the Wellness Update report.

Ms. Higgins said that she reviewed the Cape Cod Municipal Health Group's "Kick Butts" smoking cessation program and said that she would like the Board to consider adding voluntary saliva testing with incentives to the SVRHT smoking cessation program. She said that saliva testing is more accurate than other testing methods.

The Board asked Ms. Higgins to write a detailed proposal for them to consider.

Prescription Benefits Services, Inc. (PBS) Contract Renewal:

Carol Cormier said that the PBS contract expires on November 30, 2010 and that PBS proposes extending the existing contract term for one additional year with two additional one-year options. She said that the existing fee structure is not changing.

Tom Sullivan made a motion to approve extending the contract for one year with the same terms with the two additional one-year options.

Motion

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

GBS Reports:

Ms. Cormier reviewed the Funding Rate Analysis by Plan and the BCBS Level Monthly Deposit Quarterly Accounting report with claims paid through September 2010.

Karen Carpenter reviewed the stop loss report with claims paid through September 2010..

Emails and Open Meeting Law:

Nick Breault asked if GBS could send future meeting notices and agendas electronically to the Board and mail them to the Town Clerks for posting. Mr. Breault also said he is concerned about the emails between Board members when “reply all” is used and asked the members of the Board to be aware that discussions outside of meetings may cause issues.

Dependent Eligibility Audit:

Arlene Miller reviewed the Board’s discussions regarding conducting a dependent eligibility audit and said that it was suggested that the term “verification” be used instead of “audit”. Ms. Miller said that the group reviewed the *pros* and *cons* of why it would want to do a dependent eligibility verification and said that the employees will be treated fairly and with dignity. Ms. Miller said that she would like to continue with the discussion on how the Board would like to proceed and to take a formal vote.

Rick Green said that he would prefer to call the process an audit, since that is what it is and said that audits are conducted regularly during normal business practice.

Nick Breault said that East Longmeadow Selectmen discussed the eligibility audit and voted not to support it. He said that the possible burden of the HR people was among their concerns.

Anna Bishop said that LPVEC has similar concerns and said that they could conduct an audit on their own without incurring additional costs.

Kate Sharry said that there would be minimal HR involvement and said that the process can be customized. Ms. Sharry said that Section 6 of Chapter 32B allows municipalities to ask for the documents necessary to verify health plan eligibility. Ms. Sharry said that an outside source would eliminate those “sticky situations” that can occur internally. Ms. Sharry said that a report will be sent to each entity to inform them of those that are found ineligible.

Erica Gelinis said that all of the entities should follow the same process regarding how to handle those found to be ineligible.

Ms. Sharry said that she could write up a draft outlining the process.

John McCarthy said that there should be a policy that eligibility is regularly verified. He said that Hampden Wilbraham RSD is already verifying eligibility.

Carol Cormier said that this would be a process to “clean up” the rolls and then each entity would follow eligibility documents collection requirements going forward.

Kate Sharry said that she is guaranteeing the results of the audit and will lower the fee 15% if the group does not realize the savings estimated. She reviewed the results of past audits of other municipalities including Worcester, MA. Ms. Sharry said that the employees that came forward prior to the end of the audit were dropped with no questions asked. She said that she could provide a list of eligibility documents required and the templates of any forms that the entities will need.

Tom Sullivan made a motion to approve moving forward with Enrollment Audit Solutions and a one-time audit and adopting an eligibility process going forward.

Motion

Rick Green seconded the motion. The motion was passed by a majority vote of 4 to 2.

Rick Green left the meeting at this time.

Nick Breault said that he believed that the Board should obtain at least three quotes for the dependent eligibility audit and follow the procurement procedure.

The Board asked Group Benefits Strategies to obtain two additional quotes to be considered.

Kate Sharry said that the quotes can be obtained via phone or email if they were under \$25, 000.

There was a discussion about the audit process and how it should be performed and whether or not those found ineligible would be eligible for continuation coverage through COBRA.

Kate Sharry said that the group would have the same reinsurance liability if covering ineligible members through COBRA and said she would not recommend it. She said that she would find out what services fall under the procurement laws.

Abacus Diabetes Rewards Program Update:

Carol Cormier said that Abacus Group reports that to date there are 45 participants registered for the Diabetes Rewards Program and said that 42% of those are meeting all of the program requirements. She said that 4 additional participants have met four of the five criteria.

Health Plan Reports:

Health New England – Laura Syron, said that HNE has been busy keeping up to date with the health care reform changes and how they affect the health plans. She said that she has been communicating with Group Benefits Strategies. Ms. Syron said that the prescription drug formulary changes were just released and said that they should be available for the next meeting.

Blue Cross Blue Shield – Steve Corbin said that BCBS has just finalized the process to accept ERRP retiree lists from the groups.

Carol Cormier said that GBS sent the lists to the health plans on November 9th and said that GBS will be the aggregator for the Group. Ms. Cormier said that is necessary because she had been advised by ERRP personnel to submit one application for the group to include all of the health plan carriers.

Other Business:

Arlene Miller said that she would like to work on adopting an eligibility verification procedures at the next meeting.

Carol Cormier said that she would request additional Dependent Eligibility Audit quotes on Monday, November 15th. She said that she would give a one-week turnaround for submission of the quotes.

A SVRHT Board meeting to review the additional audit quotes was scheduled on November 23, 2010 at 9:00 a.m. to be held at the Wilbraham Town Hall.

The next SVRHT Board Meeting was scheduled for December 14, 2010 at 9:00 a.m. to be held at the Wilbraham Town Hall. Arlene Miller said that the eligibility processes and procedures would be discussed at this meeting.

There was no other business.

Arlene Miller adjourned the meeting at 10:40 AM.

*Prepared by Karen Carpenter,
Group Benefits Strategies*