

**Scantic Valley Regional Health Trust**

**Board Meeting**

Thursday, December 8, 2011  
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
Anna Bishop	Lower Pioneer Valley Education Collaborative
Cheryl Decoteau	Lower Pioneer Valley Education Collaborative
Beth Regulbuto	Hampden Wilbraham Regional School District
Thomas Caliento	Town of East Longmeadow

**Guests Present**

Paul Pasterczyk	SVRHT Treasurer
Amy Higgins	SVRHT Wellness Coordinator
Christina Gagnon	Hampden Wilbraham Regional School District
Corinne Tranghese	Town of East Longmeadow
Herta Dane	Town of Wilbraham
Paul Budaj	Town of Wilbraham
Gary Manual	Hampden Wilbraham Regional School District
Steve Corbin	Blue Cross Blue Shield (BCBS)
Fred Winer	Tufts Health Plan (THP)
James Delisle	Tufts Health Plan (THP)
Heidi Fountain	Health New England (HNE)
Carol Cormier	Group Benefits Strategies (GBS)
Karen Carpenter	Group Benefits Strategies (GBS)

Chair, Arlene Miller called the meeting to order at 9:04 AM.

**Approval of the minutes of the November 15, 2011 Board meeting:**

Tom Sullivan made a motion to approve the minutes of November 15, 2011.

Motion

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

**Treasurer's Report:**

Treasurer Paul Pasterczyk said that the Treasurer's financial worksheets and statements for the period ending November 30, 2011 was not completed yet. Mr. Pasterczyk said that he expects the ending balance to be approximately \$8.79M.

Paul Pasterczyk said the auditor, Dan Haynes, will begin working on the audit.

Herta Dane joined the meeting.

**Wellness Program Report:**

Amy Higgins distributed and reviewed the Wellness Budget and Agenda through November 2011. She said that 33.66% of the Coordinator's Salary and 33.4% of the Coordinator's Expenses have been utilized. Ms. Higgins said that 25.65% of the Program budget for expenses has been spent. She said this accounts for 31.9% of the overall budget.

Ms. Higgins reviewed the program participation of the current wellness programs. She said that 84 members participated in the Maintain Campaign which ends during the first week in January. Ms. Higgins said that 8 members completed the health assessment.

Tom Caliento joined the meeting.

Ms. Higgins distributed last year's Smoking Cessation flyer to the Board and said that she plans to run the program with incentives again this year. She noted that 10 of the 20 members who participated last year remain smoke free. Ms. Higgins said that the upcoming programs included the "Biggest Loser" with a long sleeve t-shirt to those who lose 5% of their body weight and incentives for overall weight losses calculated by the percentage of body weight lost.

**GBS Reports –**

Ms. Cormier reviewed the FY11 Funding Rate Analysis by Plan with data through October. She said that the expense-to-funding ratio was 94.2%. Ms. Cormier reviewed the BCBS Level Monthly Deposit Quarterly Accounting report with claims paid through October 2011 and said that there was a small credit balance of approximately \$6.6K. Carol Cormier reviewed the myMedicationAdvisor® (MMA) report for July 2011 prepared by The Abacus Group.

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 4 claimants on the report and a \$14,464 reimbursement due the group through October 2011. Ms. Carpenter said that there are 8 claimants on the report of claimants that have reached 50% of the specific deductible with claims totaling \$986,261. Ms. Carpenter said that she would research why the carrier applied an additional \$3K to the Aggregating Specific Deductible.

Subsequently, the carrier reimbursed \$3K back to SVRHT.
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Ms. Carpenter reviewed the Stop Loss reports for FY12 and said that there are 2 claimants on the report of claimants that have reached 50% of the specific deductible with claims totaling \$99,928. She said that there are no claimants that have reached or exceeded the specific deductible for FY12.

**Proposed plan design changes for FY13:**

Arlene Miller said that the Board discussed three options of plan design scenarios at the November 15<sup>th</sup> Board meeting. She said that the option to replicate the plan design features of the GIC benchmark plan to include network tiering, was eliminated. Ms. Miller said that the remaining two options have the same copays, but one has a plan year deductible.

Carol Cormier said that she received information from the Segal Company that the impact of decreasing the deductible to \$250 from \$500 would be a .05% difference.

The Board discussed the options.

The Board asked Ms. Cormier to send the GIC analysis of the cost shift to the employees when they added the deductible and raised the copays.

Tom Caliento made a motion to approve Option 2 as presented.

Motion
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Beth Regulbuto seconded the motion. The motion passed by a majority vote, one against.

Carol Cormier reminded the Board of the upcoming mitigation seminar to be conducted by the Segal Company.

Carol Cormier said that the next steps include informing the participating SVRHT employers of the vote to change the plan designs. She said that each unit will need to vote on Section 21 after the FY13 rates are set and they complete their mitigation proposal.

Arlene Miller asked all of the Board members to vote on Section 21 prior to the January Board meeting.

The Board set the next meeting for January 12, 2012 at 1:30 p.m. to be held at the Wilbraham Town Hall.

**BCBS proposed changes to non-network providers for the Blue Care Elect Preferred PPO plan:**

Steve Corbin, BCBSMA, explained that effective 7/1/2012 BCBS will be making changes to the way it pays non-participating providers both in the state and out-of-state for non-network services rendered to PPO members. He said that BCBS will pay based on Usual & Customary (U&C) charges. He said the payment will be at 100% of U&C in MA and 150% out of state. He said that members could experience some balance billing under the new payment arrangements.

Tom Sullivan made a motion to take no action.

Motion

Tom Caliento seconded the motion. The motion passed by unanimous vote.

**BCBS proposed changes to Durable Medical Equipment (DME) plan design features:**

Steve Corbin briefly explained options for the DME benefit and said that the current DME benefit has a 20% member coinsurance with a \$1,500 maximum limit. He said that BCBS is proposing removing the limit.

Carol Cormier said that removing the limit would be an enhancement to the benefit and said that the change would be actuarially the same.

Tom Sullivan made a motion to approve removing the \$1,500 maximum and changing to a 20% member coinsurance to be uniform with the HNE current benefit.

Motion

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

**Health Plan Reports:**

*Blue Cross Blue Shield* – Steve Corbin said that SVRHT currently does not provide a WeightWatcher® (WW) reimbursement to its members and asked the Board if they would consider adding a \$150 calendar year reimbursement.

Tom Sullivan made a motion to approve adding the WW reimbursement of \$150 effective July 1, 2012.

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

Motion

*Health New England (HNE)* - Heidi Fountain asked if the Board would like to consider adding the WW \$150 reimbursement to their HNE plans.

Tom Sullivan made a motion to approve adding the WW reimbursement of \$150 effective July 1, 2012 to the HNE active plan.

Motion

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

Steve Corbin asked if the Board was going to hire an actuary to do an analysis of the Medex Standard plan with the active plans now that they were increasing the copays.

The Board asked Carol Cormier to contact the Segal Company to perform the analysis.

*Tufts Health Plan* – James Delisle distributed Tufts Health Plan plan options to the Board to consider voting on moving the current insured SVRHT Tufts HMO plan to a self-funded plan.

Carol Cormier said that the only issue may be the size of the group. She said that the group may not be large enough to warrant offering three choices of carriers due to the split risk pool.

Fred Winer, Account Executive for the Tufts senior products, said that he has been working with the towns to help with the transition of moving the retirees from the active plans to the senior plans. He said that the retiree meeting held in East Longmeadow went well.

**Other Business:**

There was no other business.

Chair Arlene Miller adjourned the meeting at 10:50 AM.

*Prepared by Karen Carpenter  
Group Benefits Strategies*