

West Suburban Health Group Board Meeting

Tuesday, October 18th, 2022 at 2:00 PM
Meeting by Virtual Participation

Meeting Minutes

Board and Alternate Board Members in Attendance:

Kevin Mizikar, Board Chair
Gerry Lane
Dawn Fattore
Mary Bousquet
Jon Marshall
Chuck Murphy-Romboletti
Donna Lemoyne
Amy Frigulietti

Town of Shrewsbury
Town of Dover
Dover Sherborn RSD
Town Of Holliston
Town of Natick
Town of Needham
Town of Wayland
Town of Wellesley

Guests in Attendance:

Rich Bienvenue
Michele Craemer
Debbie Deegan
Kathleen Buckley
Cheryl Ingersoll
Justine Hunt
Mark Nicholson
Patrick Flattery
Robert Knowles
Mike Breen
Candis Dixon
Lisa Despres
Fred Winer
Diana Hernandez
Amy Bickford
Patty Joyce
Chris Collins
Jim Riley
Joseph Anderson
Marianna Gil
Karen Quinlivan

WSHG Treasurer
WSHG Wellness Consultant
Town of Dedham
Town of Holliston
Town of Holliston
Town of Needham
Harvard Pilgrim Health Care (HPHC)
Fallon Health – Senior plans
Blue Cross Blue Shield (BCBS)
Blue Cross Blue Shield (BCBS)
Blue Cross Blue Shield (BCBS)
Tufts Health Plan
Tufts Health Plan
Tufts Health Plan
Abacus
Abacus
CanaRx
CanaRx
Gallagher Benefit Services, Inc. (GBS)
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Board Chair Kevin Mizikar called the Board meeting to order at 2:04 PM.

Mr. Mizikar reminded those present that the meeting was being recorded and asked if there were any objections. There were none. Roll call was taken with voting attendees listed as:

Kevin Mizikar, Board Chair	Town of Shrewsbury
Gerry Lane	Town of Dover
Dawn Fattore	Dover Sherborn RSD
Mary Bousquet	Town Of Holliston
Jon Marshall	Town of Natick
Chuck Murphy-Romboletti	Town of Needham
Donna Lemoyne	Town of Wayland
Amy Frigulietti	Town of Wellesley

Approval of the minutes of the August 24th, 2022 meeting:

Jon Marshall moved to approve the minutes of the August 24th, 2022 Board meeting.

Motion

Chuck Murphy-Romboletti seconded the motion.

There was a roll call vote on the motion:

Kevin Mizikar, Board Chair	Yes
Gerry Lane	Yes
Dawn Fattore	Abstain
Mary Bousquet	Abstain
Jon Marshall	Yes
Chuck Murphy-Romboletti	Yes
Donna Lemoyne	Yes
Amy Frigulietti	Abstain

The motion passed by a majority vote.

Treasurers report:

Treasurer Rich Bienvenue reviewed the FY22 financial statements of June 30th, 2022 (unaudited figures). He said the new accounting system was up and running as of March 31st. The group ended June down approximately \$3.3M, leaving a fund balance of \$17M. That represents about 15.5% of the claims incurred for the year. Not a bad fund balance but not an astronomical amount that some groups have seen in recent years. There is a date scheduled with the auditor for mid-November. There are several items that are subject to change. Claims incurred but not reported may be adjusted. The estimated \$9M may be adjusted based on the actual runout. The reconciliation with the MMRA may also lead to an adjustment.

The FY23 financial statement through August 31st, 2022 (unaudited figures) shows a \$1.5M loss for the first two months. Claims experience has not been great, and the investments have had a tough time. There was a recovery in July, but a decline in August shows the group is up \$111,000 for the year. This is coming off of a historically poor-performing period. The group is at 15.5% of the fund balance, so cash flow is not a problem at the moment. If there is continued use of fund balance and continued use of cash, at some point, the group might want to evaluate.

Kevin Mizikar said the \$3.2M loss is consistent with the anticipated result when setting the FY22 rates. FY23 was even more challenging with the departure of Fallon. Mr. Mizikar was concerned with losses for the first two months. He asked if the Treasurer's procedures differed from the prior Treasurer's.

Mr. Bienvenue said that Ruth Hohenschau had been reporting the amount the group paid each month to Blue Cross and did a quarterly true-up to the amount on settle-up, whereas he records the amounts as you go. For two months, owing \$3.8M is pretty substantial. Blue Cross claims were relatively high, but that is coming off of the migration, and their deposit was probably not estimated high enough. A member unit also withdrew, so member premiums are slightly lower.

GBS reports:

Joseph Anderson reviewed the FY23 Funding Rate Analysis report with data through August 31st, 2022. He said that on a paid claims basis the expense-to-funding ratio across all self-funded plans was 106.2%, with a deficit of rate revenue over major expenses of \$908,001. The second month of Fallon runout claims was relatively high. There was \$1.2M between two members in incremental costs. Looking ahead to September, it appears to be more in line with anticipated numbers. Harvard Pilgrim was high out of the gate. Fallon administrative charges will be there for the first four months and then those will drop off.

