

**West Suburban Health Group  
Steering Committee Meeting**

Thursday, February 8, 2018 at 1:00 PM  
Natick Community Senior Center, Natick, MA

**Meeting Minutes**

**Steering Committee Members in Attendance:**

Jim Kern, Chair	Town of Dedham
Marc Waldman, Board Chair	Town of Wellesley
Jerry Lane	Town of Dover
Christopher Coleman	Town of Needham
John Senchyshyn	Town of Wayland

**Guests in Attendance:**

Anne Costello	Assistant Treasurer
Linda Loiselle	Abacus Health Solutions
Bill Chenard	Town of Natick
Maryanne Davis	Natick Public Schools
Scott Szczabak	Town of Wellesley
Dawn Fattore	Dover Sherborn RSD
Donna Lemoyne	Town of Wayland
Nan Balmer	Town of Wayland
Paul Redmond	Town of Shrewsbury
Kevin Mizikar	Town of Shrewsbury
Wendy Ricciardi	Town of Shrewsbury
William Hickey	Harvard Pilgrim Health Care
Erin Hayes	Tufts Health Plan
Jennifer Curcio	Tufts Health Plan
Joe Anderson	Fallon Health
Michael Breen	Blue Cross Blue Shield of MA
Jonathan Payson	Blue Cross Blue Shield of MA
Carol Cormier	Group Benefits Strategies
Chris Nunnally	Group Benefits Strategies
Karen Carpenter	Group Benefits Strategies

Steering Committee Chair Jim Kern called the meeting to order at 1:05 PM.

**Approval of the minutes of the October 30, 2017 meeting:**

Marc Waldman moved to approve the October 30, 2017 minutes as written.

Motion

Jerry Lane seconded the motion. The motion passed by unanimous vote.

**FY17 Audited Financial Statements – Anthony Marini, CPA:**

Tony Marini said the numbers are represented fairly in accordance with the Government Auditing Standards. Mr. Marini said Ruth Hohenschau, WSHG Treasurer, does very good work and said there were no internal weaknesses found.

Mr. Marini said the assets exceeded liabilities by \$964,400 at the end of June 30, 2017, and said the net position decreased by \$5,272,569. He noted the financial information seems to be rebounding so far this fiscal year. Mr. Marini reported a decrease of member contributions of \$115M and a claims decrease of \$1.3M.

Mr. Marini said the IBNR was reviewed, and he said the calculations being used now is reasonable. Mr. Marini reported a fund balance of \$964,400 on June 30, 2017.

Mr. Marini said he would send the final statements within the next few days.

Carol Cormier said 2 member units left on July 1, 2016, noting the reduction of member contributions and claims.

Marc Waldman moved to accept the auditor's report as final, with a change of the dates.

Jerry Lane seconded the motion. The motion passed by unanimous vote.

Motion

**Treasurer's Report:**

Assistant Treasurer, Anne Costello, distributed and reviewed the financial reports through December 31, 2017 (unaudited figures). She said the Fund Balance increased \$4.3M in December to \$5,296,846. She noted the financial position seems to be back on track.

Carol Cormier said that according to the Fund Balance policy, the Fund Balance should be around \$10 million.

There was a discussion about the prescription trend being lower than expected. It was also noted that 12 of the high cost members were no longer enrolled on the health plans.

Marc Waldman made a motion to accept the Treasurer's report.

Motion

Jerry Lane seconded the motion. The motion passed by unanimous vote.

**Steering Committee Vacancies:**

Jim Kern said there are three Steering Committee vacancies and he thanked the previous members for their service. Mr. Kern said three Board members, Kevin Mizikar, Town of Shrewsbury, Nan Balmer, Town of Wayland, and Bill Chenard, Town of Natick have responded with interest of becoming members of the Committee. Mr. Kern asked if anyone else was interested.

There was no response.

Marc Waldman made a motion to recommend to the Board, Mr. Mizikar, Ms. Balmer and Mr. Chenard to fill the three Steering Committee vacancies.

Motion

Jerry Lane seconded the motion. The motion passed by a unanimous vote.

**GBS Reports:**

*Funding Rate Analysis (FRA)* – Carol Cormier reviewed the FRA summary with data through December 2017. She said the expense-to-funding ratio across all plans on a *paid claims* basis was 87.5%.

*Level Monthly Deposit report (LMD)* – Carol Cormier said there is a credit of \$719,432 for the quarter ending December 30, 2017. She asked Mike Breen for an adjustment to the LMD.

*Reinsurance reports* – Ms. Carpenter reviewed the *FY17 policy period* reinsurance report with claims paid through December. She said that 11 members incurred claims over \$300,000 totaling \$6,177,305 with claims above the \$300,000 (“excess claims”) totaling \$2,577,305. She said WSHG has received \$2,581,775 in reimbursements so far and there is an overpayment of \$4,470.

Karen Carpenter reviewed the *FY18 policy period* reinsurance reports. She said that 1 member incurred claims over \$300,000 in the amount of \$262,480. Ms. Carpenter reviewed the 50% report and said 10 members have total claims of \$2,002,612.

*CanaRx Quarterly Report* – Carol Cormier reviewed the CanaRx Quarterly report through December 31, 2018 and said the total savings for the Tufts program was estimated at \$40,671. Of those savings, she said \$31,971.50 is savings to the group. Ms. Cormier said she would send out the reports for the HPHC, Fallon and BCBS plans, as they were not included in the meeting packet.

