

Scantic Valley Regional Health Trust (SVRHT)

Board Meeting

Wednesday, February 9, 2022 9:30 AM

Remote Participation by WebEx

DRAFT

Meeting Minutes

Board Members and Alternates present:

Arlene Miller, Chair	Town of Longmeadow
Mark Gold	Town of Longmeadow
Dick Patullo	Town of Hampden
Stephen Lonergan	Town of East Longmeadow
Aaron Osborne	Hampden Wilbraham RSD
Christina Gagnon	Hampden Wilbraham RSD
Barbara Hancock	Town of Wilbraham
Anna Bishop	Lower Pioneer Valley Education Cooperative

Guests present:

Paul Pasterczyk	SVRHT Treasurer
Lyn Fioravanti	SVRHT Wellness Coordinator
Jocelyn Sanchez	Town of Longmeadow
Jennifer Leydon	Town of Longmeadow
Christopher Lizotte	Town of East Longmeadow
Christine Brassil	Lower Pioneer Valley Education Cooperative
Patty Joyce	Abacus Health Solutions
Amy Bickford	Abacus Health Solutions
Heidi Fountain	Blue Cross Blue Shield of MA (BCBS)
Pewter Cahill	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
Jim Riley	CanaRx
Joseph Anderson	Gallagher Benefit Services, Inc. (GBS)
Karen Quinlivan	Gallagher Benefit Services, Inc. (GBS)

Arlene Miller, Chair, called the meeting to order at 9:32 AM. Roll call was taken with voting attendees listed as:

Arlene Miller, Chair	Town of Longmeadow
Dick Patullo	Town of Hampden
Stephen Lonergan	Town of East Longmeadow
Aaron Osborne	Hampden Wilbraham RSD
Anna Bishop	Lower Pioneer Valley Education Cooperative

Approval of the minutes of the November 23, 2021 meeting:

Richard Patullo moved approval of the minutes with noted correction that Tom Sullivan was there in attendance.

Motion

Aaron Osborne seconded the motion. There was a roll call vote on the motion:

Arlene Miller	Yes
Dick Patullo	Yes
Stephen Lonergan	No response
Aaron Osborne	Yes
Anna Bishop	Yes

The motion to approve the minutes of November 23, 2021 passed by majority vote.

Wellness Program report:

Lyn Fioravanti, Wellness Consultant, reviewed her report of the wellness budget, spending and programs. She showed participation in the following wellness initiatives: Colonoscopy incentive, Pilates, and Yoga. Current happenings include Zoom Pilates classes in Wilbraham, Longmeadow and South Hadley. There is a Yoga/meditation class at Center School in Longmeadow on Wednesday and Zoom Yoga on Monday. There are currently four Wellness Works programs running through May. The Learn to Live utilization update showed 82 employees (4.9%) engaging so far. Usually there is a 2-3% average. Assessments showed that 45% of users were clinical moderate to severe in one or more use categories, 26% in two or more and 12% in three or more. Ms. Fioravanti asked for a Board recommendation on the Levelhead program proposal to use \$5625 from the Wellness Budget to cover 75 employees. The Levelhead program was piloted with teacher and administrators from Hampden, Wilbraham, East Longmeadow and LPVEC. Participation was not high but there was no cost to the employee.

There was discussion.

Consensus was that if there is no cost at all, then perhaps the employees won't take it very seriously. Levelhead recommended a program manager. That would be Ms. Fioravanti and it would take her an hour or two each week

Stephen Lonergan motioned to accept the Levelhead Program.

Motion

Aaron Osborne seconded the motion. There was a roll call vote.

Arlene Miller	No
Dick Patullo	No
Stephen Lonergan	No
Aaron Osborne	No
Anna Bishop	No

The motion was declined by unanimous vote.

Treasurer’s report:

Treasurer Paul Pasterczyk reviewed the December 2021 financial reports (unaudited figures). The beginning balance for the month was \$9.3M and ending balance \$7.2M. There were receipts for reinsurance of \$56,254. December shows a quarterly payment to Abacus and they gave the group an expense of \$134,000. Monthly claims for Health New England alone were nearly \$2.5M because of a large claim for one member. Trial balance revenues versus expenditures on a cash basis was \$(1,690,661). Fund Balance (Equity) was \$2.16M, roughly \$1,680,198 below the Fund Balance target. IBNR for Health New England jumped up to \$3.4M . That is a half million jump from the previous month. That showed the impact that just one claim can have on the numbers. January so far has Health New England claims of of just over \$1M when they are usually \$1.5M so that is a positive impact for January. In February, the Blue Cross quarterly reconciliaton was also favorable by approximately \$150,000. The audit is in draft form. Dan Haynes will be avaiable for the next meeting. Payments for the month of February are coming in very late. Mr. Pasterczyk asked for member units to be more conscientious.

