

**Berkshire Health Group**

**Board Meeting #18-08**

Lenox Town Hall  
Lenox Massachusetts  
Monday, March 26, 2018 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
Geri Porter	Berkshire County Insurance Group
Maureen Senecal	Northern Berkshire RSD (McCann Technical School)
Janet Saddler	Town of Williamstown
Paul Sieloff	Town of Lanesborough
Erika Snyder	Adams Cheshire RSD
Melissa Falkowski	Central Berkshire RSD
Karen Fink	Town of Great Barrington
Lyndsay Broom	Town of Lenox
Chris Regan	Southern Berkshire RSD

**Guests present:**

James Kelley, CPA	BHG Treasurer
Elizabeth Piantoni	Berkshire Health Systems/Wellness
Heidi Fountain	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, Chair, called the meeting to order at 9:30 AM.

**Approval of the minutes of February 27, 2018 (meeting #18-07):**

Janet Saddler motioned to approve the Board meeting minutes of February 27, 2018 as written.

Motio n
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Maureen Senecal seconded the motion. The motion passed by majority vote. Chris Regan and Sharon Harrison abstained.

**Treasurer's Report:**

*Financial Statements for February 2018 (unaudited figures)*- Jim Kelley, Treasurer, said the February overall Cash position increased by a net of approximately \$1.257M in February, mainly the result of the BCBS quarterly settle-up credit.

Mr. Kelley reported Total Retained Earnings on February 28, 2018 of \$14,252,535. He reported the actuarial reserve at \$4,515,300.

**Approval of the April 2018 Warrant Summary:**

Carol Cormier reviewed the April Warrant Summary totaling \$4,178,878.14. She said \$1,182,412.33 of the Retiree Drug Subsidy (RDS) was distributed to the participating governmental units.

Janet Saddler moved to approve the April 2018 Warrant Summary.

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

**Wellness Report:**

Elizabeth Piantoni distributed the Wellness program report and said the *No Diet, Diet Challenge* was successful, with 27 members completing the challenge. Ms. Piantoni said the *Spring Walk with Me in the Berkshires* program registration begins on March 27<sup>th</sup>. She said the program will run from April 16<sup>th</sup> to May 27<sup>th</sup>. Ms. Piantoni said that seven locations have signed up for the *Spring Fitness Classes* so far and noted there was repeated requests for the classes.

Ms. Piantoni reviewed the *Biometric Screenings* scheduled to date and shared a success story of someone who was overweight with high blood pressure. She said following a 50 lb. weight loss through the BHG programs, the member's blood pressure has now returned to normal.

Ms. Piantoni said she will send the employers a list of Berkshire Health Systems (BHS) wellness presentations that would be free if she conducts them, but noted a fee would be associated with the presentations done by another BHS specialist.

**GBS Reports:**

Carol Cormier reviewed the *Funding Rate Analysis (FRA) report* with data through February. She said that on a paid claims basis the composite expense to funding ratio for the health plans was 82.4%. She said the dental expense to funding ratio was 91.1%. Ms. Cormier said she would have the RDS distribution information updated on the financial reports.

Ms. Cormier said she will be sending out the BHG FY19 Reinsurance RFP during the first week in May. She said the current Specific Deductible is \$225K with an Aggregating Specific Deductible of \$100K. Ms. Cormier spoke about the MA Municipal Reinsurance Arrangement (MMRA) captive pool, now about to enter its 5<sup>th</sup> year. She said the captive was formed due to a lack of reinsurance bids from carriers and said the group is now opening it up to other municipalities. She asked the Board members if they would like to hear a presentation about the MMRA at the next Board Meeting.

The Board agreed and asked Ms. Cormier to arrange for the the presentation and to send the FY19 RFQ to the MMRA to bid.

Karen Carpenter reviewed the *FY18 policy reinsurance reports*. She said one member had claims exceeding the \$225K specific deductible with total excess claims of \$211,408. She said the aggregating specific deductible of \$100K has been met and reimbursements in the amount of \$111,408 are due. She said 6 members have claims between \$100K and \$200K.

