

## **Berkshire Health Group**

### **Board Meeting #18-02**

Lenox Town Hall  
Lenox Massachusetts  
Monday, September 25, 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
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
Karen Fink	Town of Great Barrington
Maureen Senecal	Northern Berkshire RSD (McCann Technical School)
Erika Snyder	Adams Cheshire RSD

#### **Guests present:**

James Kelley, CPA	BHG Treasurer
Elizabeth Piantoni	Berkshire Health Systems
Lyndsay Broom	Town of Lenox
Sandra Stankiewicz	Blue Cross Blue Shield of MA
Jonathan Payson	Blue Cross Blue Shield of MA
Carol Cormier	Group Benefits Strategies
Karen Carpenter	Group Benefits Strategies

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

#### **Approval of the minutes of August 21, 2017 (meeting #18-01):**

Janet Saddler motioned to approve the Board meeting minutes of August 21<sup>st</sup> as written.

Motion
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Sharon Harrison seconded the motion. There were three abstentions. The motion passed by majority vote.

#### **Treasurer's Report:**

*Financial Statements for August 2017* - Jim Kelley, Treasurer, distributed and reviewed the financial reports for the period ending August 31, 2017 (unaudited figures).

Mr. Kelley reported a one month increase to the fund balance at the end of August of \$302K with claims at 82% of member assessment revenue. Mr. Kelley reported a net decrease of \$78K to the Schwab account and said there was an unrealized loss of approximately \$3,000 on the investment portfolio for the one month ended August 31, 2017. He reported a trust fund balance of \$10,398,822 on August 31, 2017.

Mr. Kelley left the meeting.

**Review and Approval of the September & October 2017 Warrant Summaries:**

Carol Cormier reviewed the Warrant Summaries for September and October. Ms. Cormier said that the total amount for the September Warrant was \$3,382,484 and noted there was a payment to BCBS for an overpayment of FY16 reinsurance reimbursements. She said the October Warrant total was \$3,344,972.

Janet Saddler moved to approve the September and October 2017 Warrant Summaries.

Motion

Maureen Senecal seconded the motion. The motion passed by unanimous vote.

**Procurement of a new Treasurer:**

Carol Cormier said that Group Benefits Strategies does not procure Treasurers for any of its clients. She suggested putting an ad in the local newspapers and obtaining the list of duties from Mr. Kelley.

Paul Sieloff said the Board may want to consider hiring an outside service as an option.

Janet Saddler said Mr. Kelley said he would like to retire on December 1<sup>st</sup> of this year. She said he mentioned that he works about 500 hours a year.

Sharon Harrison said she knows of two retired treasurers and said she will contact them to see if either may be interested.

Sharon Harrison said she would work with Carol Cormier to put an ad in a local newspaper and advertise that the fee will be negotiated.

Mary Beverly said she would contact Mr. Kelley to obtain the list of his job duties and to see if he has a copy of the old advertisement.

Karen Fink joined the meeting.

**GBS reports and Roster/Invoice Service Agreement renewal:**

*Website Maintenance Agreement* – Carol Cormier said the agreement for GBS to maintain the BHG website expired on June 30, 2017. Ms. Cormier said the renewal proposed is an extension of the contract for one year at the current fee, no changes.

Janet Saddler made a motion to approve extending the Website Maintenance Agreement with GBS for another year.

Motion

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

*Funding Rate Analysis* - Carol Cormier reviewed the FY18 Funding Rate Analysis (FRA) report for health plans with two months of data through August 31, 2017. She said the expense-to-funding ratio on a paid claims basis was 76.2% and there was a funding surplus of about \$1.409 million.

*Stop Loss Reports* - Karen Carpenter reviewed the reinsurance reports for FY17 with claims data through August 2017. She said that there are seven members with claims exceeding the \$200K specific deductible with total claims of \$1,652,714 and excess claims of \$252,714. She said the policy has a \$100,000 Aggregating Specific Deductible (ASD) which has been met. Ms. Carpenter said reimbursements of \$99,328 have been received and there are reimbursements of \$53,386 due BHG. She reviewed the report of claims between 50% and 100% of the specific deductible with 19 members having total claims of \$2.56 million.

