Scantic Valley Regional Health Trust (SVRHT)

Board Meeting

Wednesday September 11, 2024, 9:30 AM
By Remote Participation

Meeting Minutes

Board Members and Alternates present:

Arlene Miller, Chair	Town of Longmeadow
Dick Patullo	Town of Hampden
Kimberly Collins	Town of East Longmeadow
Barbara Hancock	Town of Wilbraham
Aaron Osborne	Hampden Wilbraham RSD
Anna Bishop	Lower Pioneer Valley Educ. Collab.

Guests present:

Paul Pasterczyk	SVRHT Treasurer
Marcy Morrison	SVRHT Wellness Consultant
Mark Gold	Town of Longmeadow
Claire Kawalec	Town of Longmeadow
Ian Coddington	Town of Longmeadow
Megan Emrick-Laskow	Town of East Longmeadow
Audra Staples	Town of East Longmeadow
Jocelyn Sanchez	Town of Longmeadow
Karen Fink	Lower Pioneer Valley Educ. Collab.
Judy Moniz	Blue Cross Blue Shield of MA (BCBS)
Alysha Beaudry	Abacus Health Solutions
Elaine Wilson	Point 32 Health
Melissa Gabriel	Point 32 Health
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
Kimberly Collins	Town of East Longmeadow
Barbara Hancock	Town of Wilbraham
Aaron Osborne	Hampden Wilbraham RSD

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Approval of the minutes of the June 12th, 2024, meeting:

Aaron Osborne moved approval of the minutes of the June 12th, 2024 meeting as presented with minor corrections. Motion

Kimberly Collins seconded the motion. There was a roll call vote on the motion:

Arlene Miller	Yes
Dick Patullo	Abstain
Kimberly Collins	Yes
Barbara Hancock	Yes
Aaron Osborne	Yes

The motion passed by majority vote.

Wellness Report:

Marcy Morrison presented her report. The six-month wellness incentive program just ended. The newsletter continues to be an effective way to communicate. The Colonoscopy Program has had 59 participants since Ms. Morrison started in September of 2022. The HNE Wellness Incentive Program has had 100 people participate. Only 18 did enough to receive the incentive. Blue Cross had 60 participate and 15 receive incentive. Tufts had 2 people participate. Next year the incentive program will be standardized for 200 points across the board. July had a Melanoma awareness campaign. Sunscreen was delivered to all outdoor workers. This fall, a weight management program will launch. It will have an email component and an app. The app will allow those who don't get email at work to participate.

Arlene Miller asked if people get incremental awards along the way on the incentive program. Ms. Morrison said that people must earn at least 50 points to get a reward because it costs $5 to send a $10 gift card. At the end of the program folks can earn anywhere up to $200.

Joe Anderson said the focus on the weight loss lifestyle is important because the weight loss drug industry is exploding. Last year the national spend was $ 6 billion and they are anticipating as much as $160 billion by 2030.

Anna Bishop joined the meeting at this time.

Treasurer Report:

Treasurer Paul Pasterczyk presented the June 2024 financial reports (unaudited figures). The balance at the beginning of the month was $14.3 million. Trust premiums were down slightly but that was due to timing. Interest revenue for the quarter was $86,000 but that included CD interest

that is reported on a non-monthly basis. There was a reinsurance amount received of $ 1,076,097 and there was a Diabetes Care Rewards credit of $20,454. Net cash for the fiscal year was up $2.3 million. The group ended up with a total unreserved fund balance of $8.8 million. That was an increase of nearly 50% of where the group was a year ago. Moving on to July, the month started with $13.4 million and ended with $14.1 million with an increase of $732,000. That is mainly due to the timing of the new fiscal year. There was an Rx rebate from Health New England in the amount of $167,000. There is still a strong excess of $5.1 million.

The fiscal year FY24 audit is on the horizon and Mr. Pasterczyk would like to tell Dan Haynes to go ahead with board approval.

Dick Patullo moved approval of Dan Haynes to move ahead with the FY24 audit.

Motion

Barbara Hancock seconded the motion. There was a roll call vote on the motion:

Arlene Miller	Yes
Dick Patullo	Yes
Kimberly Collins	Yes
Barbara Hancock	Yes
Aaron Osborne	Yes
Anna Bishop	Yes

The motion passed by unanimous vote.

Mr. Pasterczyk said that there may be a storage issue for records since the office where he was previously located is being relocated. There is a cabinet full of balance sheets and he will be asked to remove those.

