

**West Suburban Health Group  
Steering Committee Meeting**

Wednesday, March 30, 2022 at 9:30 AM  
*Meeting by Virtual Participation*

**Meeting Minutes**

**Steering Committee Members in Attendance:**

Kevin Mizikar, Chair	Town of Shrewsbury
Jerry Lane	Town of Dover
Jon Marshall	Town of Natick
Chuck Murphy-Romboletti	Town of Needham
Louise Miller	Town of Wayland
Amy Frigulietti	Town of Wellesley

**Guests in Attendance:**

Ruth Hohenschau	WSHG Treasurer
Anne Costello	WSHG Asst. Treasurer
Richard Bienvenue	CCMHG Treasurer
Donna Lemoyne	Town of Wayland
Cheryl Houle	Town of Holliston
William Hickey	Harvard Pilgrim Health Care (HPHC)
Mike Breen	Blue Cross Blue Shield (BCBS)
Erin Castagnozzi	Blue Cross Blue Shield (BCBS)
Lisa Despres	Tufts Health Plan
Julia Lebrun	Fallon Health
Patrick Flattery	Fallon Health
Michael Hurley	PinnacleCare Inc.
Chris Collins	CanaRx
Jim Riley	CanaRx
Carol Cormier	Gallagher Benefit Services, Inc. (GBS)
Joseph Anderson	Gallagher Benefit Services, Inc. (GBS)
Karen Quinlivan	Gallagher Benefit Services Inc. (GBS)

Chair Kevin Mizikar called the Steering Committee meeting to order at 9:32 AM.

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 for voting attendees listed as:

Kevin Mizikar, Chair	Town of Shrewsbury
Jon Marshall	Town of Natick
Chuck Murphy-Romboletti	Town of Needham
Amy Frigulietti	Town of Wellesley

**Approval of the minutes of the December 6, 2021 meeting:**

Chuck Murphy-Romboletti moved to approve the minutes of the December 6, 2021 Steering Committee meeting as presented.

Motion
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Jon Marshall seconded the motion.

There was a roll call vote on the motion:

Kevin Mizikar, Chair	yes
Jon Marshall	abstain
Chuck Murphy-Romboletti	yes
Amy Frigulietti	yes

The motion passed by majority vote.

**Treasurers report:**

Ruth Hohenschau, Treasurer, reviewed the financial statements of February 28, 2022 (unaudited figures). The Fund Balance decreased for February by \$601,331. Ms. Hohenschau reported a Fund Balance (Net Position) on February 28, 2022 of \$19,952,331. There was an increase in net position from January of \$629,863. There is trend however, of three consecutive months of declining fund balance.

**Process of Replacement of the current Treasurer who is retiring:**

Kevin Mizikar said that Ruth Hohenschau has been looking to retire as Treasurer of the West Suburban Health Group and the Group is looking to take some action today.

Carol Cormier said that WSHG has had the pleasure of having Ruth serve as Treasurer for over 20 years. Anne Costello has been her assistant for most of those years. There are currently two people interested in the position. Anne Costello, Assistant Treasurer is interested as well as Richard Bienvenue. CPA. Richard is the current Treasurer of the Cape Cod Municipal Health Group. His resume had been submitted for review. Ms. Cormier introduced Mr. Bienvenue to tell some things about himself and show some of the reporting he has been doing for CCMHG.

Mr. Bienvenue introduced himself and commented that the reporting done by Ruth Hohenschau was very complete and thorough. He explained that for the groups that he works with, he uses an online accounting program called Xero. All reports are generated out of Xero to improve efficiency of the monthly work for financial reporting. That is combined with a drop box so that you have complete electronic files and everything can be done remotely. If there is ever a need for transition, passwords and subscriptions can go to wherever it needs to go with minimal trouble. The audit process at the end of the year is also electronic. Mr. Bienvenue works with Tony Roselli, the same auditor as West Suburban has used for the FY2021 audit. Mr. Bienvenue showed an example of the financial reports provided for CCMHG. He indicated that reports could be customized to make it look like what the Group wants. The system can be set up with the balances from the February report. Information from prior months can be secured to have everything needed for the audit.

Carol Cormier asked about his working with Anne Costello.