Karen Carpenter reviewed the reinsurance 50% report for FY18 and said that there is 1 members with claims of \$115,549. She said no member has claims that exceeded the \$225,000 specific deductible.

*High performance health plan concept* – Carol Cormier said Chris Nunnally from GBS is spearheading this project, but he would be late because his car broke down. She asked to move this item to later on the agenda.

*Medex 2 projections* – Carol Cormier said based on the BCBS renewal, there was a decrease to the rate. She said in reviewing the funding report, that plan is underfunded and was last year as well. She said she recommends keeping the rate as it is or increasing it.

The Board asked to add the Medex 2 projections to the next agenda.

Mary Beverly asked Sandra Stankiewicz to speak to the underwriter about the projection.

Carol Cormier said she received a text from Mr. Nunnally and said he will not be coming to the meeting.

**Wellness Report – Maureen Daniels:**

Maureen Daniels introduced Elizabeth Piantoni and said she has been working with her to get her up to speed on the Berkshire Health Group's wellness programs and goals. She said Ms. Piantoni has over 10 years of experience helping to improve the health of the community through lifestyle behavior changes as the Community Care Coordinator at Neighborhood for Health. She noted that Ms. Piantoni received Community Recognition Awards for her wellness contributions to the community.

Elizabeth Piantoni reviewed the September program updates to include the Color Your Plate Challenge, Fall Fitness classes and Colonoscopy Incentive program. She said 111 gift cards were redeemed as Colonoscopy incentives last year and said the new incentive postcards will be sent out in November. Ms. Piantoni said 11 flu clinics have been scheduled and said the members will need to show their BCBS healthcare card. She said the BHG fruit and veggie baskets from organics.com were well received last year.

Janet Saddler said the Town of Williamstown ordered baskets 4 to 5 times last year and the employees loved them. She said the employees ate the fruit and veggies rather than unhealthy snacks.

*Hero Program* – Maureen Daniels said the Hero Program is scheduled to begin in October. She said she looked at the participation and the units that didn't hold the screenings will be the ones she will try to scheduled this year.

*Vaccines* – Maureen Daniels said the Board asked about the effectiveness of vaccines between those who get them and those who do not. She said she couldn't find any studies to give her the information on flu, pneumonia or shingles vaccines.

Sandra Stankiewicz said she couldn't find any information either, but said she would look up the BHG utilization numbers.

Ms. Daniels said the opportunity to suggest having a yearly exam is best when holding a screening event.

Ms. Piantoni resumed the wellness report and said the Walk October Challenge encourages employees to take a daily walk during October and they will be entered into a raffle. She said she received a new mailing list and will be mailing the Diabetes Care program forms out this week. Ms. Piantoni said BCBS has approved the \$20K of wellness credits to BHG again this year.

Rebecca Herzog asked if the calendar of events could be sent out earlier. She said by the time she receives it, there isn't enough time for it to be distributed to the employees of the various towns and districts of Berkshire County Insurance Group.

Paul Sieloff asked if Ms. Piantoni would research and come up with a bicycle wellness program with a helmet giveaway as an incentive.

There was a discussion about the *pros* and *cons* of a bicycle program.

Janet Saddler suggested peddling on an under the desk peddler as an alternative.

**High Performance Health Plan concept:**

Carol Cormier referred to an explanatory handout and said Chris Nunnally is leading this GBS project. She said “High Performance Health Plan” is the name that GBS has given to an employer health benefits strategy that incorporates a collection of programs, separate from the health plans, the goal of which is to reduce claims costs while enhancing the health plan members’ experiences, state of health, and promoting healthy behaviors. She said GBS has been meeting with vendors and will narrow them down to those that may be a good fit for BHG and other clients. Ms. Cormier said GBS will not be receiving compensation from the vendors to promote their programs.

