

Scantic Valley Regional Health Trust (SVRHT)

Board Meeting

Tuesday October 3, 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
Claire Kawalec	Town of Longmeadow
Herta Dane	Town of Wilbraham
Karen Fink	Lower Pioneer Valley Educ. Collab.
Heidi Fountain	Blue Cross Blue Shield of MA (BCBS)
Judy Moniz	Blue Cross Blue Shield of MA (BCBS)
Mark Nicholson	Point 32 Health
Julie Raymond	Tufts Health Plan
Fred Winer	Tufts Health Plan
Chris Collins	CanaRx
Jim Riley	CanaRx
Alysha Beaudry	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
Aaron Osborne	Hampden Wilbraham RSD
Anna Bishop	Lower Pioneer Valley Educ. Collab.

Approval of the minutes of the September 12, 2023 meeting:

Aaron Osborne moved approval of the minutes of September 12, 2023 meeting as presented with correction for spelling of Christina Gagnon’s name.

Motion

Dick Patullo seconded the motion. There was a roll call vote on the motion:

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

The motion passed by unanimous vote.

Wellness Program report:

Marcy Morrison presented her wellness report. The latest newsletter will be coming out tomorrow. There will be several additional items coming out this month including information on Breast Cancer Awareness month. The Wellness Works program is starting again. Blue Cross has revamped their A Healthy Me portal which will make things easier this year. The first offering this month is called Empowered and is a short course on preventing injury. The Health New England Incentive program begins in October. Tufts has online weekly yoga classes, fitness classes and mindfulness and meditation classes. Promotion is ongoing with CanaRx to make people better understand the program and promote utilization. The same will be done with the Good Health Gateway. Health fairs in East Longmeadow and Longmeadow will be coming up for retirees.

Arlene Miller asked the number of participants in the Colonoscopy program.

Ms. Morrison said there were about 30. Participation is limited to every 5 years.

Barbara Hancock, a voting member, joined the meeting at this time.

Treasurer Report:

Treasurer Paul Pasterczyk reviewed the August 2023 financial reports (unaudited figures). Overall, the group started August with \$13 million in the bank. There were trust premiums of \$3.8 M which is higher than the average of \$3.1 million. Reinsurance money of \$78,400 was received. The Blue Cross settlement worked favorably for the trust. The final amount was \$857,000 rather than the usual \$1.3 million. Health New England and Tufts claims were on target. A \$1 million CD was taken out with Monson Savings at 5%. At the end of the month the Fund Balance is \$4.9 million over target. September is looking favorable as well. Positive Pay with Peoples Bank was negotiated at a \$13 per month charge. The FY23 audit will begin soon with Dan Hayes.

GBS reports:

Joe Anderson reviewed the FY24 Funding Rate Analysis (FRA) report as of August 2023. Mr. Anderson said the expense to funding ratio through August was 95.1% resulting in a funding surplus of \$279,454. Blue Cross had one large claimant that can impact the monthly data. Overall 2 months of data is not yet credible.

Karen Quinlivan reviewed the FY23 reinsurance reports. She said with data through August, there were 6 claimants with \$624,916.14 in claims above the \$250K deductible. The \$150K Aggregating Specific Deductible has been met. Total reimbursements to date were \$440,030.17 and there is an outstanding amount due of \$34,885.97. There were 16 claimants with claims between \$125K and \$250K totaling \$ 2,898,803.82. The same report for FY24 through August had 1 claimant with \$4,122.70 in claims above the \$250K deductible. There has been no reimbursements and the outstanding amount due is \$ 4,122.70. There was 1 claimant having claims between \$125K and \$250K totaling \$ 129,723.81.