Joe Anderson said that the joint purchase group in the Berkshires contracts with Iron Mountain for a monthly fee. He can inquire what other groups do.

Mark Gold said that he will see if there is something that can be done to accommodate the material in the interim. It is believed that everything at town hall will move to the Greenwood Center for the interim.

Mr. Pasterczyk said his stipend is the last item for consideration and would appreciate an agenda item at the next meeting.

GBS reports:

Joe Anderson reviewed the FY24 Funding Rate Analysis (FRA) report as of June 30, 2024. Mr. Anderson said the expense to funding ratio through June was 92.8% resulting in a funding surplus of $2,473,297. The renewal was a rate hold with the notion that the trust can be put to work. The same report for FY25 through the month of July shows an expense to funding ratio of 120.4% illustrating how non credible one month is. There was an end of year explosion in stop loss claims with $742,000 due. A reminder that this report is cash basis so as the claims reimbursements come

in, they will help offset claims. The renewal was priced with the notion that there would be some erosion to the trust.

Karen Quinlivan reviewed the FY24 reinsurance reports. She said with data through July, there were 10 claimants with $ 2,148,569.61 in claims above the $250K deductible. The $150K Aggregating Specific Deductible has been met. Total reimbursements to date were $1,256,108.32 and there is an outstanding amount due the group of $742,461.29. There were 23 claimants with claims between $125K and $250K totaling $ 3,974,913.93. The same report for FY25 through June has no member at the 50% or excess level yet.

Ms. Quinlivan then presented the annual GBS contract for the Roster and Invoice Download. This allows member units to download invoices and rosters from the Gallagher secure portal. The contract runs from July 1, 2024 through June 30, 2025 for a total of $972 annually. The contract amount has not increased in several years.

Dick Patullo moved approval of the FY25 Gallagher Invoice and Roster Download contract for $972.00. | Motion

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

Arlene Miller	Yes
Dick Patullo	Yes
Kimberly Collins	Yes
Barbara Hancock	Yes
Aaron Osborne	Yes
Anna Bishop	Yes

The motion passed by unanimous vote.

Joe Anderson said that he would like to discuss the landscape for the Medicare discussion at the next meeting. There are currently 1,326 insured retirees. As most may recall, there was legislation passed called the Inflation Reduction Act which will make the prescription drug plan richer. The catastrophic limits are being reduced from $8,000 down to $2,000. Cost share is being transferred over to the carriers so there is a projected impact on the drug side of the spend that will hit for this renewal period. Across the state there are some numbers being released. The HNE drug plan is out to bid as it is every year. The preliminary Point 32 renewal guidance appears to be manageable. Blue Cross is yet to come in. Many groups in the state are seeing $40-$50 increases. Information will be released as soon as possible but the preparation mindset is for the possibility of some material increases which will need to be worked through..

Health plan and vendor reports:

Tufts/Harvard Pilgrim – Elaine Wilson said that the migration of the members from Tufts to Harvard Pilgrim active health plans has gone well. If anyone has any concerns, please direct them to her.

Melissa Gabriel said that the renewal for the Tufts Advantage plan should be ready soon. There are no material changes except for pricing. The Harvard Pilgrim Medicare Enhance plan will be rated with the current Tufts PDP Plus population

Blue Cross – Blue Cross was unable to attend the meeting.

Health New England – Sandra Ruiz was unable to attend the meeting.

CanaRx – Jim Riley said that savings through June were $294,560. Average monthly savings is $25,000. The average annual savings for employees is about $410. Analysis for the first six month of the program identified what the potential savings for the plan could be. There are 170 members that could be using CanaRx that are not. That is a potential for over $440,000 in savings. An email campaign would be ideal in addition to the postcard mailing that are currently being utilized. To alleviate privacy concerns, a list of members that are taking drugs that would be on the CanaRx list could be sent to member units and a separate list of drugs with no correlation between the two. A tailored email could be sent indicating that the program exists for members and if they are taking a listed medication, they may benefit from savings.

Abacus - Alysha Beaudry had no new updates.

Other business:

There was no other business.

The Chair, Arlene Miller, set the next Board meeting for Wednesday October 9th, 2024, at 9:30 AM.

Ms. Miller adjourned the meeting at 10:32 AM.

Minutes prepared by Karen Quinlivan
Gallagher Benefit Services, Inc.