

Berkshire Health Group

Board Meeting #17-07

Lenox Town Hall
Lenox Massachusetts
Monday, March 27, 2017 at 9:30 a.m.

Meeting Minutes

Board and Alternates Present:

Mary Beverly, Chair	Town of Adams
Sharon Harrison, Vice-Chair	Berkshire Hills RSD
Christopher Ketchen	Town of Lenox
Rebecca Herzog	Berkshire County Insurance Group
Paul Sieloff	Town of Lanesborough
Janet Saddler	Town of Williamstown
Melissa Falkowski	Central Berkshire RSD
Chris Regan	Southern Berkshire RSD
Brenda Rondeau	Mount Greylock RSD

Guests present:

James Kelley, CPA	BHG Treasurer
Sandra Stankiewicz	Blue Cross Blue Shield of MA
Carol Cormier	Group Benefits Strategies
Karen Carpenter	Group Benefits Strategies

The Chair, Mary Beverly, called the meeting to order at 9:35 AM.

Approval of the Minutes of the meeting of February 27, 2017, (Meeting #17-06):

Janet Saddler moved to approve the minutes of February 27, 2017.

Brenda Rondeau seconded the motion. The motion passed by majority vote with Sharon Harrison abstaining.

Motion

Treasurer's Report:

Financial Statements for February 2017 - Jim Kelley, Treasurer, reviewed the financial reports for the period ending February 28, 2017 (unaudited figures). He said there was a one month loss of \$121K and a one month Investment increase of \$108K; whereas, the health and dental funds had a one-month combined loss of approximately \$229,000. He said that the Group's surplus is approximately \$8,857,000.

Review and Approval of the April 2017 Warrant Summary:

Carol Cormier reviewed the Warrant Summary for April and said that the total amount was \$3,419,819.

Brenda Rondeau moved to approve the April 2017 Warrant Summary.

Motion

Chris Regan seconded the motion. The motion passed by unanimous vote.

Wellness Program Report:

Shannon Ashcroft, Wellness Coordinator was unable to attend the meeting.

GBS reports:

Funding Rate Analysis (FRA) report - Carol Cormier reviewed the Funding Rate Analysis report with data through February 2017. She said that on a paid claims basis the expense-to-funding ratio was 91%, with a funding surplus of \$2.1 million. She said the expense-to-funding ratio for dental plans was also 91%.

Reinsurance reports – Karen Carpenter said there were 13 claimants in FY16 who had claims over the \$200K specific deductible with claims totaling \$4,235,604 and excess claims of \$1,636,982. She said that of that amount all but \$3,922 has been reimbursed to BHG. She said that members with claims between 50% and 100% of the deductible had claims totaling just short of \$3 million.

Ms. Carpenter reviewed the FY17 report of excess claims and said there was one claimant with claims exceeding the \$200K deductible with claims totaling \$202,503. She said the \$100,000 Aggregating Specific Deductible has not been met. Ms. Carpenter said there were 9 members with claims between 50% and 100% of the deductible. She said these claims totaled \$1,365,652.

Call for a vote on acceptance of proposed alternative prescription drug program:

Carol Cormier said she was provided a legal opinion from CanaRx’s attorney regarding the Treasurer’s concerns about the program. She said from the legal opinion from Attorney Kevin Feeley will be delayed. She said that there will be no contract between BHG and CanaRx. She said that the contract will be between CanaRx and each of the health plan member(s). Ms. Cormier said she would get back to the Board after providing Atty. Feeley with additional information. She distributed the CanaRx enrollment form that the member would sign authorizing and consenting to the program.

Janet Saddler made a motion to table the vote to review additional information and the attorney’s letter.

Sharon Harrison seconded the motion. The motion passed by a unanimous vote.

Motion

Cost saving measures and possible next steps and GIC changes for FY18:

Carol Cormier reviewed the BHG ongoing list of possible next steps and noted that BHG voted to eliminate the Value Plus plans and move to the Deductible plans for FY18. She said this July, the GIC will be increasing its deductibles to \$1,000 for Individual plans and \$2,000 for Family plans. Ms. Cormier said in addition, they will add a separate prescription deductible. Ms. Cormier also noted that three of the most popular GIC plans will be closed to new enrollments effective 7/1/17. She noted the GIC is going to put out a full RFP in FY18.

In response to a question, Ms. Cormier said that employers can use Chapter 32B, Sections 21 to 22 to make plan design changes up to the plan design level of the GIC’s Benchmark plan, currently the Tufts Navigator plan. She said adding a new plan would require traditional bargaining avenues, i.e. Ch. 150E, Ch. 32B, S. 19 coalition bargaining, or informal coalition bargaining if the unions agree to it.

Ms. Cormier said that the Governor may introduce legislation giving the GIC special provider pricing. She said if it happens, she would like to request that the same pricing be giving to Joint Purchase Groups. Ms. Cormier said GBS wants to set up a meeting with the Lt. Governor after the GIC has issued its RFP for FY19. She said once the RFP is out, its directions for the next few years will be known.

There was a discussion about a couple of Public Employee Committees (PEC) requesting the the employer sign an agreement to vote “no” if the BHG Board recommends future plan design changes.

Carol Cormier said the Board's vote is not subject to bargaining and it does not seem right or legal for a BHG participating employer to bind itself and the BHG to such an agreement. She suggested obtaining a legal opinion and asked for a copy of the PEC agreement.

The Board agreed to seek a legal opinion.

Ms. Cormier continued reviewing possible cost containment concepts for the future, including adding a telehealth program. She said the employer contribution to health plans is where the employers have the potential to save the most money.

Paul Sieloff said he would like to have communication materials that could be sent to members about Urgent Care Centers. He suggested a magnet or flyer.

Mary Beverly said that the Board might want to request that Shannon Ashcroft design the magnet.

Sandra Stankiewicz said BCBS has a flyer and posters that she could distribute. She noted that MedExpress and BHS Urgent Care are the only BCBS contracted sites in the Berkshire area.

BCBS reports:

Ms. Stankiewicz said the informational meetings are going well. She distributed the BCBS Account Education Line flyer with 2 designated dates and a phone number that employees can call with questions.

Melissa Falkowski asked if BCBS would add an April date to the flyer.

Ms. Stankiewicz said she would ask about it and get back to the Board.

Other Business:

Mary Beverly said the next meeting was already set for May 2nd at 9:30 AM at Lenox Town Hall.

There was no other business.

Sharon Harrison moved to adjourn.

Motion

Chris Regan seconded the motion. The motion passed by unanimous vote.

Chair Mary Beverly adjourned the meeting at 10:55 AM.

*Prepared by Karen Carpenter
Group Benefits Strategies*