

Scantic Valley Regional Health Trust (SVRHT)

Board Meeting

Tuesday, April 9, 2019

9:30 AM

Wilbraham Town Hall

Wilbraham, MA

Meeting Minutes

Board Members and Alternates present:

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| Arlene Miller, Chair | Town of Longmeadow |
| Tom Sullivan | Town of Wilbraham |
| Olga Bones | Town of East Longmeadow |
| Howard Barber | Hampden-Wilbraham RSD |
| Dick Patullo | Town of Hampden |
| Anna Bishop | Lower Pioneer Valley Ed. Coop. (LPVEC) |
| Cheryl Wiblyi | Lower Pioneer Valley Ed. Coop. (LPVEC) |

Guests present:

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| Paul Pasterczyk | SVRHT Treasurer |
| Lyn Fioravanti | SVRHT Wellness Consultant |
| Jocelyn Sanchez | Town of Longmeadow |
| Corinne Tranghese | Town of East Longmeadow |
| Eliel Gonzales | Town of East Longmeadow |
| Judy Rosso | Town of East Longmeadow |
| Christina Gagnon | Hampden-Wilbraham RSD |
| Christi Brothers | Hampden-Wilbraham RSD |
| Sandra Ruiz | Health New England |
| Heidi Fountain | Blue Cross Blue Shield of MA |
| Jonathan Payson | Blue Cross Blue Shield of MA |
| Kerry Mortland | Blue Cross Blue Shield of MA |
| Lisa Despres | Tufts Health Plan |
| Carol Cormier | Group Benefits Strategies |
| Karen Carpenter | Group Benefits Strategies |

Arlene Miller, Chair, called the meeting to order at 9:34 AM.

Approval of the minutes of the February 19, 2019 meeting:

Tom Sullivan made a motion to approve the February 19, 2019 meeting minutes as written

Dick Patullo seconded the motion. The motion passed by a unanimous vote.

Motion

Wellness Program Report – Lyn Fioravanti:

Lyn Fioravanti distributed and reviewed the FY19 Wellness Programs and Budget report dated April 9, 2019. Ms. Fioravanti said the Pilates program participants consist of 215 repeat members and 34 new

participants. She said the program is going well and has been very popular. Ms. Fioravanti said the “Wellness Works” program participation is up to 179 and is open to all members. She said the BCBS and Virgin Pulse “Healthy Together” group activity and nutritional challenge program registration begins on April 22nd. She said the challenge is open to all members, regardless of which health plan they are enrolled. She note that non-BCBS members need to contact her to gain access to the website with a pin number.

Heidi Fountain said BCBS contracts with Virgin Pulse to offer the program. She said the program is usually very expensive, but through BCBS and the wellness credits SVRHT receives, she said it is more affordable.

Ms Fioravanti said she attended several health fairs and noted that Jeff Beane from MyTelemedicine signed up 15 new members for that program. Ms. Fioravanti reviewed the Wellness Budget through March 31st and said 44.3%, or \$43,094 of the overall budget has been spent.

Treasurers Report:

Treasurer Paul Pasterczyk distributed and reviewed the February 2019 financial report (unaudited figures). He reported an Unreserved Fund Balance of \$3.68M at the end of February. The fund balance target based on the Fund Balance Policy was \$3.2 million. He reviewed the list of Certificates of Deposits and said the ending balance for the CDs was \$6,071,408. Mr. Pasterczyk said he liquidated a \$510K CD at Monson Bank and reinvested in a 24-month \$300K CD at a higher interest rate at Century Bank.

Mr. Pasterczyk reviewed a preliminary March report and said \$43K of Retiree Drug Subsidy reimbursement was received. He noted March was a 5-week month, making the HNE claims higher than normal at \$1.45M.

GBS Reports

Funding Rate Analysis (FRA) report - Carol Cormier reviewed the FY19 FRA with data through February and said the composite expense-to-funding ratio for the month was 96.4%. She said the ratio at the end of December was 96.1%. Ms. Cormier said the surplus of \$658K includes \$405K of reinsurance reimbursements.

Reinsurance reports – Ms. Carpenter reviewed the *FY19 policy period* report and said there were eight members on the 50% Report with claims between \$125K and \$250K with total claims of \$1,310,438. She said no member has exceeded the deductible of \$250K to date.

Karen Carpenter said there were 10 claimants during the *FY18 policy period* whose claims through February exceeded the specific deductible of \$200K. She said these claims totaled \$2,704,103 with excess claims of \$554,103. Ms. Carpenter said the \$150,000 Aggregating Specific Deductible has been met, and \$404,753 in reimbursements has been received. She said no additional reimbursements are due SVRHT.

