

Scantic Valley Regional Health Trust (SVRHT)

Board Meeting

Thursday September 22, 2022 9:30 AM

Remote Participation by WebEx

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
Barbara Hancock	Town of Wilbraham
Christina Gagnon	Hampden Wilbraham RSD
Anna Bishop	Lower Pioneer Valley Education Cooperative

Guests present:

Paul Pasterczyk	SVRHT Treasurer
Marcy Morrison	SVRHT Wellness Coordinator
Jocelyn Sanchez	Town of Longmeadow
Joan Iwanicki	Town of East Longmeadow
Megan Emrick	Town of East Longmeadow
Herta Dane	Town of Wilbraham
Heidi Fountain	Blue Cross Blue Shield of MA (BCBS)
Judy Moniz	Blue Cross Blue Shield of MA (BCBS)
Fred Winer	Tufts Health Plan
Diana Hernandez	Tufts Health Plan
Chris Collins	CanaRx
Jim Riley	CanaRx
Patty Joyce	Abacus Health Solutions
Eric Andrews	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
Stephen Lonergan	Town of East Longmeadow
Barbara Hancock	Town of Wilbraham
Christian Gagnon	Hampden Wilbraham RSD

Approval of the minutes of the June 15, 2022 meeting:

Richard Patullo moved approval of the minutes of June 15, 2022 with corrections.

Motion

Christina Gagnon seconded the motion. There was a roll call vote on the motion:

Arlene Miller	Yes
Dick Patullo	Yes
Stephen Lonergan	Yes
Barbara Hancock	Yes
Christina Gagnon	Yes

The motion to approve the minutes of June 15, 2022 passed by unanimous vote.

Wellness Program report:

Arlene Miller said that the Wellness Coordinator search update was successful. She thanked Steven Lonergan for assisting with the process. The position was posted and the search process yielded five candidates. It took about 6 to 8 weeks to go through the primary and secondary interviews and evaluate what was liked and disliked about each candidate. Ms. Marcy Morrison rose to the top of the pile. An offer was made to her and she is present at this meeting. She has been offered a tentative contract at \$45.00 an hour which is what Lyn Fioravanti was currently being paid. After six months that can be reviewed and increased to \$50.00 per hour. Ms. Morrison is currently the Wellness Coordinator for the Minuteman Nashoba Health Group. She knows wellness programs so will hit the ground running. A lot of her work will be remote. Ms. Miller asked Marcy to introduce herself.

Marcy Morrison thanked everyone for having her and said that she lived in Chestnut Hill. She assured everyone that she can be onsite for events such as health fairs and things that the group has going on so don't worry about that. She has found that you get much more engagement with remote programs. She creates a lot of online courses that can be taken at any time and they are created by her so people know they can reach out and contact her at any time. This is her life's work and is not difficult for her to do. There will be many programs going on and she is open to anything the group suggests.

Steven Lonergan said that Marcy stood out above the other candidates. Her online content is wonderful and she should be a great addition to the Scantic Valley team.

Ms. Morrison said that Lyn Fioravanti has been wonderful and they have had a relationship in the past. She is going to help for a seamless transition and they have already met to discuss.

Richard Patullo motioned to endorse the employment contract offered to the Wellness Coordinator.

Arlene Miller clarified the contract is in process.

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

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Arlene Miller	Yes
Dick Patullo	Yes
Stephen Lonergan	Yes
Barbara Hancock	Yes
Christina Gagnon	Yes

The motion passed by unanimous vote.

Arlene Miller said that there used to be a Wellness Committee but due to Board departures, it fell apart. It would be nice to reestablish a Wellness subcommittee to discuss issues that may come up. She asked people to consider it.

Treasurer’s report:

Treasurer Paul Pasterczyk reviewed the June 2022 financial reports (unaudited figures). Overall, the group started June with \$7.6M in the bank. There was catch up on trust premiums that came in at \$3.3M. There was a small amount of reinsurance of \$56,000. Claims from Blue Cross were the standard monthly deposit. Health New England claims were relatively stable at \$1.4M and Tufts stable at just over \$100,000. Interest rates have started to rise. Some money has been moved out of the Peoples Premium Money Market Account to the Institutional Money Market Account. There was a net loss of cash for the fiscal year of \$640,000. Prior to making accrual adjustments, there would have been a loss of \$943,000 at the end of the fiscal year strictly on a cash basis. That is a starting basis where the closing process adjusts for reinsurance and other items and the deficit comes closer to an unaudited amount of \$350,000. The unreserved fund balance at the end of the year is \$3.7M. Target balance of 12% of claims was \$3.6M so the group ended up \$100,000 over target.

