

**West Suburban Health Group
Board Meeting**

Thursday, February 26, 2019 at 10:00 AM

Wellesley Town Hall,
Wellesley, MA

Meeting Minutes

Board and Alternate Board Members in Attendance:

Marc Waldman, Board Chair	Town of Wellesley
Jim Kern	Town of Dedham
Karen Jelloe	Town of Wrentham
William Chenard	Town of Natick
Donna Lemoyne	Town of Wayland
Christopher Coleman	Town of Needham
Jerry Lane	Town of Dover
Kevin Mizikar	Town of Shrewsbury
Dawn Fattore	Dover Sherborn RSD
Chuck Murphy-Romboletti	Town of Needham
Kate Garabedian	ACCEPT Collaborative

Guests in Attendance:

Ruth Hohenschau	WSHG Treasurer
Anne Costello	WSHG Asst. Treasurer
David Snowdon	Town of Shrewsbury
Louise Miller	Town of Wayland
Patty Joyce	Abacus Health Solutions
Jeff Beane	MyTelemedicine
Julia LeBrun	Fallon Health
Patrick Flattery	Fallon Health
William Hickey	Harvard Pilgrim Health Care (HPHC)
Mike Breen	Blue Cross Blue Shield (BCBS)
Erin Hayes	Tufts Health Plan
Lisa Despres	Tufts Health Plan
Fred Winer	Tufts Health Plan – Senior plans
Carol Cormier	Group Benefits Strategies (GBS)
Karen Carpenter	Group Benefits Strategies (GBS)

Board Chair Marc Waldman called the Board meeting to order at 10:15 AM.

Approval of the minutes of the September 6, 2018 meeting:

Bill Chenard moved to approve the minutes of September 6, 2018.

Motion

Kevin Mizikar seconded the motion. The motion passed by unanimous vote.

FY20 Rate Projections:

Marc Waldman and Carol Cormier reviewed the various funding scenarios for FY20. There was a discussion about why the Fallon and GBS projections were so different. The substantial migration in the last year to Fallon was cited as a reason, noting that the historical claims were not credible given the change in populations.

Dawn Fattore said she favored a smoother rating scenario in which the percent increases across plans was not dramatically different.

Karen Jelloe moved to narrow consideration to (1) Funding Scenario F with a composite funding increase of 8.2% and HSAQ plan rate increases being 1.5% lower than the Benchmark plan rate increases and (2) Scenario G with an 8.0% composite funding increases and HSAQ plan rate increases being 2.0% lower than Benchmark increases.

Motion

Dawn Fattore seconded the motion.

Kevin Mizikar said he was not in favor of the subsidization of Harvard Pilgrim and Tufts rates.

Erin Hayes said if even one high cost member were to change plans, the plans' required funding could change.

There was a vote on Ms. Jelloe's motion. The motion passed by majority vote with two opposed.

Marc Waldman suggested developing guidance on this topic for next year's rate-setting.

There was further discussion.

Jim Kern motioned to adopt FY20 Funding Scenario G.

Motion

Karen Jelloe seconded the motion. The motion passed by unanimous vote.

Treasurer's Report:

Treasurer Ruth Hohenschau noted that the auditor, Bill Fraher, CPA, had presented the FY18 audit results to the Steering Committee. She called attention to the auditor's 5-year summary information in the packet and said the final audit report will be distributed once it is received.

Treasurer, Ruth Hohenschau, distributed and reviewed the financial reports through January 2019 (unaudited figures). She said she added \$202,816 of reinsurance receivables to the report based on the updated claims on the reinsurance reports. Ms. Hohenschau said the increase to the Trust Fund balance at the end of January 31, 2019 was \$2,143,463. She said the Trust Fund balance at the end of January was \$8,235,065

Marc Waldman said that the audit with the new auditor was excellent and resulted in pursuing a number of items suggested including reviewing the investment policy. He said that a working group will be put together to meet with the investment manager.

Steering Committee vacancies:

Marc Waldman said that Chris Coleman will be leaving the Steering Committee (SC), and Jim Kern, current SC Chair, is retiring in April.

Chris Coleman said he hoped that the Board would appoint Chuck Romboletti-Murphy from Town of Needham for the SC seat.

