

West Suburban Health Group Board Meeting

Wednesday, July 12th, 2023 at 2:00 PM
Meeting by Virtual Participation

Meeting Minutes

Board and Alternate Board Members in Attendance:

Kevin Mizikar, Board Chair	Town of Shrewsbury
Gayle McCracken	Town of Dedham
Dawn Fattore	Dover Sherborn RSD
Kathleen Buckley	Town Of Holliston
Jon Marshall	Town of Natick
Dave Davison	Town of Needham
Meghan Jopp	Town of Wellesley

Guests in Attendance:

Rich Bienvenue	WSHG Treasurer
Michele Craemer	WSHG Wellness Consultant
Cheryl Houle	Town of Holliston
Dorothy Blondiet	Town of Natick
Debbie Deegan	Town of Dedham
Michael McCall	Town of Wayland
Nicholas Hawes	Town of Shrewsbury
Aimee Carnicelli	Town of Natick
Justine Hunt	Town of Needham
Tatiana Swanson	Town of Needham
Kelsi Power	Town of Wayland
Mark Nicholson	Harvard Pilgrim Health Care (HPHC)
Candis Dixon	Blue Cross Blue Shield (BCBS)
Julie Raymond	Tufts Health Plan
Fred Winer	Tufts Health Plan
Patty Joyce	Abacus Health Solutions
Chris Collins	CanaRx
Jim Riley	CanaRx
Joseph Anderson	Gallagher Benefit Services Inc. (GBS)
Marianna Gil	Gallagher Benefit Services Inc. (GBS)
Karen Quinlivan	Gallagher Benefit Services Inc. (GBS)

Board Chair Kevin Mizikar called the Board meeting to order at 2:03 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
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Gayle McCracken
Dawn Fattore
Kathleen Buckley
Jon Marshall
Dave Davison

Town of Dedham
Dover Sherborn RSD
Town of Holliston
Town of Natick
Town of Needham

Approval of the minutes of the February 15th and March 3rd, 2023 meetings:

Dave Davison moved to approve the minutes of the February 15th and March 3rd, 2023 Board meetings.

Motion

Gayle McCracken seconded the motion.

There was a roll call vote on the motion:

Kevin Mizikar, Board Chair	Yes
Gayle McCracken	Yes
Dawn Fattore	Yes
Kathleen Buckley	Yes
Jon Marshall	Yes
Dave Davison	Yes

The motion passed by unanimous vote.

Treasurers report:

Treasurer Rich Bienvenue reviewed the FY23 financial statements of May 31st, 2023 (unaudited figures). He said May was a positive month as far as claims were concerned. There has been a slight improvement in position. It has been a down year followed by a prior down year. Cash and investments and working fund deposits were shown through May 31st. Premiums receivable are negative because people have paid in advance for June, which shows as a credit. Mr. Bienvenue reemphasized that the group is trying to maintain an investment portfolio at UBS and the cash shown on the page is really an advance. Less the \$5 million that is paid in advance, cash flow is tight without accessing those UBS investments. Timely payments to the trust are important. If payments come in at the beginning of the month, it allows him to process and pay all the bills the first week of the month. At the bottom of the page, there is also a negative amount to Blue Cross Blue Shield. That represents relatively good claims experience for the last quarter through May, which will help with cash flow next month when the settlement with Blue Cross occurs. The group will be owed \$2.2 million. Earnings through May are a deficit of \$3.7 million, which is about on par with last year. The trend is positive for the last several months as far as claims experience, so equity is at \$11.5 million as of May 31st. The representative from UBS would like to present to the Steering Committee or Board at some point in the future. The auditor is just about finished with the FY22 audit and will move on to FY23 and move forward on a timelier schedule.

GBS Reports:

Joseph Anderson reviewed the FY23 Funding Rate Analysis report with data through May 31st, 2023. He said that the data for Harvard Pilgrim is not complete. There is some data from April and nothing for May or June. He asked Mark Nicholson to provide an update on where they stand.