Mr. Bienvenue said that he would be willing to work in whatever capacity the Group wishes. In many joint purchase groups there are management letter comments on audit referring to the segregation of duties. Having two people involved is a strong internal control in the process and avoids those comments. One other thing Mr. Bienvenue mentioned is that transactions are downloaded directly from the bank into Xero. This minimizes manual input errors that have to be resolved later on. Transactional access can be

granted to those at various levels that need it. Coordination of paper records transfer and backup of current QuickBooks files can be done with Ruth Hohenschau.

Jon Marshal motioned to appoint Richard Bienvenue, CPA as Treasurer of the WSHG upon successful agreement of details with Kevin Mizikar and Gallagher.

Motion

Amy Frigulietti seconded the motion. There was a roll call vote.

Kevin Mizikar, Chair	yes
Jon Marshall	yes
Chuck Murphy-Romboletti	yes
Amy Frigulietti	yes

The motion passed by unanimous vote.

### **GBS reports:**

Carol Cormier reviewed the FY22 *Funding Rate Analysis* report with data through February 28, 2022. She said that on a *paid claims basis* the expense-to-funding ratio across all self-funded plans was 96.1% with a surplus of rate funding over major expenses of \$3,070,866. There were \$2,945,909 in reinsurance reimbursements paid during the report period mostly from the prior policy year.

Karen Quinlivan reviewed the FY21 reinsurance reports. She said 24 claimants exceeded the \$300K specific deductible with total claims of \$12,960,030 and excess claims of \$5,760,030. Ms. Quinlivan said that WSHG received \$5,015,209 in reinsurance reimbursements and has an outstanding balance due of \$744,821. There were \$104,785 in denied claims and adjustments which leaves an actual outstanding balance of \$849,605.95. She said that there were 53 members each with claims between \$150K and \$300K with total claims of \$10,730,972. Ms. Quinlivan reviewed the same reports for FY22. She said 4 claimants exceeded the \$400K specific deductible with total claims of \$2,783,781 and excess claims of \$1,183,781. Ms. Quinlivan said that WSHG received no reimbursements yet for FY22 and has an outstanding balance due of \$1,183,781. She said that there were 13 members each with claims between \$200K and \$400K with total claims of \$2,814,909.

*Jerry Lane, a voting member joined the meeting at this time.*

### **Issues regarding the loss of Fallon Health- provider search tools and information:**

Joe Anderson said that his project, like everyone else's, is to prepare for open enrollment season. Needham is a first mover with a virtual open enrollment starting tomorrow before April even starts. Wellesley is April 4<sup>th</sup> to the 29<sup>th</sup>. The majority of WSHG employers are getting it done during April. Gallagher has been meeting with Blue Cross and its implementation team. Carolyn Condon, Candis Dixon, Erin Castagnozzi and Mike Breen are on the call today in order to identify flaws in the process and correct them before the majority of the units are live in the open enrollment process. The Transparency Act which the government enacted to go live on January 1<sup>st</sup>, 2022 provided a requirement for carriers to maintain assurance that data elements for the providers are up to date. Lacking provider responses after repeated outreach to them, the carriers suppressed providers from the search tool pending receipt of information. Some members were experiencing problems when researching their providers and they could not be found. Blue Cross identified 290 providers that were on the suppression list that needed to be added back on. That should be a non-issue going forward.

Karen Quinlivan said that Rates, comp charts, SBC's and information about a BCBS member decision support line have all been sent out. The number is staffed Monday through Friday between 8:00 AM and 6:00 PM.

Joe Anderson said that most entities are having passive enrollment with Fallon members being automatically mapped to Blue Cross if they do not complete an enrollment form. Units can submit any enrollment forms for processing and after a reasonable point, a mapping file will be sent to Blue Cross of the remaining Fallon members. All attempts will be made to avoid overlapping if a member submits a form after the mapping file is created.

The Fallon contract calls for an administrative charge for them to continue to administer the 12 months of runout claims and stop loss reporting. The fee that is associated with that transition is equal to four months administrative charges. Re-pricing of the Fallon administrative fees has been requested by Gallagher in recognition that it is not a normal year.