Motion

Bill Chenard moved to appoint Chuck Romboletti-Murphy to the Steering Committee.

Karen Jelloe seconded the motion.

There were no other nominations. The motion to appoint Mr. Romboletti-Murphy passed by unanimous vote.

There were no nominations to fill the SC seat vacancy that will be left by Jim Kern.

Marc Waldman said the Board will address the SC vacancy at the next meeting.

Abacus Health Solutions report:

Patty Joyce distributed and briefly reviewed the report on the Diabetes Care Rewards program for calendar year 2018. The report included demographics, medications and supplies spend, co-pay analysis, and outcomes metrics. She said \$766K was spent on prescription drugs through the program and estimated Rx savings were \$118K. She said that there was a 19% decrease in number of members with HbA1Cs greater than 8.0. Ms. Joyce talked about program incentives and Abacus's outreach to members. She reviewed the participant survey results and presented recommendations.

GBS reports:

Marc Waldman noted that the group has been having a lot of high cost claims and said that in the current reinsurance policy one WSHG member is lasered at \$1.5 million, meaning WSHG will not be eligible for reinsurance reimbursements until after the member has reached \$1.5 million in claims rather than the standard specific deductible of \$300K.

Carol Cormier reviewed the Funding Rate Analysis with data through January 2019. She said the composite expense-to-funding ratio was 92.6%. She said that the Tufts expense to funding was 108%.

Ms. Cormier reviewed a report on the CanaRx program for calendar year 2018. She said the savings across all eligible health plans was 71.3% resulting in savings of almost \$600K.

Karen Carpenter reviewed the reinsurance report for FY2019 with paid claims date through January. She said 3 claimants exceeded the \$300K specific deductible with total claims of \$1.11 million and excess claims of \$213K. She said the lasered claimant referred to by Marc Waldman earlier had not reached the \$1.5 million lasered deductible at this point and had claims totaling \$419K.

Ms. Carpenter reviewed the FY18 reinsurance report of excess claims and said that 11 claimants had claims over \$300K. She said total claims were \$5.87 million and excess claims were \$2.57 million.

MyTelemedicine:

Marc Waldman said that the Steering Committee is proposing to the Board that it adopt the MyTelemedicine program. He said Jim Kern will discuss this.

Jim Kern said that there had been a My Telemedicine presentation to the Steering Committee (SC) and to the Board at its last meeting. He said that the SC is recommending the program, however, there is an issue of timing.

Marc Waldman said that the Board will have to decide if it wants to adopt this program and if so, when.

Carol Cormier said that the MyTelemedicine program is a non-embedded program that has zero copays for member consults with Board certified physicians and no claims costs for WSHG. She said WSHG will be charged per contract per month fees and all expenses will covered by those payments. She said currently WSHG members have access to some telehealth programs through their health plan (embedded model) and must pay the copay for consults and WSHG pays the claims. She said that the non-copay model works very well with the HSA-Qualified High Deductible Health Plans.

Jeff Beane from MyTelemedicine/Access-A-Doctor described the program. He said in addition to giving members access to Board certified physicians, it also has a Behavioral Health component. Mr. Beane described the member outreach activities and mailings. He said communications are very important to get the program up and running. He said the program diverts unnecessary ER visits and claims costs.

There was a discussion.

Kevin Mizikar motioned to approve adoption of MyTelemedicine under a 2-year contract with the price as agreed upon (\$1.90 per subscriber per month) effective July 1, 2019.

Motion

Chuck Romboletti-Murphy seconded the motion. The motion passed by unanimous vote.

Jeff Beane said the Welcome Kits will go out to members the week before July 1st.

Health Plan reports:

Fred Winer, Tufts Health Plan said that the high income Medicare Part D monthly rate is being increased.

Erin Hayes said that she is taking a position in a different division of Tufts and introduced Lisa Despres who will be the new Tufts Account Executive for WSHG.

Other business:

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Marc Waldman said he will organize a small working group to review the investment policy and performance.

Christopher Coleman thanked Jim Kern for his leadership as Steering Committee Chair.

Jim Kern moved to adjourn.

Motion

Karen Jelloe seconded the motion. The motion passed by unanimous vote.

Marc Waldman adjourned the meeting at 11:26 AM.

*Prepared by Karen Carpenter
Gallagher Benefits Services*