

Berkshire Health Group

Board Meeting #19-03

Lenox Town Hall
Lenox Massachusetts
Monday, November 26, 2018 at 9:30 a.m.

Meeting Minutes

Board and Alternates Present:

Mary Beverly, Board Chair
Sharon Harrison, Board Vice-Chair
Maureen Senecal
Karen Fink
Lyndsay Broom
Chris Regan
Melissa Falkowski
Erika Snyder
Brenda Rondeau
Nancy Giardina

Town of Adams
Berkshire Hills RSD
Northern Berkshire RSD (McCann Technical School)
Town of Great Barrington
Town of Lenox
Southern Berkshire RSD
Central Berkshire RSD
Adams-Cheshire RSD
Mount Greylock RSD
Town of Lanesborough

Guests present:

James Kelley, CPA
Elizabeth Piantoni
Diane Stevens
Alicia Dulin
Heidi Fountain
Jonathan Payson
Carol Cormier
Karen Carpenter

BHG Treasurer
Berkshire Health Systems/Wellness
Town of Lanesborough
Town of Sheffield
Blue Cross Blue Shield of MA
Blue Cross Blue Shield of MA
Group Benefits Strategies
Group Benefits Strategies

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

Approval of the minutes of October 25, 2018 (meeting #19-02):

Jim Kelley said on the second page, second paragraph it should read that the September cash “decreased”, not increased.

Motion

Sharon Harrison motioned to approve the Board meeting minutes of October 22, 2018 as amended.

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

Treasurer’s Report:

Financial Statements for October 2018 (unaudited figures)- Jim Kelley, Treasurer, said as of October 31, 2018 the Cash position decreased by a net of approximately \$126K. He said the profit for the month of October was \$994K and reported the Trust Fund Surplus of \$16,566,000.

Mr. Kelley said the Investment account at Schwab increased by a net of \$8,000, with an unrealized loss on the portfolio of about \$271K for the month of October. He said the Investment account at MMDT increased by \$515K, of which \$15,000 was interest earned.

Mr. Kelley said a few of the employers were late in paying their health plan premiums. He said he added the late fees to their invoices and said the Towns of Lanesborough and Chester asked for a waiver of the fee.

Nancy Giardina said the Town of Lanesborough usually pays early and it was the first time they had been late. She said she thought it had been paid already.

There was a discussion.

Sharon Harrison made a motion to waive the fee for the Town of Lanesborough and one of the monthly late charges for the Town of Chester.

Motion

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

Jim Kelley said he has been working with the new auditor and said the draft audit should be ready prior to setting the rates.

There was a discussion about premium holidays and other options for lowering the Trust Fund surplus.

Mary Beverly asked to have the Trust Fund surplus options added to the January agenda.

Approval of the November 2018 Warrant Summary:

Carol Cormier reviewed the November Warrant Summary and said the BCBS settle-up rendered a credit of \$530K.

Sharon Harrison made a motion to approve the August, September, and October warrants as presented.

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

Motion

There was a discussion about the CanaRx program and the low utilization.

Sharon Harrison said she would look at the CanaRx marketing materials and make some revisions to be considered.

Carol Cormier suggested adding the BHG logo to the BCBS ID health plan cards to increase awareness that the members receive their benefits from BHG.

FY19 Wellness Stipends:

There was a discussion about how the Town of Lanesborough stipend would be distributed between the town, the schools and the former BCIG unit, Lanesborough Fire and Water.

The Board members agreed that the stipends are distributed to the principal member unit, in this case, the Town of Lanesborough, and it is up to the parties to work it out internally among themselves as to how it is used.

Carol Cormier said GBS will create a special warrant to pay out the stipends.

Wellness Report:

Report on Wellness Programs - Elizabeth Piantoni distributed the Wellness Program report and a 2019 Wellness Calendar. She said she met with Heidi Fountain, BCBS Account Executive, and the Wellness Champions and discussed ways to better promote the BCBS Telehealth benefit.

She said the Walk October and Fall Fitness Bingo challenges went well, but noted there were participation issues due to the school working hours. Ms. Piantoni said the Biometric Screenings are scheduled and said a \$25 incentive would be given to all who are screened. She reviewed the updates for the Colonoscopy Incentive Program and Fall Fitness classes.

Ms. Piantoni said 28 members are participating in the Diabetes Care Coaching Program. She said she is waiting to receive the BAA to be signed to obtain a current subscriber mailing list.

