

**West Suburban Health Group
Board Meeting**

Thursday, May 30, 2019 at 10:00 AM

Natick Community Senior Center
Natick, MA

Meeting Minutes

Board and Alternate Board Members in Attendance:

Marc Waldman, Board Chair	Town of Wellesley
Karen Jelloe	Town of Wrentham
Donna Lemoyne	Town of Wayland
Louise Miller	Town of Wayland
David Davison	Town of Needham
Jerry Lane	Town of Dover
Kevin Mizikar	Town of Shrewsbury
Dawn Fattore	Dover Sherborn RSD

Guests in Attendance:

Ruth Hohenschau	WSHG Treasurer
Michele Craemer	WSHG Wellness Consultant
Marianne Davis	Town of Natick Wellness Committee
Dorothy Blondiet	Town of Natick
Debbie Deegan	Town of Dedham
Lauren Bailey	Town of Dedham
Scott Szezebak	Town of Wellesley
Patty Joyce	Abacus Health Solutions
Julia LeBrun	Fallon Health
Patrick Flattery	Fallon Health
Katelyn Glennon	Fallon Health
William Hickey	Harvard Pilgrim Health Care (HPHC)
Mike Breen	Blue Cross Blue Shield (BCBS)
Lisa Despres	Tufts Health Plan
Fred Winer	Tufts Health Plan – Senior plans
Kate Sharry	Gallagher Benefit Services, Inc. (GBS)
Carol Cormier	Gallagher Benefit Services, Inc. (GBS)
David Kieser	Gallagher Benefit Services, Inc. (GBS)
Karen Carpenter	Gallagher Benefit Services, Inc. (GBS)

Board Chair Marc Waldman called the Board meeting to order at 10:06 AM.

Marc Waldman asked everyone to introduce themselves.

Approval of the minutes of the February 26, 2019 meeting:

Fred Winer said on page 4, under his report, it should read Part “D”, not Part “A”.

Jerry Lane moved to approve the minutes of February 26, 2019, as amended. with Mr. Winer’s correction.

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

Motion

Steering Committee vacancy:

Kevin Mizikar made a motion to nominate Louise Miller, Town of Wayland, to fill the Steering Committee vacancy.

Motion

Jerry Lane seconded the motion.

There were no other nominations, and the motion passed by a unanimous vote.

Marc Waldman said the vacancy of the Steering Committee Chairperson will be taken up at the next Steering Committee meeting.

Treasurers report:

Treasurer, Ruth Hohenschau, distributed and reviewed the financial reports through April 2019 (unaudited figures). She said the Trust Fund balance decreased by \$587K from the end of March to the end of April and said the member assessments received for FY19 was \$96,710,719. Ms. Hohenschau said the Trust Fund balance at the end of April was \$5,534,590. She noted the month of April was a 5-week month.

Ad Hoc Investment Committee report and recommendations:

Marc Waldman said following a discussion with the auditor, it was recommended to look at adopting a formal Investment Policy. He said Karen Jelloe, Jerry Lane, Carol Cormier (GBS), Ruth Hohenschau and himself volunteered to work on a draft to present to the Board. Mr. Waldman said the draft policy is included in the meeting materials and said some of the risk was removed from the policy by investing largely in fixed income rather than stock funds. He said if the Board approves the policy, there will be one paragraph in Article 10 of the Joint Purchase Agreement regarding investments which will need to be removed since the policy will be all inclusive. Mr. Waldman said a copy of Article 10 is also in the meeting packet.

Carol Cormier said today is the first reading of the proposed amendment to Article 10, and the Board will vote on it at its next meeting.

Karen Jelloe made a motion to approve the draft copy of the proposed WSHG Investment Policy.

Motion

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

GBS reports:

Carol Cormier reviewed the *Funding Rate Analysis* report with data through April 2019. She said the composite expense-to-funding ratio was 97.2%. She said that reinsurance reimbursements of \$2M were received and included in the surplus of funding of \$2.385 million.

Karen Carpenter reviewed the reinsurance report for FY2019 with paid claims date through April. She said 3 claimants exceeded the \$300K specific deductible with total claims of \$1.57 million and excess claims of \$672,789. She said the lasered claimant had not reached the \$1.5 million lasered deductible at this point and had claims totaling \$600,619.

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 \$2,543,850 million. She said WSHG has been reimbursed \$2,547,273 and owes the reinsurance pool \$3,423.

GBS WSHG Contract proposal for consulting and central benefits administration – Kate Sharry, GBS Area Vice President said GBS has had one of the longest client relationships with WSHG. She said the proposed contract changes are to change the names, addresses, titles to Gallagher Benefit Services, Inc. and changes to the fees. Ms. Sharry said historically, GBS has increased the fees by 3% for the 3-year renewal, but said the increase proposed is a 2% increase. She said the COBRA fees will remain the same as current for the next 3-years.

Marc Waldman said WSHG went through the RFP process for the last two GBS contract renewals. He said GBS is specialized in the consulting and central benefits administration areas for Joint Purchase Groups and were the only respondent to the RFPs at that time. Mr. Waldman said there isn't a market out there at this time and suggested signing the proposed renewal for this contract period.

Karen Jelloe made a motion to approve the GBS WSHG Contract for July 1, 2019 through June 30, 2022 as proposed.

Motion

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

Kate Sharry thanked the Board for its business and said GBS is happy to be able to continue working with WSHG.