Mike Breen said that Blue Cross noticed that there was a typo on the benefit summary for the Network Blue Select Plan. It did not include the higher priced hospital copay and that is being fixed. It will be released as soon as fixed. There are three hospitals that are in the higher priced option that are not on the regular Select Network. WSHG will have a custom link to the hospital network.

Erin Castagnozzi said that BCBS is working to restore all 290 providers to the search tool by April 1<sup>st</sup>.

**Cost saving programs including expert medical advice and bill negotiation services, dependent eligibility audits, and others:**

Carol Cormier said that WSHG belongs to the Massachusetts Municipal Reinsurance Arrangement (MMRA). One of the programs that came to the attention of the participating Groups was a program called PinnacleCare. Michael Hurley, Senior Vice President of Sales for PinnacleCare is in the meeting. From a member's perspective this is a concierge service that is geared towards assisting members who are faced with a diagnosis they may need help with in terms of walking them through the difficult process of finding the most appropriate doctors, obtaining medical records, scheduling appointments and consultations for second opinions and diagnosis confirmation and treatment. Ms. Cormier said that she hoped the Steering Committee will want to put this on the Board agenda. CCMHG has already approved the program and is in the process of implementing it for its 53 governmental entities.

Michael Hurley briefly explained the PinnacleCare service to the group. They have been in business 21 years providing white glove concierge service to members and their families when someone is faced with any sort of a diagnosis. They have relationships with over 130 Centers of Excellence across the country. They partner with 27 academic medical centers to do written second opinions and 4,500 specialists do virtual appointments as well. The focus is on treatment decision support and navigation, health advisory and advocacy as well as medical record collection. Records can be collected in one to two business days. Of all second opinions that they do, 28% result in a new diagnosis and cancer has a 30% new diagnosis rate. That means a savings from incorrect treatments as well as wasteful spend to the medical plan as well. Across the book of business, PinnacleCare has a 3:1 ROI currently. Another service provided is bill negotiation services for any member with medical bills above \$800. Members can be put on affordable payment plans

Kevin Mizikar said that it sounded like a great program but like many others, the challenge is getting employees to engage and actually use the service. He asked what support there is in that regard.

Michael Hurley said that they have experience working with municipalities. Home mailers can be sent out as well as flyers for benefit fairs, webinars etc. There can be education with Benefit Administrators to

be aware of the program and materials can be provided to them for distribution. They are the opposite of an insurance product and want as much utilization as possible.

Carol Cormier said that she personally used the program in 2021 and highly recommends it.

Kevin Mizikar said that he agreed that the program should be brought before the Board.

**Health Plan and Vendor Reports:**

Harvard Pilgrim – Mr. Hickey said that Point32 Health is available for health fairs and although passive enrollment is easier in this plan year with the exit of Fallon, Harvard Pilgrim would like to have the opportunity to show the benefits of joining Harvard Pilgrim or Tufts.

Tufts – Lisa Despres echoed what Bill Hickey said and said that they are available for health fairs. Fred Winer wanted to thank Linda Clark in Natick for her many years of dedicated service and wished her well in retirement.

CanaRx –Chris Collins said that they are available for in-person benefit meetings or open enrollment needs.

**Other Business:**

Carol Cormier said that the group has done eligibility audits in the past. The last one was a dependent eligibility audit done four years ago. It needs to be done more frequently than that. An RFP can be issued in the fall if the Group decides to do it. PinnacleCare will also require an RFP. They were the only responder for the Cape Cod Municipal Health Group's RFP.

Ms. Cormier also mentioned that the town of Wrentham is leaving WSHG effective July 1 and they will have to pay the WSHG the first month of runout claims. That payment would be made in September for claims paid in July.

There was no other business.

Jon Marshall motioned to adjourn.

Motion
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Amy Frigulietti seconded the motion.

There was a roll call on the motion.

Kevin Mizikar	yes
Gerard Lane	yes
Jon Marshall	yes
Chuck Murphy-Romboletti	yes
Amy Frigulietti	yes

The motion to adjourn passed by unanimous vote.

Chair Kevin Mizikar adjourned the meeting at 10:45 A.M.

*Gallagher Benefit Services, Inc. (GBS)*