

Scantic Valley Regional Health Trust (SVRHT)

Board Meeting

Tuesday September 12, 2023 9:30 AM
Remote Participation by WebEx

Meeting Minutes

Board Members and Alternates present:

Arlene Miller, Chair	Town of Longmeadow
Dick Patullo	Town of Hampden
Joan Iwanicki	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 Coordinator
Mark Gold	Town of Longmeadow
Christina Gagnon	Hampden Wilbraham RSD
Megan Emrick	Town of East Longmeadow
Jocelyn Sanchez	Town of Longmeadow
Herta Dane	Town of Wilbraham
Judy Moniz	Blue Cross Blue Shield of MA (BCBS)
Lisa Despres	Tufts Health Plan
Chris Collins	CanaRx
Jim Riley	CanaRx
Patty Joyce	Abacus Health Solutions
Joseph Anderson	Gallagher Benefit Services, Inc. (GBS)
Karen Quinlivan	Gallagher Benefit Services, Inc. (GBS)

Arlene Miller, Chair, called the meeting to order at 9:33 AM. Roll call was taken with voting attendees listed as:

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

Approval of the minutes of the June 13, 2023 meeting:

Richard Patullo moved approval of the minutes of May 9, 2023 meeting as presented with correction for spelling of Christine Gagnon’s name.

Motion

Joan Iwanicki seconded the motion. There was a roll call vote on the motion:

Arlene Miller	Yes
Dick Patullo	Yes
Joan Iwanicki	Yes
Barbara Hancock	Yes
Aaron Osborne	Yes
Anna Bishop	Abstain

The motion passed by majority vote.

Wellness Program report:

Marcy Morrison presented her wellness report. The latest newsletter includes the link to a short interview that was done with CanaRx. It dispels myths about it being too good to be true. Hopefully that will help with utilization. There was a Shape up for Summer program that had 63 participants follow email and video guides to keep on track for summer fitness. The Colonoscopy program is continuing with incentives and using BCBS gift card vouchers. The Wellness Works program will start again in October and meetings have taken place with the carriers. Blue Cross has revamped their AHealthyMe portal which will make things easier this year. The Health New England Incentive program begins in October. Tufts has online weekly yoga classes, fitness classes and mindfulness and meditation classes. A flyer will be going out and added to the newsletter. The SVRHT Wellness Program has achieved Silver Status with Health New England and a Well Worth It Award for 2023. The award will be delivered in a ceremony on October 5th. There will also be an interview conducted with Abacus about the Good Health Gateway Program.

Treasurer Report:

Treasurer Paul Pasterczyk reviewed the June 2023 financial reports (unaudited figures). Overall, the group started June with \$13.48 million in the bank. There were only a small amount of premiums because most don’t pay July until the start of the fiscal year. At this point in time, everyone had paid in full and there are zero accounts receivable for the fiscal year. There was a small amount of \$76,000 received for reinsurance and the Diabetes Care Rewards program sent a check for \$18,000. For the year there was a gain in cash of \$3.5 million. Net revenue over expenses was nearly \$2.9 million. Overall, the FY23 revenues were about \$2.5 million over the FY22 revenues and expenditures. The year closed out with a fund equity balance which was \$3.36 million above target. Health New England claims were down and premiums were up.

July started with \$11.1 million. There were above average collections for the month. There was another \$111,000 in reinsurance and a Health New England prescription drug credit came through for \$234,000. Cash for the month increased by \$1.7million to end at \$12.9 million. At the end of the month the Fund Balance is \$4.27 million over target. August is looking favorable as well.

Joan Iwanicki asked why monthly interest hasn’t been updated.

Mr. Pasterczyk said that the interest is paid quarterly and that is why there is a variance between June and July. One other item is that the main accounts are with Peoples Bank. They have what is known as Positive Pay. The 15 or 20 checks that are written each month could be sent in and they store them in their data bank and would not allow other checks other than those to be accepted and drawn upon SVRHT accounts. It is a safety measure. It is anticipated that this will incur a \$50 per check fee. They will not incur liability for any fraudulent checks if Positive Pay is not elected. There may be room to get that fee down to \$13 but there has been no confirmation yet. Interest rates are favorable overall. There have not been problems in the past but if something were to happen, it would be nice to have protection.

Dick Patullo motioned to allow Paul Pasterczyk the power to negotiate the best possible deal on Positive Pay.

Motion

Joan Iwanicki seconded the motion. There was a roll call vote.