GBS reports:

Joe Anderson reviewed the FY21 Funding Rate Analysis (FRA) report as of December 31, 2021. Mr. Anderson said the expense to funding ratio through December was 100.5% resulting in a funding deficit of \$75,291. The MedWrap plan plan through the first six months shows a deficit of \$300,000. That does not take into account the rebates associated with it. Going forward over the next 12 months there will be approximately \$500,000 in reduced claims. There will be a month of runout claims in January but it should be better from there on out. Covid is an extremely volatile environment. The \$1M claimant is an acute event that will not keep perpetuating, however, if more of those events on top of underlying conditions were to continue it would lead to concern.

Karen Quinlivan reviewed the FY21 reinsurance reports. She said with data through December, there were 10 claimants with \$1,231,651 in claims above the \$250K deductible. The \$150K Aggregating Specific Deductible has been met. Total reimbursements to date were \$1,088,964 and there is an overpayment credit balance of \$7,313,52. Ms. Quinlivan reviewed the FY21 “50% Report” with 19 claimants having claims between \$125K and \$250K that cumulatively totaled \$3,521,230.

The same reports for FY22 through December had 2 claimants with \$1,336,388 in claims above the \$250K deductible. The \$150K Aggregating Specific Deductible has been met. Total reimbursements to date were \$0 and there is an outstanding reimbursement due of \$686,388. There were 5 claimants having claims between \$125K and \$250K that cumulatively totaled \$843,984.

HNE Active Renewal Rates and vote:

Joseph Anderson reviewed the rate projections exhibits for FY23. He reviewed the carrier administrative fees for FY23 and said BCBS has proposed a 1.5% increase, HNE a 5.0% increase and Tufts a 0% increase. The GBS adminstrative fee has increased 2% for FY23. He said the calculation of the FY23 rates include health plan claims, administrative fees of the carriers and GBS, reinsurance premiums, and the CanaRx and the Diabetes Program claims.

Mr. Anderson reviewed the calculations used to develop the claims projections and said the estimated current annual funding of the plans, utilizing the December enrollment counts, is \$29,067,516. He said the estimated monthly funding is \$2,422,293.

Mr. Anderson reviewed the following FY23 funding scenarios:

Scenario A: the carrier projections with a composite increase of 14.1%, or an additional \$4,088,790 in annual funding.

Scenario B: the lowest projection for each plan, a composite increase of 9.3%, or an additional \$2,714,542 in annual funding.

Scenario C: increase for all plans except for BCE PPO with a composite increase of 7.9%, or an additional \$ 2,293,010 in annual funding.

Scenario D: increase for Network Blue of 8%, none for BCE PPO and 7% for the remaining plans with a composite increase of 7.4%, or an additional \$2,136,592 in annual funding.

The trust is currently \$1.6M under target.

There was discussion.

Dick Patullo motioned to increase premiums across the board of 7% for all plans with premium rounded to whole dollars.

Motion

Stephen Lonergan seconded the motion. There was a roll call vote.

Arlene Miller	Yes
Dick Patullo	Yes
Stephen Lonergan	Yes
Aaron Osborne	Yes
Anna Bishop	Yes

The motion passed by unanimous vote.

Good Health Gateway Dashboard review:

Patty Joyce reviewed the Annual Report covering the period 9/1/2021 – 12/31/21. She said that there were 90 enrolled members with 47 (52%) adherent members and 74 (82%) adherent for the last 12 months. There were 345 prescriptions filled through the program with \$169,585 prescription drug spend and with \$5,924 waived in member copays. She said the estimated savings to SVRHT for the period are \$31,625. Rebates distributed during the period total \$23,906.64 Ms. Joyce also provided the 2022 promotional schedule of events.

Health Plan Reports:

Blue Cross – Heidi Fountain said that as of July 1st, home fitness equipment is eligible for the Fitness Reimbursement. Jonathan Payson is out of the office for the foreseeable future and Peter Cahill is the Account Service Consultant taking his place. Any open enrollment material requests can be directed to him.

Health New England – Sandra Ruiz said that HNE sent out the 1099HC by the end of January. Duplicates can be obtained by logging into the secure portal or contacting member services. Current SPD's are being updated at this time and once complete will go out to all members.

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Tufts- Lisa Despres had nothing to report.

Fred Winer again wanted to commend Corinne Tranghese for her many years of dedicated service.

Abacus- Patty Joyce said that Amy Bickford is the new Director of Client Services and will be replacing Linda Loiselle. She was in attendance at today's meeting and introduced her.

CanaRx- Chris Collins said that the monthly savings amount went down slightly last month. An Analysis is being done right now to see if it was relative to formulary or enrollment changes. The new CanaRx website is live. Members will be receiving a postcard with a detachable card for their wallet with a QR code that members can scan to log onto the website.

Other business:

There was no other business.

The Chair, Arlene Miller, set the next Board meeting for March 23, 2022 at 9:30AM.

Ms. Miller adjourned the meeting at 11:16 AM.

*Minutes prepared by Karen Quinlivan
Gallagher Benefit Services, Inc.*