

Scantic Valley Regional Health Trust

Board Meeting

Thursday, December 6, 2012

9:30 a.m.

Wilbraham Town Hall

Wilbraham, Massachusetts

Meeting Notes

(no quorum)

Members and Alternates Present

Arlene Miller, Chair

Marie Angelides

Anna Bishop

Cheryl Decoteau

Thomas Caliento

Town of Longmeadow

Town of Longmeadow

Lower Pioneer Valley Education Cooperative

Lower Pioneer Valley Education Cooperative

Town of East Longmeadow

Guests Present

Paul Pasterczyk

Amy Higgins

Christina Gagnon

Erica Gelinas

Kristin Chmielewski

Corinne Tranghese

Suzanne Donahue

Pat Kaplan

Fred Winer

Laura Syron

Carol Cormier

Karen Carpenter

SVRHT Treasurer

SVRHT Wellness Coordinator

Hampden Wilbraham Regional School District

Town of Longmeadow

Town of Longmeadow

Town of East Longmeadow

Blue Cross Blue Shield (BCBS)

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Tufts Health Plan (THP)

Health New England (HNE)

Group Benefits Strategies (GBS)

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Chair, Arlene Miller called the meeting to order at 9:34 AM. She noted that there was no quorum so no votes would be taken.

Approval of the minutes of the October 25, 2012 Board meeting:

In the absence of a quorum, Ms. Miller tabled this item until the next meeting.

Tom Caliento joined the meeting.

Treasurer's Report:

Treasurer Paul Pasterczyk reviewed the Treasurer's financial worksheets and statements ending October 31, 2012 (unaudited figures). Mr. Pasterczyk said that the unreserved fund balance was \$4.02M and said that there was an excess of \$1.38M over the policy target of \$2.64M. Mr. Pasterczyk reviewed the CD investments and said that he transferred \$556K from the CD that had reached its maturity date to the Peoples Bank cash account.

Anna Bishop joined the meeting.

Carol Cormier said that she would forward information about the investment policies to Ms. Miller and Mr. Pasterczyk.

Wellness Program Report:

Amy Higgins distributed and reviewed the Wellness Budget and Agenda through November 2012. She said that 27.72% of the Coordinator's Salary and 32.19% of the Coordinator's Expenses have been utilized to date. Ms. Higgins said that 33.92% of the Program budget for expenses has been spent. She said this accounts for 28.93% of the overall budget.

Ms. Higgins reviewed the Wellness Program participation since September 2012 including the on-site Blood Pressure Screenings, Maintain Campaign and Got Strength program. She said that upcoming programs will include a Nicotine Patch giveaway, Biggest Loser Weight loss challenge, Zumba, Line Dancing, and Yoga. Ms. Higgins said to contact her if any unit would like her to run a program at their location.

Ms. Higgins said that the Town of East Longmeadow requested a stress reduction day to include chair massages.

There was a discussion, and the Board agreed that the town should run this type of program out of the town budget rather than from SVRHT funds.

Suzanne Donahue said that she will send the town posters illustrating 12 point stress relief activities.

Amy Higgins said that the Department of Public Health will be accepting Wellness Grant Applications in the spring. She said that she is planning to apply on behalf of SVRHT and will provide additional information as it becomes available.

GBS Reports:

Funding Rate Analysis by Plan - Ms. Cormier reviewed the FY12 Funding Rate Analysis by Plan with data through October. She said the expense-to-funding ratio was 102.7% with data through October 2012. Ms. Cormier noted that the Network Blue NE and HNE plans were underfunded and require watching.

Reinsurance Reports - Karen Carpenter reviewed the Stop Loss reports for FY12 and said that the Group has met the Aggregating Specific Deductible (ASD) of \$150K. She said there are 3 claimants that exceeded the \$175K specific deductible and that the group has received reimbursements of \$44,314 through October 2012. Ms. Carpenter said that there are \$1,515 reimbursements due SVRHT. Ms. Carpenter said that there are 18 claimants that have reached between 50% and 100% of the specific deductible with claims totaling \$2.3M. Ms. Carpenter said that there are 3 claimants on the FY13 report that have reached between 50% and 100% of the specific deductible with claims totaling \$326K.

Carol Cormier spoke briefly about the reinsurance workshop that GBS held with Gallagher Insurance Benefits for the Steering Committee members of the Joint Purchase Groups. She said that due to a decline in reinsurance quotes received over the last couple of years, GBS has been working on possible solutions to assure clients protection for high cost claims risk. She said that the meeting included a suggestion to create a reinsurance pooling arrangement across joint purchase groups. She said that the arrangement is complex and would require fund management. She said that she will forward additional information from Gallagher as it becomes available.

Possible modifications to Senior plans and discussion about changing the anniversary date:

Carol Cormier said that Suzanne Donahue, BCBSMA, reviewed the alternative Medex plan proposal at the last meeting. She said that the current Medex plan has a high cost and out-dated prescription cost-sharing structure. She said currently for the retail RX program, generic drugs are free to the member and brand name drugs are covered at 80%. She said that SVRHT can choose to continue offering the Medex plan and change the prescription drug plan design to three co-pay tiers or offer the Medex 2 plan with a Medicare Part D Prescription Drug Plan (PDP). This latter type of plan can be referred to as an Employer Group Waiver Plan (EGWP).

Ms. Cormier reviewed a comparison chart that showed the average savings of the Retiree Drug Subsidy (RDS) vs. the estimated savings from switching to Medex with a PDP. Ms. Cormier said that the EGWP plans, i.e. plans with a PDP, are governed by CMS and would require a change to a January 1 renewal date. She said that EGWP plans help to lower the OPEB liability.

Arlene Miller asked to keep this topic on the agenda and said that she would like the Board to make its decision by February 2013 for a January 2014 effective date.

Health Plan Reports:

HNE – Laura Syron reviewed the HNE Amendment to the Summary Plan Description effective January 1, 2013. She said that there are a few MA mandated benefits and that the Board will need to decide if they want to add them. She said that hearing aids for members age 21 and under up to a maximum of \$2K every 36 months, treatment of cleft lip and palate, and PCP may be defined as a doctor, nurse practitioner or physician assistant.

Suzanne Donahue said that BCBS will not add these mandates until the plan anniversary on July 1, 2013.

Carol Cormier asked Ms. Syron and Mr. Winer to review the implementation date with their legal departments. She said it would be best if the plans offered by HNE, BCBS and Tufts added the mandates on the same date.

Tufts Health Plan – Fred Winer said that there was nothing new to report and he distributed Tufts 2013 Wellness Calendars to everyone in attendance.

Other Business:

Marie Angelides asked about the high cost of the Blue Care Elect Plan and why offer the plan if the enrollments are so low.

Carol Cormier said that most of those enrolled in that plan live out of state and that plan is the only plan that will cover health care out-of-area and for which out-of-area residents are eligible. She said that SVRHT rates that plan separately and that most of those enrolled are higher in age. She said the SVRHT could choose to pool the HMO and PPO claims for rating purposes.

Arlene Miller said that the Board will discuss how to best rate this plan at the rate-setting meeting.

The next SVRHT Board meeting was scheduled for January 15, 2013 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 10:55AM.

*Prepared by Karen Carpenter
Group Benefits Strategies*