Ms. Piantoni reviewed the upcoming programs to include the 21-day Gratitude, Maintain-Don't Gain Holiday and Half Plate Challenges. She said she is working on a 2019 wellness packet that could be used to get the word out about all of the programs offered by BHG and BCBS. Ms. Piantoni said she sent out a wellness survey last week and would send a copy of the survey to GBS for distribution to the Board members.

GBS Reports:

Carol Cormier spoke about the sale of Group Benefits Strategies to Arthur J. Gallagher & Co. She said Gallagher will be a branch office of Gallagher and that all services provided will be continued to be provided. She said the sale gives GBS access to resources for compliance issues and noted they also have a pharmacy division and audit capabilities.

There was a discussion about conducting another dependent eligibility audit for the employers of BHG.

The Board members asked Ms. Cormier to prepare and distribute an RFP for a Dependent Eligibility Audit.

In response to a questions about a claims audit, Heidi Fountain said BCBS conducts claims audits.

Carol Cormier reviewed the FY19 *Funding Rate Analysis (FRA) report* with data through October. She said that on a paid claims basis the composite expense-to-funding ratio for the health plans was 81.1%. She noted the funding surplus includes stop loss reimbursements of about \$289K.

Karen Carpenter reviewed the FY18 *policy reinsurance reports*. She said that there were five members with claims over the \$225K specific deductible. She said total claims were \$1,772,440, and excess claims were \$647,440. She said the group has been reimbursed \$550,371.

Review and comparison of the My Blue Telehealth and MyTelemedicine programs:

Carol Cormier referred to a comparison exhibit in the packet that was filled out by BCBS and MyTelemedicine. She noted that BCBS inadvertently did not charge BHG for its telemedicine program, but said it has been underutilized. Ms. Cormier asked Heidi Fountain how BCBS is going to promote the program going forward.

Heidi Fountain said the fee of \$0.50 per subscriber per month (pspm), or about \$10,230 annually was not charged to BHG over the past 2 years. She said BCBS is not going to charge for the program now, but said she doesn't know if they will in the future. Ms. Fountain said members can access the service through their Web Portal or Smart Phone App, not by phone at this time. She said she is willing to visit the employer worksites and to present information about the program. Ms. Fountain said she is also available to attend the health fairs.

Carol Cormier said the MyTelemedicine program is offered at a fee of \$2.05 per subscriber, but that fee includes all of the claims and copays. She said BHG will not be charged for claims and the members would not be charged a copay. Ms. Cormier said the MyTelehealth benefit is accessible through phone, Smart Phone App and Web Portal.

Ms. Fountain said by law, BCBS cannot waive the copay for the High Deductible Health Plan members.

Sharon Harrison made a motion to approve the BCBS Telehealth benefit at the \$0 promotional cost and no copay for members on the regular deductible health plans.

Motion

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

It was noted that the deductible would apply to members enrolled on the HDHP plan.

Update on joint purchase agreements with former BCIG-affiliated units:

It was agreed that the missing agreements would be forwarded to GBS.

BCBS Report:

Heidi Fountain said Jonathan Payson distributed the Telehealth posters to all of the BHG employers. She said she and Jonathan would do everything available to get the word out about the program at the open enrollment sessions and will also attend separate sessions for the employees.

Ms. Fountain said that BCBS Fitness and weight loss expansion will be effective for the senior plans on January 1st and for the active plan members on July 1, 2019. She said proton pump inhibitors will be taken off of the Rx formularies effective January 1st since they are available over-the-counter.

Heidi Fountain distributed and reviewed a high level utilization summary report comparing services provided last year to this year. She said in-patient costs are up by 9.6%, and said the per member per month utilization is up as well. Ms. Fountain said the number of in-patient admissions is down by 9.2%, which is good, but said the costs of services increased. She noted there was a 2.6% drop in membership. Ms. Fountain said there was fewer out-patient visits and the emergency room visits have gone down. She said prescription costs decreased by 5% and said it may be due to the BCBS re-negotiation of provider contracts.

Ms. Fountain said the summary of the report is at the bottom of the page and said the medical costs are down by 8.6%. She said the plan design change may be accounting for some of the decrease.

In response to a question, Ms. Fountain said she would find out when the Berkshire Health Systems contract was last renewed.

Other Business:

The next Board meeting was scheduled for January 28th at 9:30, to be held at the Lenox Town Hall, Lenox, MA.

There was no other business.

Mary Beverly adjourned the meeting at 11:05 PM.

*Prepared by Karen Carpenter
Group Benefits Strategies*