Mark Nicholson said they will send over stop loss extracts to the vendor and Gallagher beginning next week. Some reporting is now available. There was a large backlog of claims that they are working on and getting resolved. It is hoped that everything will be back to normal and up to date within the month.

Joe Anderson said that on a paid claims basis the expense-to-funding ratio across all self-funded plans was 103.5%, with a deficit of rate revenue over major expenses of \$3,683,650. There is uncertainty about how the year-end numbers will be impacted since Harvard Pilgrim has been running hot. The group is now into the funding cadence of July, so that 10% rate increase will positively impact the trust. The hope is that claims normalize and stability will improve the trust. Large claimants will make a difference.

Karen Quinlivan reviewed the FY22 reinsurance reports through May. She said 11 claimants exceeded the \$400K specific deductible with total claims of \$7,645,556 and excess claims of \$3,245,556. Ms. Quinlivan said that WSHG received \$3,242,613 in reinsurance reimbursements and has an outstanding balance due of \$2,943.40. She said there were 49 members with each having claims between \$200K and \$400K, with total claims of \$13,280,969. The same report for FY23 had 9 claimants that exceeded the \$400K specific deductible with total claims of \$4,660,316 and excess claims of \$1,060,316. Reimbursements of \$89,227.74 have been received, so the outstanding amount due is \$971,089. There were 31 claimants on the 50% report with updated paid claims of \$8,308,080.

Joe Anderson said that at the last meeting, there was a question posed about the migration that the open enrollment induced from various carriers with the notion that Blue Cross, being the lowest-price carrier, would be attractive. Blue Cross enrollment increased, but not a lot. The small migration means the trust has no significant financial impact, with Blue Cross being the lowest-priced carrier. If there were a large migration, then funding would be impacted based on the rates as they were set. As a result of open enrollment, WSHG is in the neighborhood of about 3.35% less funding due to migration. The overall annual impact is approximately \$1,000,000. Blue Cross is now nearly 2/3 of the total funding for the group. High deductible plans are also a factor as they have a lower funding engine. The percentage of penetration is only about 32%. Some communities favor it, while others have not had the opportunity to craft strategies to direct employees there. All of these factors will be watched as the year progresses.

Meghan Jop, a voting member, joined the meeting at this time.

Jon Marshall asked for monthly updates on the funding analysis and Treasurer report so the group can be informed timely on claims and trust performance.

Wellness report:

Michele Craemer, Wellness Consultant, presented an FY23 overview report through June. At the beginning of the year, there was a 30-day challenge that Blue Cross helped to coordinate, which was successful with 137 participants. In March and April, there were webinars that focused on detoxifying your diet and mastering meal planning. There were 65 for the first and 143 for the second live webinar. There was a link that was active for 30 days as well. Monthly newsletters focused on seasonal wellness and topics related to West Suburban Health Group claims. Those were nutrition, stress management, mental health, and hydration. Moving forward, Tufts was consulted about using a platform called Fitness Challenger, a new platform to do the three annual challenges community-wide.

The annual budget was addressed and level funding is being requested for FY24. Each of the communities received \$6,000 for doing their own community wellness. The Wellness Coordinator position is also level-funded at \$38,400 for the fiscal year with a total annual budget of \$110,000.

Dave Davison asked if there were reports to support that Wellness results in savings or avoided costs to the group.

Joe Anderson said that this is a question addressed at many of the joint purchase groups, but it is difficult to get ROI on wellness and there is no clean answer. There is no clean report that can be provided that one could rely on. Wellness is difficult to quantify. There may be a report that can show condition categories that drive claims that can be linked back to how wellness programs are focusing on those conditions, but ROI is not possible.

Approval of the Wellness Budget for FY24:

Dave Davison moved to approve the FY24 level-funded \$110,000 wellness budget as presented.

Motion

Dawn Fattore seconded the motion.

There was a roll call vote on the motion:

Kevin Mizikar, Board Chair	Yes
Gayle McCracken	Yes
Dawn Fattore	Yes
Kathleen Buckley	Yes
Jon Marshall	Yes
Dave Davison	Yes
Meghan Jop	Yes

The motion passed by unanimous vote.

