

Berkshire Health Group

Board Meeting #18-04

Lenox Town Hall
Lenox Massachusetts
Monday, November 20, 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
Karen Fink	Town of Great Barrington
Maureen Senecal	Northern Berkshire RSD (McCann Technical School)
Melissa Falkowski	Central Berkshire RSD

Guests present:

James Kelley, CPA	BHG Treasurer
Elizabeth Piantoni	Berkshire Health Systems/Wellness
Lyndsay Broom	Town of Lenox
Heidi Fountain	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 9:37 AM.

Approval of the minutes of October 23, 2017 (meeting #18-03):

Paul Sieloff said his name is spelled wrong on page 2. Mr. Sieloff also said on the last page under “Other Business”, he said he would favor it if GBS would move the start time of future seminars to later in the day, and not “schedule such meetings so far away”.

Paul Sieloff motioned to approve the Board meeting minutes of October 23, 2017 as amended.

Motion

Sharon Harrison seconded the motion. The motion passed by majority vote with one abstention.

There was a discussion about the High Performance Health Plan initiatives as described by Chris Nunnally at the October 23rd meeting.

Carol Cormier said GBS is not ready to roll out any of the programs mentioned at the previous meeting. Ms. Cormier said GBS may be ready in February to present those programs that may be a good fit for BHG. She said Chris Nunnally is very excited about the programs and just wanted to give the Board a heads up of what GBS is working on.

Treasurer’s Report:

Financial Statements for October 2017 - Jim Kelley, Treasurer, said a draft of the FY17 financial audit should be ready early in January.

Mr. Kelley distributed the BHG Investment Report from Olson Mobeck and said as of September 2017, the account year to date profit of 5.9%. He said for the quarter to date, the portfolio had a return of 1.8%.

Mr. Kelley distributed and reviewed the financial reports for the period ending October 31, 2017 (unaudited figures).

Mr. Kelley reported a one-month increase to the fund balance at the end of October of \$844K with claims at 70% of member assessment revenue. He reported a trust fund balance of \$12,745,789 on October 31, 2017.

There was a discussion about the drop in claims experience, and the Board asked BCBS for a utilization report to see if the drop may be related to plan design changes.

Sharon Harrison spoke about the company Marvin Windows and how they have a booklet of all their health plan benefits and how to utilize them as well as other communications for employees.

Heidi Fountain said she could help work on such a booklet with the employers.

Review and Approval of the November 2017 Warrant Summary:

Carol Cormier reviewed the warrant and said the quarterly settlement to BCBS was low at \$1.45 million.

Sharon Harrison made a motion to approve the November 2017 Warrant Summary.

Motion

Melissa Falkowski seconded the motion. The motion passed with a unanimous vote.

Procurement of a new Treasurer:

Mary Beverly said the advertisement and description of the Treasurer's duties was posted on the BHG website and will be going into newspapers.

There was a discussion about the Segregation of Duties comment in the financial audit report and the possibility of hiring 2 people to complete the tasks.

Carol Cormier said all of the JPGs have the same comment and they mitigate the issue in the same way BHG has, by having the monthly bank statements reviewed regularly by an appointment Board member and by having the Board or designated Board members review the monthly warrants.

It was agreed that there was not enough work to justify hiring 2 people to perform the position.

Sharon Harrison and Mary Beverly volunteered to interview the candidates for the Treasurer's position. Ms. Beverly said she may ask Jim Kelley to join the interviews.

GBS reports:

Funding Rate Analysis - Carol Cormier reviewed the FY18 Funding Rate Analysis (FRA) report for health plans with four months of data through October 31, 2017. She said the expense-to-funding ratio on a paid claims basis was 77.1% and there was a funding surplus of about \$2.71 million.

There was a discussion about the possible need to reduce the Fund Balance, and it was agreed that a premium holiday is a good way to lower the trust fund surplus without artificially reducing the plan rates.

Ms. Cormier spoke about the GBS Municipal Health Insurance Forum on Nov. 28th, and said the main focus is the MA Municipal Reinsurance Arrangement (MMRA), but said other speakers were invited to speak about initiatives to improve health and manage health care costs. She invited the Board members to attend.

Stop Loss Reports - Karen Carpenter reviewed the reinsurance reports for FY17 with claims data through October 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 \$152,863 have been received and there are no reimbursements due BHG. She reviewed the report of claims between 50% and 100% of the specific deductible with 19 members having total claims of \$2.58 million.

Karen Carpenter reviewed the reinsurance 50% report for FY18 and said that there are 2 members with claims of \$269,435. She said no member has claims that exceeded the \$225,000 specific deductible.

Wellness Report – Beth Piantoni:

Beth Piantoni spoke about the results of the *Walk October* program and said 81 members completed the challenge. She said the members tracked their progress and were entered into a raffle for a chance to win prizes. Ms. Piantoni reviewed the Maintain Don't Gain holiday challenge and said 157 members were signed up to date and the first weigh-in was in November. Ms. Piantoni reviewed the HERO Coaching program and said there are 21 active participants working with the wellness coach.

Ms. Piantoni said the 2018 Needs & Assessment Survey has been sent out to all of the Wellness Champions and will run from November 14th through December 1st.

In an attempt to encourage more participation in the Wellness Committee meetings, she said she is going to add a telephone conference line for the Champions to phone in if they cannot attend in person.

It was agreed that Ms. Piantoni would ask the Champions at the next meeting if a later-in-the-day meeting or conference call would work better for them.

BCBS report:

Heidi Fountain talked about the Medex PDP formulary changes and the Rx formulary changes for the active plans and said people impacted will be notified. Ms. Fountain said new dental ID cards will be mailed out to the members.

Other Business:

Paul Sieloff asked if the next meeting date could be added to the bottom of each future agenda.

There was a discussion about creating a more pleasing name for the High Deductible Health Plans.

Mary Beverly said the Board would have a discussion about it at the next meeting.

Paul Sieloff said the Towns of Lanesborough and Williamstown are separating the school employees from the towns and moving them to Mt. Greylock RSD. He said the towns will be keeping the retirees. He also spoke about the possibility of the Town of Lee joining BHG.

Ms. Beverly said the next Board meeting will be held on Monday, December 18th at 9:30 AM.

There was no other business.

Mary Beverly adjourned the meeting at 11:08 AM.