Memoranda of Understanding (MOUs) - Carol Cormier said that the proposed Roster Agreement renewal has no increase in the annual fee of \$900. She said the renewal of the agreement for Retiree Drug Subsidy (RDS) account management is also proposed at the current annual fee of \$2,600.

Ms. Cormier asked Ms. Ruiz if HNE can offer the MedWrap plan with a Medicare Part D plan.

Ms. Ruiz said she would check on this.

Tom Sullivan moved to approve the FY20 Roster Agreement and the FY20 RDS Account Management Agreement with Gallagher Benefits Services (GBS).

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| Motion |
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Howie Barber seconded the motion. The motion passed by unanimous vote.

Update on MyTelemedicine program

Carol Cormier briefly reviewed the MyTelemedicine utilization report for month ending March 2019. She said Jeff Beane is dissatisfied with the participation level and said in July he will be implementing a big communication effort. Ms. Cormier said Mr. Beane will be sending out quarterly mailings and will be emailing all of the Benefits Administrators providing them with information and promotional pieces for members.

There was a discussion about the employees and lack of checking emails even when their check stubs are sent to their email accounts.

Ms. Cormier noted that all of the members are enrolled in the MyTelemedicine program, but that they need to register in order to use the benefit. She said she asked Mr. Beane to add information to the report to show how many members are registered.

The Board agreed that the employers need to make more of an effort to get the word out about the program.

CanaRx Update – Carol Cormier referred to a letter in the packet from CanaRx regarding misstatements made by the FDA regarding CanaRx and how their company operates.

Arlene Miller said the response by CanaRx was handled very well and all of the misstatements were addressed.

HSA-Qualified plans – Kerry Mortland, BCBS:

Arlene Miller gave the Town of East Longmeadow permission to record the HSA presentation.

Ms. Cormier reviewed general information about Health Savings Accounts (HSAs) and HSA-Qualified plans (HSAQs). She said each employer will decide how often they will contribute to the employee's HSA and noted the plans will reduce the districts OPEB liability.

Heidi Fountain introduced Kerry Mortland and compared the differences between the current SVRHT and how the HSAQ plans work. She said all medical payments by the member, with the exception of preventative services, will go towards the deductible. Ms. Fountain said there is a preventative drug list that will have co-pays instead of being subject to the deductible.

Kerry Mortland said the IRS sets the limits of the HSAQ plan. She said there is a significant tax advantage. The money going into the HSA is tax-free going in and tax-free coming out for qualified medical expenses. Ms. Mortland said, unlike the Flexible Spending Account (FSA), there is no "use it, or lose it" stipulation. She said the money is portable should the employee leave employment, but they cannot continue to contribute to the account once they are no longer employed. Ms. Mortland suggested that for the employers who have a fiscal year FSA plan, to move it to a calendar year prior to implementing an HSAQ plan. She said interest is incurred on the account and is beneficiary eligible.

There was a discussion about how the plan works for adult children to age 26.

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Ms. Mortland said early retirees can enroll and the employers have the option as to whether or not they want to make contributions to the HSA. She said it is not required. Ms. Mortland said Health Equity is the preferred HSA provider for BCBS. She said the BCBS claims are integrated with Health Equity and it makes it easier for the member to utilize the website and pay their claims.

Heidi Fountain walked through some scenarios to show the cost of using a traditional plan vs. the HSAQ plan.

Arlene Miller thanked Ms. Fountain and Ms. Mortland and said the Board will take the information under advisement.

Carol Cormier said she would work on creating a spreadsheet the employers can use to calculate an estimate of savings between the current plans and the HSAQ plans rates. She said there has been a 15% to 20% savings with HSA qualified plans for other clients.

Health Plan Reports:

Blue Cross Blue Shield – Heidi Fountain said there was an error that caused CVS to overcharge members for a period of 4 days at the pharmacy. She said the error has been repaired, and the members affected will be notified and reimbursed.

Tufts Health Plan – Lisa Despres said there was a MA DOI Bulletin regarding access to services to treat child and adolescent behavioral issues. She said beginning with renewals effective July 1, 2019, Tufts would apply the additional services to its fully insured book of business. Ms. Despres said the impact is expected to cost approximately \$1.80 to \$2.00 pmpm, depending on the cost share. She said self-funded accounts would have the option to opt out.

Health New England – Sandra Ruiz said that they are reviewing the Summary Plan Descriptions (SPDs), updating them, and will mail them to the members.

Other Business:

The next SVRHT Board meeting was scheduled for June 11, 2019 at 9:30 AM at the Wilbraham Town Hall, Wilbraham, MA.

There was no other business.

Arlene Miller adjourned the meeting at 11:10 AM.

*Prepared by Karen Carpenter
Gallagher Benefits Services*