Abacus Dashboard Report on the Diabetes Care Rewards Program:

Patty Joyce reviewed the dashboard report on the Good Health Gateways Diabetes Care Rewards program through April 30th, 2023. There were 624 members eligible for the program. Those are members on active health insurance with a diagnosis of Diabetes. There were 157 members enrolled in the program, with 86 members adherent to program requirements. Adherence remains strong, with 55% of registered members meeting all program requirements. Adherence average for municipalities is 38%. Of the enrolled members, 124 are identified as high risk from claims data. Of those members, 52% have met program requirements. 364 medications and supplies were distributed to adherent members with \$5,784 in waived copays. Rebates distributed a total of \$48,051.42 back to the group. Program promotion and outreach allow members to customize how they receive communications from the program. All channels of promotion and communications will be used going forward to promote the program throughout the coming year. There were 10 newly enrolled members in the last quarter. Some items looked at in the last year have been newsletters and asking for an email address upon enrollment so those can go out along with videos and links to recipes and diabetes tips. Information is sent out to the member units and it has been put on town websites, which is greatly appreciated. A weight loss program will be introduced in 2024 - a comprehensive, personalized program for long-term weight loss. More on that to come.

Health and Vendor Reports:

Tufts – Julie Raymond said that Tufts had evaluated based on regulatory guidance and parity. It was discovered that the WSHG does not currently cover Methadone maintenance for substance abuse disorder treatment services. The fully insured plans cover it currently. If the group decided not to cover it, they would need to sign an attestation form.

John Marshall asked if the group could have Gallagher gather more information before making a decision.

Meghan Jop asked if member communities could use Opioid funds received to subsidize the program.

That would be investigated but probably not manageable on the higher group level.

Fred Winer said that Jenny Craig is going out of business. Members can go to Weight Watchers or any other weight loss facility and still get the \$150 reimbursement. Dates will be filling up for fall benefit fairs before you know it, so if units have dates in mind, please let him know.

Blue Cross – Candis Dixon had no updates from Blue Cross.

CanRx – Jim Riley said that through May, the savings for the group was \$104,149, with monthly average savings of \$20,829. Employee savings were \$16,080, with the average of 76.21%. Currently, there are 77 members enrolled with 124 prescriptions filled.

Steering Committee overview and current vacancies and member community strategy meeting:

Kevin Mizikar said there has been a lot of turnover and new faces within the West Suburban Health Group. The Steering Committee is now down to two members. Since COVID and the practice of being stuck in a virtual meeting environment, there has been a lack of participation, possibly due to people not fully understanding the WSHG and what options the group has. With the hope of encouraging interest, Mr. Mizikar recommends a community-only strategy meeting to talk about the West Suburban Health Group, provide background, and discuss challenges the group has moving forward. The group will be moving to only two carriers sooner rather than later. One community has been lost over the last two years. There is still great value in the group and it should be a cohesive and engaged one. The Steering Committee plan is to have five members, just short of a full Board quorum. An annual budget of over \$110 million provides good value for the communities, and participation is highly encouraged. Part of that would also be to have a Steering Committee Chair different from the Board Chair.

There was discussion. The consensus was that a community-wide meeting would be a good idea to get everyone in the same room to address concerns and thoughts and get them all out on the table with the goal of finding a path forward.

Meghan Jop from Wellesley said she would be interested in filling the position on the Steering Committee vacated when Amy Frigulietti left the Town of Wellesley for the Town of Franklin.

Jon Marshall moved to appoint Meghan Jopp to the Steering Committee.

Kevin Mizikar seconded the motion.

There was a roll call vote on the motion:

Kevin Mizikar, Board Chair	Yes
Gayle McCracken	Yes
Dawn Fattore	Yes
Kathleen Buckley	Yes
Jon Marshall	Yes
Dave Davison	Yes
Meghan Jop	Yes

The motion passed by unanimous vote.

Other Business:

There was no other business.

Dave Davison motioned to adjourn.

Motion

Dawn Fattore seconded the motion.

Chair Kevin Mizikar adjourned the meeting by unanimous consent at 3:19 PM.

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