Karen Quinlivan reviewed the FY22 reinsurance reports through August. She said 11 claimants exceeded the \$400K specific deductible with total claims of \$7,642,123 and excess claims of \$3,242,123. Ms. Quinlivan said that WSHG received \$1,375,643 in reinsurance reimbursements and has an outstanding balance due of \$1,866,480. She said there were 46 members with each having claims between \$200K and \$400K, with total claims of \$8,268,862. There were no members in excess or on the 50% report yet for the FY23 period.

Senior Plan Rates for CY23:

Joe Anderson said that WSHG offers 7 senior plans to Medicare-eligible retirees. Three are self-funded for the medical claims and fully-insured for the prescription drug claims. The other 4 plans are all fully insured. Of the 3 self-insured Medical plans, he reviewed rate calculations. For Medex, the GBS CY23 projected claims were \$185.02. The proposed BCBS Administrative Fee was \$26.16. The estimated GBS fee for CY23 was \$4.82. The CY23 Blue Medicare Rx premium is \$192.71. The GBS total proposed funding rate was \$393.23, a 3.1% decrease from the prior year. Using the same components but with the BCBS medical claims projection, the BCBS total projected rate is slightly higher than the GBS rate at \$400.92. The current rate is \$405.00. The recommendation is to hold the rate at the current rate.

Harvard Pilgrim Medicare Enhance had GBS projected CY23 claims of \$170.50. The HPHC proposed Administrative Fee was \$36.94. The CY23 Aetna PDP Rx premium was \$199.65. The GBS total proposed funding rate was \$411.91. The Harvard Pilgrim projection was \$409.80. The current rate is \$389.00. The recommendation was to increase the rate by 3.1% to \$401.00.

Tufts went to self-insured at the beginning of the year and there are not yet two full years of claims. Tufts anticipated claims from the prior year were trended forward. GBS projected CY23 claims were \$159.90. The Tufts proposed Administrative Fee was \$22.56. The CY23 PDP Rx premium was \$194.00. The GBS total proposed funding rate was \$381.28. The current rate is \$387.00. The recommendation was to keep the rate at \$387.00

Rates from the previous year were reviewed in terms of where the group stands compared to current rate projections.

Kevin Mizikar said that the increases are acceptable in the grand scheme of things.

The fully-insured rates were reviewed next.

Blue Cross – Joe Anderson said there are currently only 179 members in Managed Blue for Seniors. The total proposed rate for CY23 for Managed Blue for Seniors is a 1% increase at \$387.07.

Tufts Health Plan – This plan has a 4.2% increase on the Medicare HMO Prime Rx for CY23. The rate is increasing from \$356 to \$371.

Fallon Health – Fallon Medicare Plus Premier had a 0% increase to stay at \$328. The Fallon Medicare Plus Central rate is staying the same at \$243.

Gerry Lane asked if the Managed Blue for Seniors rate could be rounded to even pennies.

Mike Breen said he would see what he could do.

Dawn Fattore motioned to accept the rates as presented with an adjustment for pennies on Managed Blue for Seniors.

Motion

Chuck Murphy-Romboletti seconded the motion. There was a roll call vote.

Kevin Mizikar, Board Chair	Yes
Gerry Lane	Yes
Dawn Fattore	Yes
Mary Bousquet	Yes
Jon Marshall	Yes
Chuck Murphy-Romboletti	Yes
Donna Lemoyne	Yes
Amy Frigulietti	Yes

The motion passed by unanimous vote.

Wellness report:

Michele Craemer, Wellness Consultant, presented an FY23 overview report through October. Per meetings with the health carriers, the highest claims affecting wellness are hypertension, high cholesterol, diabetes, obesity, cancer, and depression/mental health. Awareness is tailored to these topics for community-wide programming. Wellness Awareness flyers have focused on foods that fight inflammation, hydration, lifestyle choices for decreasing cancer risk, and healthy sleep tips. The Fit Fall 22 community fitness challenge was a team competition using the Tufts Daily Endorphin platform with 187 participants. Meditation using the Tufts video program runs from November 14 through December 14. Maintain Don't Gain will focus on weight management through the holidays. Tentative programming using BCBS wellness credits in the New Year will focus on nutrition, exercise, mindfulness, and stress management. Each community has its own wellness budget. All the brochures from the health providers have been sent to the liaisons, so hopefully, they can take advantage of the available programming.

The March Awareness Flyer addressed exercise benefits and implementation. April was all about stress awareness and mindfulness. The Gratitude program through Tufts had 93 participants, with 60 viewing and participating in all videos and gratitude exercises. There are currently 128 people participating in Be the Best You in 2022 with a focus on exercise and nutrition. On April 26th there will be a nutrition seminar with a registered dietician. Sound meditation has been implemented at Accept Collaborative. Workstation ergonomics are currently being explored, as well as blood pressure screenings.