*Update on the High Performance Health Plans -*

Chris Nunnally said GBS is narrowing down the vendors for the Prescription Carve-out and Telemedicine programs. He said the RN Cancer Guide program is finalizing their pricing. Mr. Nunnally said he will have more information once GBS has chosen vendors that would be a good fit for the group.

**Wellness Program report & FY8 unit stipends:**

Marianne Davis distributed reviewed the FY18 Wellness Budget for each of the units with updates through February 2018. She said Michele Craemer has several ideas for the Wellness Liaisons to utilize if anyone is looking for ideas on how to promote wellness within their units. Ms. Davis said Ms. Craemer will give another update following the Open Enrollment Health Fairs.

**Diabetes Rewards Program Enhancements:**

Linda Loiselle said she and Ed Aberger spoke at the October meeting about the proposed enhancements to the current WSHG Diabetes Program. She said the program enhancements include a new Bluetooth-enabled blood glucose monitor, Accu-Chek®-Guide, which would electronically monitor the participants’ blood glucose levels. Ms. Loiselle said the monitor can transmit the numbers to the Abacus Diabetes Care nurse educator and to the member’s computer. She also said the members can bring the record of the readings to their physicians. Ms. Loiselle said an analysis of the readings can identify where a member may be having issues that could be addressed. She said a clinical pharmacist was hired by Abacus as well. Ms. Loiselle said that the

Accu-Chek-Guide meters will be free to the member as will test strips for as long as the member participates in the program.

Ms. Loiselle said there is no added cost to add the enhancements to the current program and that Abacus would be paying for the new meters. She said Abacus has also negotiated a lower cost of the test strips, which would save money for MNHG. Ms. Loiselle said a launch date in April or May is possible. She said those already enrolled will receive a different letter notifying them of the enhancements than those that are eligible but not yet enrolled.

Marc Waldman made a motion to recommend the enhancements to the Diabetes Rewards Program to the Board, as proposed by Ms. Loiselle.

Motion
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Christopher Coleman seconded the motion. The motion passed by a unanimous vote.

**FY19 Rate Projections:**

Carol Cormier said corrections were made to Exhibits A-1 and A-2 and are included in the rate projection handout. Ms. Cormier reviewed the administrative fees and said Fallon reduced their original 4% increase, down to a 2% increase for the next two years. She said Tufts and BCBS are increasing their fees by 2%. Ms. Cormier said the rate projections include the GBS and carrier fees, the reinsurance premium, diabetes program costs and expected claims cost.

Ms. Cormier reviewed how the rates were calculated using the HPHC EPO exhibits. She said she made an adjustment of about 7.5% for the change from the Rate Saver plans to the Benchmark plans.

Ms. Cormier reviewed the following Scenarios, and said she will compare the Benchmark plans against the combined funding of the Rate Saver and Benchmark plans, with the current total annual funding of \$111,074,820. :

Scenario A-2 –GBS projections, the same as Scenario A-1, but including the Alternative Rx and Diabetes program claims, with a composite increase of 0.4% and annual funding of \$1,223,259.

Scenario B-2 – Carrier projections, the same as Scenario B-1, but including the Alternative Rx and Diabetes program claims, with a composite decrease of -1.4% and annual funding of \$1,223,345.

Marc Waldman recommended using the scenarios of the projections that include the Alternative Rx and Diabetes program claims.

The Committee agreed with Mr. Waldman.

Ms. Cormier continued to review the following Scenarios:

Scenario D – Carrier projections with suggested Benchmark plan increases as depicted on Exhibit “C”, column “F”, with an overall decrease of -0.8%.

Scenario E-1 – Carrier projections with suggested Benchmark plan increases as depicted on Exhibit “C”, column “g”, with an overall decrease of -0.8% and Benchmark rates at 6%, 8% and 9% over the current Benchmark rates.

Scenario E-2 – Same as E-1, but with rates rounded and expected decrease of the annual funding in the amount of \$841K.

There was a discussion and Carol Cormier said the unknown is how many members will enroll into the HSA Qualified Health plans.

The Committee agreed to remove all of the scenarios that do not include the Alternative Rx and Diabetes programs from the packet.

Marc Waldman made a motion to recommend Scenario E-2 to the Board as presented.

Motion

Christopher Coleman seconded the motion. The motion passed by a unanimous vote.

**Planning for a Managers Meeting:**

Jim Kern said the Board may want to hold a Managers Meeting to fill them in on everything the WSHG has been doing, such as how they are managing costs, etc.. He said the meeting will allow the new members of WSHG to ask questions about the programs and to shorten their learning curve. Mr. Kern said the meeting would be open to anyone who wants to attend.

Carol Cormier said Marc Waldman could give a history of the WSHG and when and how it was formed. She explained how another JPG coordinates their meeting with the managers.

Marc Waldman said it would be a good opportunity to let everyone know what WSHG has planned moving forward to save costs and it would be good to have the top personnel give their buy-in to promote the programs offered.

Erin Hayes, Tufts Health Plan reminded the Committee that the health plans need to know which units are going to offer the HSA Qualified Health plans. She said to contact them about health fair or educational meeting scheduling.

**Other Business:**

There was no further business

Marc Waldman made a motion to adjourn.

Motion

Jerry Lane seconded the motion.

Chair Jim Kern adjourned the meeting at 3:15 PM.

*Prepared by  
Karen Carpenter,  
Group Benefits Strategies*