July began with just over \$7.6M. Reinsurance collected was \$462,000. Blue Cross claims were standard and HNE was stable at \$1.3M the month ended with \$8.6M for a gain of over \$1,000,000 in cash for July.

August began with \$8.6M and an additional \$524,000 in reinsurance came in. Reimbursements in July and August were over \$1,000,000. There is another large claim to be processed as well.

The auditor will be contacted to begin that process soon.

GBS reports:

Joe Anderson reviewed the FY22 Funding Rate Analysis (FRA) report as of June 2022. Mr. Anderson said the expense to funding ratio through June was 98.3% resulting in a funding surplus of \$881,232. Thank goodness for reinsurance for the year of \$1.2M. The reinsurance increase was capped at 50% so that is a good thing considering trend. The FY23 report through July shows the expense to funding ratio at 70.1% with a surplus of \$837,021.

Karen Quinlivan reviewed the FY21 reinsurance reports. She said with data through June, there were 10 claimants with \$1,287,145 in claims above the \$250K deductible. The \$150K Aggregating Specific Deductible has been met. Total reimbursements to date were \$1,098,385 and there are outstanding reimbursements due of \$38,759. Ms. Quinlivan reviewed the FY21 “50% Report” with 19 claimants having claims between \$125K and \$250K that cumulatively totaled \$3,521,518.

The same reports for FY22 through July had 9 claimants with \$2,181,415 in claims above the \$250K deductible. The \$150K Aggregating Specific Deductible has been met. Total reimbursements to date were \$1,875,055 and there is an outstanding reimbursement due of 156,360. There were 22 claimants having claims between \$125K and \$250K that cumulatively totaled \$3,887,261.

Health Plan Reports:

Tufts – Fred Winer said that the pharmacy benefit manager will be switching from CVS Caremark to Optum effective January 1, 2023. Anybody who goes to a local pharmacy will not see a change. Everyone will receive new ID cards. Mail order prescriptions will be transferred over. He introduced Diana Hernandez who will be taking over for Richard Caparso as Account Associate.

Blue Cross – Heidi Fountain said that there is a rider in place for the fully insured population to address travel expenses for access to care if their state does not allow abortion services. The travel would have to be greater than 100 miles. There is minimal impact in terms of cost. Based on care options in Massachusetts it would be a very small population. No action is required at this time. The benefit can go back to June of 2022 or added at a later time.

Joe Anderson said that there is prudent thought that the results can be studied over the first several months. It would be better to add it after a demonstrated value since it would be difficult to remove afterwards.

No action was taken at this time.

The PBM will be changing from Express Scripts to CVS Caremark as of 01/01/2023. A fact sheet and tool kit were sent out to the member units. New ID cards will be issued and any impacted members will be communicated with. There is also a webinar available for October 19th with a link to the registration.

Health New England – Sandra Ruiz was not able to attend the meeting.

CanaRx- Chris Collins said that they will not do any mailings around the timeframe of the PBM changes so as not to confuse people.

Abacus- Patty Joyce introduced Eric Andrews as the new account manager for SVRHT. Patty will still be with the company but due to growth some responsibilities are shifting.

Eric Andrews said that of 235 eligible members, 38% are registered in the program and 48% are meeting their goals. There is currently a registration incentive going on with good results. November is going to be Diabetes Awareness Month. There will be a flyer distributed that can be displayed in common areas and lounges. There will be info and tips as well as a QR link to the YouTube page for more videos and info.

Mr. Andrews asked for time at the next meeting for presentation of the annual report.

Other business:

Anna Bishop asked if there were any updates on the progress for affordable plans for ACA.

Joe Anderson said that at prior meetings, it was discussed that there can be an affordability issue if the plans are offered before 07/01. Members that may have accrued expenses would have them reset at implementation and then the plan would run into trouble on minimum deductible levels for a high deductible plan. The best option may be for 07/01/2023 open enrollment implementation.

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There was no other business.

The Chair, Arlene Miller, set the next Board meeting for October 12, 2022 at 9:30AM.

Ms. Miller adjourned the meeting at 10:46 AM.

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