Ms. Cormier said the goal is to implement a plan that will have an immediate effect on claims. She said the initiatives include the CanaRx program, carving out the prescription drug program to a pharmacy benefits manager (PBM) if it is found to be cost effective, chronic care and procedure care management. In addition, she said GBS is looking at Telemedicine programs and Pay for Play wellness programs. She gave a brief description of each of the initiatives and said more information will be forthcoming.

Sharon Harrison said she would like more information about carving out the prescription drugs.

**Plan design for HSA-qualified High Deductible Health Plans (HDHPs):**

Carol Cormier said she sent out samples of a HDHP plan design to the Board and also included it in today’s meeting packet. She said this model has a \$0 copay for all services except prescription drugs, once the deductible has been met. She said there is a \$2K medical deductible for individual plans and a \$4K deductible for the family contracts.

In response to a question asked, Sandra Stankiewicz said BCBS has a cost of care estimator on its website. She said the cost can vary from facility to facility.

Ms. Cormier said there is a combined medical and prescription out-of-pocket maximum of \$5K/\$10K. She said the model on the exhibit is based on an employer contribution to the employee’s HSA equal to 50% of the deductible and the savings on claims is estimated at 19%. Ms. Cormier said if the plan has a preventative drug list with meds that are not subject to the deductibles, the savings would drop approximately 1%.

Ms. Cormier said the Berkshire Health Group can add the plans to their list of current health plans and it would be up to the employer to decide if it wants to offer them. She said they will need to use traditional means of collective bargaining since Chapter 32B, Sections 21-23 does not apply to these types of plans.

The Board asked Ms. Cormier to provide examples of utilization and member costs from the BCBS presentation she spoke about earlier.

**Alternative Prescription Drug Purchasing program update:**

Carol Cormier said the initial letter from CanaRx went out to members, but was slightly delayed to be sure the Medicare eligible retirees were not included in the mailing. Ms. Cormier said a link to the CanaRx website was added to the BHG website.

**Planning for the Managers' meeting on October 17, 2017:**

Carol Cormier said she will need to know how many people will be attending. Ms. Cormier said she will create the agenda and suggested including the following items "What has BHG been doing to save costs, the CanaRx program, High Deductible Health Plans, and Telehealth. She said she will include the cost savings items spreadsheet the Board has been using.

There was a brief discussion about the August 21<sup>st</sup> Meeting Minutes that were approved.

Paul Sieloff made a motion to withdraw the approval of the minutes because the editing was not finalized.

Janet Saddler seconded the motion. The motion passed by a unanimous vote.

Motion
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**Telehealth:**

Sandra Stankiewicz, BCBSMA, said the Telehealth program launched on September 1<sup>st</sup> and all of the mailings to the members was sent out. She said she will bring posters and flyers to the Managers Meeting to give out to the managers to post in the common areas at their location.

Ms. Stankiewicz said the final list of changes to the Blue Medicare Rx formulary has been published. She said BCBS is not mailing the letter to members, but noted the changes will be included in the annual notice of changes.

Ms. Stankiewicz said she will be changing her position at BCBS and said the new Account Manager for BHG will be Heidi Fountain. She said Ms. Fountain is very experienced and is working at MIIA currently. Ms. Stankiewicz said she would be attending two more BHG meetings.

The Board thanked Ms. Stankiewicz for her work and wished her well in her new position.

**Other Business:**

Janet Saddler introduced Lyndsay Broom from Town of Lenox and said she will be attending the Board meetings.

Carol Cormier said a letter of appointment to the Board addressed to Mary Beverly, c/o Group Benefits Strategies will need to be sent from Lenox's appropriate public authority.

Lyndsay Broom asked what the process would be if the Town of Lee was interested in joining BHG.

Carol Cormier said she will need a letter from the town expressing interest and written authorization to request their claims data.

Paul Sieloff said he will speak to the manager of the town who is now Christopher Ketchen.

Mary Beverly said the next Board meeting will be on October 23rd at 9:30 AM at Lenox Town Hall.

Janet Saddler moved to adjourn the meeting.

Motion
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Maureen Senecal seconded the motion. The motion passed by unanimous vote.

Vice-Chair, Sharon Harrison, adjourned the meeting at 11:20 AM.