Ms. Carpenter reviewed the *FY17 policy reinsurance reports*. She said that there were seven members with claims over the \$200K specific deductible. She said total claims were \$1,673,648., and excess claims were \$273,648. She said the group has been reimbursed \$173,648. Ms. Carpenter reported 16 members with claims between \$100,00 and \$200,000. These claims totaled \$2,587,583.

**Alternative prescription drug program reporting:**

Carol Cormier said that Chris Collins, CanaRx, is looking at increasing participation with a targeted letter sent to members who are taking specific medications. She said a second general letter about the program sent by email to members by the employers may also help. Ms. Cormier said it's good to let the employees know of the program and noted testimonials also work well. Ms. Cormier said she will send a reminder to the Board about sending an email about CanaRx to the employees. She said she will also send the CanaRx letter to attach to the email.

**Discussion about the future of Berkshire County Insurance Group (BCIG):**

Carol Cormier said she, Geri Porter and Becky Herzog spoke about the future of the BCIG which will dissolve June 30, 2018. She said Geri Porter will be retiring at the end of June, and her position is not going to be re-filled.

Ms. Porter said she would like to see if the Berkshire Health Group would still cover the employees of the smaller entities for health and dental coverage.

Mary Beverly said the situation may be similar to the Adams Fire District obtaining their insurance through the Town of Adams.

Carol Cormier suggested that the units now participating in BHG through the BCIG could enter into affiliate agreements with BHG Towns and Districts such as was done in the past for towns of Granville and Tolland which participated in BHG through affiliate agreements with Southwick-Tolland RSD. She said Southwick Tolland represented the towns on the BHG Board. Ms. Cormier said if each of the BCIG units could enter through one of the units of BHG, a mini-Joint Purchase Agreement could be signed between the units. She said the BCIG units would need to pay on time. She said there would be no liability on the part of the unit sponsoring them.

Ms. Porter said most of the units are currently up to date on their payments.

Carol Cormier said GBS will bill each affiliate unit and they should be able to stay on their existing dental plan. She said she will consult with Ruth Lynch for the specifics. Ms. Cormier said they would each do their own Open Enrollment and would no longer be charged a surcharge for the administration fee paid to BCIG.

Jim Kelley said he would need to review his current salary depending on any additional work he will need to perform.

Carol Cormier said the units will send their enrollments and change forms to GBS and will send their payments into the Treasurer or by electronic deposit to the bank.

Ms. Cormier suggested holding off on a vote until the next meeting, and asked Ms. Porter to send GBS a list of contact information for each of the units.

**BCBS Report – Change to PPO Out-of-Network reimbursements – VOTE:**

Heidi Fountain said effective July 1, BCBS is eliminating the current PPO rider which pays Out-of-Network claims according to the BCBS fee schedule. Ms. Fountain said the 3 rider options for BHG are:

1. Pay the actual provider charges, which will increase claims,
2. Pay at 150% of the Medicare fee schedule, which is the BCBS standard practice,
3. Pay at 300% of the Medicare fee schedule.

Chris Regan made a motion to approve the rider paying at 150% of the Medicare fee schedule, which is the BCBS standard practice.

Motion
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Melissa Flakowski seconded the motion.

There was a brief discussion and the motion passed by a unanimous vote.

Ms. Fountain said BCBS will be making some prescription drug formulary changes to the active plans effective July 1, 2018. She said among the changes will be tier level changes, dosing limits, and some drugs will no longer be covered. She said those drugs will, however, have alternative drugs that are covered.

Ms. Fountain asked everyone who is offering the HSA Qualified health plans to let her know and to contact her with requests for informational meetings.

**Cost saving measures and possible next steps:**

The Board asked Ms. Fountain to send out any promotional materials she has regarding added plan benefits that the employers can use to send out to their employees.

The Board asked to keep this item on the Agenda.

**Other Business:**

Paul Sieloff asked if the Board was still interested in options with MIIA.

The Board agreed there was nothing moving forward at this time with MIIA.

The next Board meetings were both scheduled at 9:30 AM on May 7<sup>th</sup> and June 25<sup>th</sup> to be held at the Lenox Town Hall, Lenox, MA.

There was no other business.

Janet Saddler motioned to adjourn the meeting.

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

Motion
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Mary Beverly adjourned the meeting at 11:11 AM.

*Prepared by Karen Carpenter  
Group Benefits Strategies*