Conflict of interest challenge – Carol Cormier said she wanted to make the Board aware of an issue that came up in one of her other Joint Purchase Groups (JPGs). She said one of its Board members received a challenge of a conflict of issue with receiving health insurance benefits through the JPG while serving on the Board. Ms. Cormier said the member phoned the Ethics Committee and said they agreed that it constituted a conflict and that a waiver of conflict would need to be filed. Ms. Cormier said the JPG contacted an attorney, who spoke with the Ethics Committee lawyers who held to their position. She said the attorney will be speaking with the MMA to see if it has any experience on this matter.

Ms. Cormier said she will keep everyone up to date on this topic..

Wellness program report:

Michele Craemer, WSHG Wellness Consultant, reviewed the FY19 wellness report summary and said new members joined the Wellness Committee. Ms. Craemer said new members are Kate Garabedian and Linda Ingram from the Town of Dedham. She said they join the current committee members, Marianne Davis from the Town of Natick, Mary Santiago from the Town of Needham and herself. Ms. Craemer said Miriam Johnson from the Town of Dedham will be missed.

Ms. Craemer thanked the health plan carriers for their support, noting the use of the Daily Endorphins Platform provided by Tufts Health Plan, the free screenings and wellness demonstrations provided by Fallon Health, the BCBS educational materials and the HPHC tickets provided to the Committee Members to attend the Worksite Wellness Council of MA Conference.

Marianne Davis said it is important to receive support from the upper management of the municipalities. She reviewed the FY20 proposed Wellness Budget and said the Committee is asking to level fund the programs at a budget total of \$116K.

Kevin Mizikar made a motion to approve the FY20 proposed Wellness Budget as requested.

Motion

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

In response to a question, Carol Cormier said the Wellness Budget is not figured into the health plan rates because the amount is a small portion of the overall total expenses.

Abacus Health Solutions report:

Patty Joyce distributed and briefly reviewed the report on the Diabetes Care Rewards program for calendar year 2019 with information through April 30, 2019. The report included demographics, medications and supplies spend, co-pay analysis, and outcomes metrics. She said \$258,985K was spent on prescription drugs through the program and estimated Rx savings were \$34,366K. She said 39% of the 167 members eligible to participate are enrolled in the program and 51% of those participating are adherent and receiving their medications and supplies at a \$0 cost to the member. Ms. Joyce talked about program incentives and Abacus's outreach to members. She reviewed the participant survey results and presented recommendations.

MMRA Meeting report:

Marc Waldman said the MMRA Board met yesterday and said the quarterly report is included in the meeting materials for review. He said the reinsurance arrangement is sustaining itself and briefly explained how the MMRA reinsurance pool works. Mr. Waldman said the increase to the premiums for FY20 is 3.6% with a separate deductible laser of \$1.5M for one reoccurring high cost member.

Mr. Waldman said the Board discussed ways to try to lower the cost of claims and said they will be researching a program to carve out high cost specialty drugs. He noted there is a new drug to treat a genetic disease which is going to cost \$1.5M for a single dose annually. Mr. Waldman said the item will be added to the fall agenda.

Carol Cormier said the MMRA will be holding a special meeting on August 22nd specifically to discuss this topic.

The MMRA meeting date was subsequently changed to Sept. 25th.

HSAQ plans – possible access to CanaRx for certain preventative meds:

Carol Cormier said currently, the HSA Qualified High Deductible Health Plan (HSAQ) plan members do not have access to the CanaRx program with the exception of obtaining the preventative medications at a copay. Ms. Cormier said she asked CanaRx to look at the preventative drug lists to analyze if there would be a savings to the group to offer them at a \$0 copay to HSAQ plan members. She suggested the Board could approve the concept now and give approval to add the program for July 2019 or later.

Kevin Mizikar made a motion to approve adding the preventative prescriptions through CanaRx at a \$0 copay to members on the HSAQ plans, if the analysis finds it to be a savings to the group.

Motion

Jerry Lane seconded the motion.

There was a discussion.
A vote on the motion passed unanimously.

Children & Adolescent Behavioral Health Initiative:

Lisa Despres, Tufts Health Plan, said the MA Division of Insurance (DOI) is requiring commercial health plans to provide coverage of certain adolescent mental health services through age 18. She said Tufts already covers some of the services and will be adding the additional services to its fully insured business. Ms. Despres said self-funded plans have the option to opt out.

Julia Lebrun, Fallon Health, said some of the services are to be added effective 7/1/19 and the other two services are slated to be added on 7/1/20. She said WSHG has the option to opt out.

Michael Breen said BCBS already covers most of the services, but will be adding the others as required. He said BCBS will be adding it to its fully insured and self-funded clients as applicable. Mr. Breen said there is not an opt-out available with BCBS for self-funded clients.

Bill Hickey, HPHC, said he will just need to know whether or not WSHG wants to add the additional services or not.

There was a discussion and the Board agreed to not add the new services to the HPHC, Tufts, and Fallon plans at this time and to review the claims information at the next rate setting meeting.

Bill Hickey said HPHC will include some of the impact in its renewals.

Health Plan reports:

Fred Winer, Tufts Health Plan, said that the \$10 Medicare tax that was removed in the past may be coming back for the CY20 renewals. He said he will keep everyone updated.

Patrick Flattery said Fallon Health is bringing back the Reliant Medical Group to its Fallon Senior Plan network.

Other business:

Marc Waldman asked the Board to think about looking at someone to replace him as the Board Chair sometime in the next three years.

Jerry Lane said he would like to see a comparison of the enrollment numbers from last year to this open enrollment season.

Kevin Mizikar moved to adjourn.

Motion

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

Marc Waldman adjourned the meeting at 11:36 AM.

Gallagher Benefits Services