

Berkshire Health Group

Board Meeting #11-09

Lenox Town Hall
Lenox Massachusetts
Thursday, June 9, 2011 at 9:30 a.m.

Meeting Minutes

Board and Alternates Present:

Greg Federspiel, Chair	Town of Lenox
Mary Beverly, Vice-Chair	Town of Adams
Jorja-Ann Marsden	Berkshire County Insurance Group
Kevin O'Donnell	Town of Great Barrington
David Hinkell	Adams Cheshire RSD
Brenda Rondeau	Mt. Greylock RSD
Janet Saddler	Town of Williamstown
Stephen Presnal	Southwick Tolland RSD
Sharon Harrison	Berkshire Hills RSD
Bruce Turner	Southern Berkshire RSD

Guests present:

Maureen Daniels	BHG Wellness Coordinator
Cindy Polinsky	MA Teachers Association (MTA)
Pat Kaplan	Blue Cross Blue Shield (BCBS)
Carol Cormier	Group Benefits Strategies
Karen Carpenter	Group Benefits Strategies

Chair Greg Federspiel opened the meeting at 9:40 a.m.

Approval of the Minutes of the meeting of May 23, 2011 (Meeting #11-08):

Kevin O'Donnell made a motion to approve the minutes of the May 23, 2011 meeting as written.

Brenda Rondeau seconded the motion. The motion passed by unanimous vote.

Motion

Warrant for June 2011:

Carol Cormier reviewed the June 2011 Warrant Summary and said that the BCBS level monthly deposit was lowered to \$2.85M. Ms. Cormier also noted that the Retiree Drug Subsidy distribution of \$243K is on the warrant.

Kevin O'Donnell made a motion to accept the June 2011 Warrant Summary.

Motion

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

GBS Reports:

Carol Cormier said that since it had been only two weeks since the last meeting, there was nothing new to report.

Carol Cormier said that the Dependent Eligibility Audit RFP was sent out and responses are due on June 20th. She said that the audit process takes approximately 3 months to complete.

Treasurer's Report:

Greg Federspiel said that there was no change to the Treasurer's report since the last meeting. Mr. Federspiel said that the Treasurer has not received a salary increase for approximately 3 years and proposed an \$85 per month increase.

Kevin O'Donnell made a motion to approve increasing the Treasurer's monthly salary by \$85 for an annual salary of \$17,820 to be effective July 1, 2011.

Dave Hinkell seconded the motion. The motion passed by unanimous vote.

Motion

Wellness/Health Behaviors Update:

Maureen Daniels said that the *Walk With Me* program was completed and the t-shirt incentives have been delivered to the participants of the seven teams. Ms. Daniel said that five of the towns have participated in sun screenings.

Bruce Turner joined the meeting.

Ms. Daniels said that the Blood Pressure screenings produced high readings for 15 of the participants who were advised to see their physicians. Ms. Daniels distributed copies of flyers that the employers can post at their worksites to promote participation of the BCBS Health Risk Assessment. She said that the member will receive \$50 as an incentive for completing the assessment. Ms. Daniels said that the Colonoscopy incentive of \$50 for those that are age eligible will begin on September 1st. Ms. Daniels said that she is going to create a master calendar of events.

Reinsurance Quotes:

Carol Cormier said that two brokers sent in quotes for fiscal year 2012. Ms. Cormier said that Stop Loss Insurance Services is the current broker and that HCC Life Insurance Company holds the current policy for Berkshire Health Group. Ms. Cormier said that the lowest quote was received by Stop Loss Insurance Brokers and the carrier HM Insurance Group. She said that their quote was firm and final. Ms. Cormier said that the incumbent carrier's quote includes 2 contingency lasers. Ms. Cormier explained that the contingency lasers would apply to two members only if they were to have a transplant.

The Board discussed the option of raising the specific deductible to \$200K and paying less premiums or keeping the specific deductible at \$175K and paying higher premiums.

Dave Hinkell made a motion to approve the quote labeled Option "c" with Stop Loss Insurance Brokers and HM Insurance Group, with a 12/24 contract, \$200K specific deductible, with premiums of \$11.13 for a single contract and \$26.83 family contract.

Motion

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

Proposed State Legislation Discussion:

Carol Cormier said that an overview of the House and Senate Committee's versions of the proposed state legislation is included in the meeting packet. Ms. Cormier reviewed some of the differences between each of the proposals such as the Senate's version which would add a provision requiring communities to change the percentage of premiums that retirees contribute to match the average contribution of the active employees. She said in many cases this would seriously increase employer costs. Ms. Cormier said that the House legislation proposes that any increases in existing co-pays and deductibles cannot exceed those of the most-subscribed-to plan in the GIC.

Steve Presnal asked Ms. Cormier to send an email regarding the contributions for retirees if the legislation passes as is.

Sharon Harrison noted that the study refers to the Tufts Navigator plan as the most subscribed to in the GIC. She said that the Tufts plan is a tiered network that would not work for the BHG plans due to the limited facilities in the area.

Ms. Cormier urged the Board to contact their state and local legislators.

Greg Federspiel asked the Board members to think about what types of plan designs and changes they would like to consider for FY12 if the legislation passes. He said that both the House and Senate versions are in the Conference Committee and the final version may be a combination of both plans.

Dave Hinkell said that he favors increases to the co-pays, but said that since many employees haven't received pay increases, he does not favor high deductible plans.

Carol Cormier said that some employers implement Health Reimbursement Arrangements (HRA) and Health Savings Accounts (HSA) to help pay for the deductibles.

Sharon Harrison said that the employees are saving costs such as the \$0 co-pay for preventative services through the PPACA. She noted that BHG has implemented a \$0 co-pay for Colonoscopies.

The Board asked Karen Carpenter to send them the GIC summary plan descriptions by email.

Sharon Harrison asked if GBS could send a report to show how many adult children were added to their parents' plans.

Carol Cormier said that GBS did not track this and asked Pat Kaplan if BCBS would be able to run a report.

Pat Kaplan said that she would see if a report would be available. Ms. Kaplan noted that the eligibility rules for the dental plan are not changing.

Carol Cormier suggested that the employers should re-send the COBRA Initial Notice to all members and said that they may want to include it with their Open Enrollment materials. She said that GBS has been receiving calls from employers stating that the non-student dependent children were canceled from the health insurance and were not aware of COBRA. Ms. Cormier said that it is the employees' responsibility to inform the employer of any changes, including when their children age out.

BCBS Report:-

Pat Kaplan said that she was surprised that there was not an increase in Medex member attendance at the health fairs since the prescription drug benefit has changed. Ms. Kaplan said that there seemed to be more member interest in the Value Plus plans and premium savings for the family plan. Ms. Kaplan asked the Board to let her know if they needed health plan supplies. She said that she would send the new health plan summary of benefits, including the Medex plan to the employers and will copy Group Benefits Strategies.

Other Business:

The next meeting was scheduled on Tuesday, August 2, 2011 at 9:30 a.m.

Greg Federspiel asked for volunteers to form a sub-committee if needed, to interview enrollment auditing firms and report to the Board on August 2nd. Sharon Harrison, Kevin O'Donnell, Dave Hinkel, Steve Presnal and Greg Federspiel volunteered to serve on the committee.

There was no other business.

Greg Federspiel adjourned the meeting at 10:35 AM.

*Prepared by Karen Carpenter
Group Benefits Strategies*