Abacus report on the Diabetes Care Rewards Program:

Patty Joyce was traveling, so Amy Bickford reviewed the dashboard report on the Good Health Gateways Diabetes Care Rewards program through August 31st, 2022. Member engagement continues to be strong for WSHG. The program has been offered for twelve years. There were 150 members enrolled in the program, with 87 members adherent to program requirements. The group is slightly behind the program goal of 35% registration of eligible members. Adherence remains strong, with 41% of registered members meeting all program requirements. Adherence average for municipalities is 43%. Of the enrolled members, 68 are identified as high risk from claims data. Of those members, 60% have met program requirements. There were 941 medications and supplies distributed to adherent members with \$17,238 in waived copays. Rebates distributed a total of \$137,367.76 back to the group. Right now, a registration incentive is underway that gives a \$50 gift card for registration in the program. Diabetes Awareness Month is coming up in November and a flyer will be distributed.

Health plan updates:

Tufts - Fred Winer said that the switch to self-insured worked out well and WSHG came in better than other joint purchase groups. Emails are ready to go with PDFs and plan highlights and formularies. All members are moving to Optum Rx on January 1st, so all will receive new ID cards.

Lisa Despres said that the same pertains to the active members. All will receive new cards and notifications will be going out. It should be a seamless transition. The only information that needs to be updated is the banking info on mail-order prescriptions.

Harvard Pilgrim - Mark Nicholson said they also switched to Optum for specialty drugs. They were already on the Optum network for the traditional pharmacy. All impacted members will be notified.

Blue Cross - Mike Breen said it is the same for Blue Cross with CVS Caremark as the new PBM.

CanaRx - Jim Riley said that savings through September were \$211,500. It is down \$32,000 from the same time last year, but a unit departed and more data is coming in about which marketing campaigns have the best results. As recommendations become clear, suggestions can be made.

Fallon - Patrick Flattery said that there is a change in the relationship between Fallon and UMASS that starts on January 1st, 2023. UMASS has changed what insurance the primary care physicians directly employed by UMASS will accept. They are grandfathering in all Fallon members enrolled before January 1st, 2023, but new members cannot have a PCP UMASS directly employs. Unfortunately, a letter coming out is more confusing than helpful.

Other Business:

Kevin Mizikar asked Joe Anderson to discuss the Limited Network High Deductible plan.

Mr. Anderson said that when Fallon exited the market, they offered broad and limited network plans for both the standard and high deductible plans. Blue Cross has been building a brand new product for them, which would model the limited network high deductible plan. The target date was January 1st, 2023. The price point was 7% below the broad network on the qualified high-deductible plan. Many units bargained in good faith that this would be an offering as of January 1st, 2023. The current year has had many things going on with the joint purchase group and the carriers in terms of experience. For what the group can expect, he asked Robert Knowles, Director of Municipal business at Blue Cross, to provide an update.

Robert Knowles said that the product folks have made tremendous progress and it will be ready to go live on January 1st, 2023. There is also a current transition from Express Scripts to CVS Caremark for PBM as of January 1st, 2023. It is in the final stages of completion. All members will be receiving new ID cards. Moving people simultaneously due to a special open enrollment may be confusing.

There was discussion.

Kevin Mizikar said that the town of Shrewsbury had included that plan in bargaining and would like to offer it for January 1st, 2023. Many other units said they would wait until July open enrollment.

Mr. Knowles said that the plan could be offered and would need confirmation in several days from Shrewsbury. Jon Marshall asked if there was an update on the COBRA transition to Flex Corp.

Karen Quinlivan said that Flex had set everything up in the portal, and they were on a final audit process on all group numbers loaded into their system. They were asking for a few more days to get that finalized. When complete, qualifying events can be submitted directly to Dina Kooki at Flex and they can process if units have issues with the system.

Mr. Marshall also asked for a follow-up on using technology to help communities enroll.

Joe Anderson said there had been an internal meeting and there would be meetings with each carrier on the topic. It is in the aspiration stage, but there have been pilots in other parts of the state. This is a hot topic and there is a desire to use technology for more control of the process. Operational functions are being looked at for avenues of improvement.

There was no other business

Jon Marshall motioned to adjourn.

Motion

Gerry Lane seconded the motion.

There was a roll call vote on the motion.

Kevin Mizikar, Board Chair	Yes
Gerry Lane	Yes
Dawn Fattore	Yes
Mary Bousquet	Yes
Jon Marshall	Yes
Chuck Murphy-Romboletti	Yes
Donna Lemoyne	Yes
Amy Frigulietti	Yes

The motion passed by unanimous vote.

Chair Kevin Mizikar adjourned the meeting at 3:22 PM.

*Prepared by Karen Quinlivan
Gallagher Benefit Services, Inc. (GBS)*