Arlene Miller	Yes
Dick Patullo	Yes
Joan Iwanicki	Yes
Barbara Hancock	Yes
Aaron Osborne	Yes
Anna Bishop	Yes

The motion passed by unanimous vote.

The books are being closed out for FY23, and Mr. Pasterczyk plans to move forward with Dan Haynes as long as the rate is fairly comparable to prior years.

GBS reports:

Joe Anderson reviewed the FY23 Funding Rate Analysis (FRA) report as of June 2023. Mr. Anderson said the expense to funding ratio through April was 87.6% resulting in a funding surplus of \$4,175,009. Prescription rebates of over \$934,000 are larger than anticipated plus a Diabetes rebate of \$92,629 has the group doing well. The Medex plan ended the year at over 100% so that is something to bear in mind for rate setting next month. The FY24 Funding Rate Analysis (FRA) report as of July 2023 had an expense to funding ratio of 81.1% resulting in a funding surplus of \$542,408. Looking forward to rate setting, Humana which is the drug plan associated with the HNE PDP plan came in with an increase of 4.98% A verbal from Blue Cross was 6.8%. Based on prescription drug plans, the increase will probably be greater than in previous years. Prescription rebates of over \$934,000 are larger than anticipated plus a Diabetes rebate of \$92,629 has the group doing well.

Karen Quinlivan reviewed the FY22 reinsurance reports. She said with data through June, there were 10 claimants with \$2,831,343.15 in claims above the \$250K deductible. The \$150K Aggregating Specific Deductible has been met. Total reimbursements to date were \$2,666,668.85 and there is an outstanding amount due of \$14,674.30.

The same report for FY23 through July had 6 claimants with \$624,916.14 in claims above the \$250K deductible. There has been total reimbursements of \$335,171.31 and the outstanding amount due is \$139,744.83. There were 16 claimants having claims between \$125K and \$250K totaling \$2,897,862.68.

Joe Anderson said that the group should be looking more favorable next year when going out to bid versus the last three years barring developing morbidities.

Health plan and vendor reports:

Tufts – Fred Winer was on vacation and unable to attend.

Lisa Despres said that they are reviewing benefit documents and there are mental health parity concerns regarding methadone maintenance. Right now it is not covered. If the group would like to still exclude them it is fine, an attestation form would just need to be signed. Fully insured plans cover it and most other carriers do. When asked last month regarding cost, she has now presented a cost of \$.35 pmpm.

Dick Patullo motioned to allow coverage for Methodone Maintenance on the Tufts plans to bring it in line with other carriers..

Motion

Joan Iwanicki seconded the motion. There was a roll call vote.

Arlene Miller	Yes
Dick Patullo	Yes
Joan Iwanicki	Yes
Barbara Hancock	Yes
Aaron Osborne	Yes
Anna Bishop	Yes

The motion passed by unanimous vote.

CanaRx – Chris Collins said that as of October 1st, online enrollment will go live. There is built in security so that members can now scan a QR code and be directed right to the enrollment page. It will be on a card mailing that will be sent to all members. That should help drive up enrollment. A pre-made template can also be sent to all the HR folks in case they want to do an email blast to employees to be on the lookout for the card.

Marcy Morrison said she would also put it in the newsletter.

Jim Riley said that savings through July have been \$169,079, which is projected to be \$289,850 for the year. The average discount was 81.25%. There is also now a webinar presentation that can be tailored to the benefit administrators. He can send that at any time

Health New England – Sandra Ruiz did not attend the meeting.

Blue Cross – Heidi Fountain was on vacation and unable to attend.

Good Health Gateway – Patty Joyce said that the program is doing extremely well for Scantic and Alicia would like to present an annual report at the next meeting. She also said that they have a QR code as well and could send to Marcy for inclusion in the newsletter.

Joe Anderson said that at the last meeting MyTelemedicine and PinnacleCare were removed. One piece that had value was the 24/7 access to a doctor. Further discussion at what the carriers have might bear review. Blue Cross and HNE have programs that would cost between \$7,000 and \$8,000 which is much lower than the \$40,000 for external vendors.

The consensus was to gather data on cost and utilization for future presentation.

Other business:

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Joan Iwanicki asked why the group does not support a two person rate.

Joe Anderson said that what has been found is that two person plans are typically husband and wife empty nesters that tend to run hotter because of age and increased claims. GIC plans used to run at about 135%. Claims would support the family rate.

There was no other business.

The Chair, Arlene Miller, set the next Board meeting for Tuesday October 3, 2023 at 9:30 AM.

Ms. Miller adjourned the meeting at 10:40 AM.

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