CY24 Senior Plan Renewals:

Joe Anderson began the discussion on senior rate renewal calculations for Cy24. Rates for both fully insured and self-insured plans were illustrated. The fully insured plans have rates that are carrier driven. Blue Cross Managed Blue for Seniors came in at a 4.7% increase and Medicare HMO Blue at 3%. Tufts Medicare HMO had a benign 1.6% increase and HNE Medicare Secure Freedom came in at 10%. That plan has not had increases for some time and there are only 4 members in that plan. Overall these are actually less than what is being seen in the marketplace. The self-insured supplement plans were reviewed next. Humana which goes with the HNE Med Plus plan came in at a 5% increase, Blue Medicare Rx for Medex came in at 6.8% and Tufts PDP came in at a 5.2% decrease. The Inflation Reduction Act which sought to decrease costs for seniors made the prescription drug plan richer but those costs are being passed through in an average 3% increase on these plans. The first calculation to be reviewed was Blue Cross Medex. There was a 9% increase in claims in FY23 compared to FY22. Blue Cross increased their admin fee 1.5% and Gallagher increased their fee 2%. The PDP had an increase of 6.8% . When anticipated claims plus fees and the PDP were all added together, Blue Cross came up with a projected rate of \$419.52 and GBS a rate of \$417.14. As a beginning point of discussion, a proposed rate of \$410 was illustrated. That equates to a 5.4% increase. It is not the full amount but factors the impact to the member and the strength of the trust. The total risk would be \$72,000 a year. There are about 600 members in this plan. The next illustration was for the Tufts Medicare Supplement with PDP. There was 18 months of claims data due to the plan self-insuring medical claims on January 1, 2022. Tufts did not provide medical anticipated claims for that reason. The PDP cost actually decreased to \$165 from \$174, therefore, GBS came up with a calculated rate of \$349.00. The current rate is \$357 so the recommendation was for a rate hold. The HNE Med Plus calculation also had 18 months of claims data. The HNE admin increased 2% , GBS 2% and the PDP increased 5%. The HNE calculation came out at \$362.95 and the GBS calculation at \$380.04. The current rate is \$388, therefore the proposal is to hold the rate at \$388.00.

There was discussion

Dick Patullo moved approval of the Gallagher proposed rates for self-insured plans for CY24.

Motion

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

Arlene Miller	No
Dick Patullo	Yes
Joan Iwanicki	Yes
Barbara Hancock	Yes
Aaron Osborne	Yes

Anna Bishop Yes

The motion passed by majority vote.

Next, the fully insured rates were looked at for approval.

Joan Iwanicki moved approval of the Gallagher proposed rates for fully insured plans for CY24.

Motion

Barbara Hancock 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	Yes

The motion passed by unanimous vote.

Good Health Gateway Annual Report:

The annual report was not available for presentation at this meeting and will be available for the November meeting.

Health plan and vendor reports:

Blue Cross – Heidi Fountain said that PDP prescription drug plan changes for January 1st will be shared shortly with Gallagher for forwarding to the group. Prescription drugs are driving costs with some new to market Alzheimer’s drugs.

Tufts – Fred Winer said that Lisa Despres has moved on from the municipal market and Mark Nicholson from Point 32 will be his new counterpart for Tufts.

Mark Nicholson said that weight loss drugs are another factor in increasing drug plan costs. They are expensive and everyone is looking to get them. The migration between Tufts and Harvard Pilgrim has produced a change. The Tufts commercial plans that the group has right now will be on the Harvard Pilgrim platform as of July 1st 2024. Current benefits will be replicated on that platform. The transition should be transparent.

Health New England – Sandra Ruiz was on vacation and did not attend the meeting.

CanaRx – Chris Collins said that as of October 1st, online enrollment went live. There is built in security so that members can now scan a QR code and go right to the enrollment page. They can complete the enrollment online with as much information as they have and CanaRx will give them a call back to help complete any missing info. They can even offer to contact the physician for a prescription. That should drive up enrollment. As an aside to the weight loss drug discussion, Canada has stopped the shipping of Ozempic out of the country because of the shortage for diabetics in Canada. People are chasing these drugs.

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Jim Riley said that savings through August have been \$181,946.98, which is projected to be \$272,920.47 for the year. The average discount was 77.88%. Some new drugs have been added to the formulary and that increased eligible members by 20%.

Other business:

Joe Anderson said that at a previous 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. Data gathering is ongoing for presentation at a future meeting.

There was no other business.

The Chair, Arlene Miller, set the next Board meeting for Tuesday November 14, 2023 at 9:30 AM.

Ms. Miller adjourned the meeting at 10:39 AM.

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