

**Berkshire Health Group
(BHG)**

Board Meeting #21-01

Monday October 19, 2020 at 9:30 AM

Meeting by Virtual Participation

Meeting Minutes

Board and Alternates Present:

Mary Beverly, Board Chair	Town of Adams
Erika Snyder	Hoosac Valley RSD
Greg Boino	Central Berkshire RSD
Karen Fink	Town of Great Barrington
Nancy Giardina	Town of Lanesborough
Joe Bergeron	Mount Greylock RSD
Maureen Senecal	Northern Berkshire Voc. RSD
Terri Licata	Southern Berkshire RSD
Debra Turnbull	Town of Williamstown

Guests present:

James Kelley, CPA	BHG Treasurer
Elizabeth Piantoni, Wellness Consultant	Berkshire Medical Systems
Marianne Conklin	Berkshire Hills RSD
Heidi Fountain	Blue Cross Blue Shield of Mass. (BCBSMA)
Jonathan Payson	Blue Cross Blue Shield of Mass (BCBSMA)
Carol Cormier	Gallagher Benefit Services, Inc. (GBS)
Joseph Anderson	Gallagher Benefit Services, Inc. (GBS)
Karen Quinlivan	Gallagher Benefit Services, Inc. (GBS)

Mary Beverly, Board Chair, called the meeting to order at 9:44 AM. She said that the meeting was being recorded and asked if there were any objections. There were none.

Ms. Beverly asked for a roll call of Board members who will be voting. The following voting members were present:

Mary Beverly, Board Chair	Town of Adams
Erika Snyder	Hoosac Valley RSD
Greg Boino	Central Berkshire RSD
Karen Fink	Town of Great Barrington
Nancy Giardina	Town of Lanesborough
Joe Bergeron	Mount Greylock RSD
Maureen Senecal	Northern Berkshire Voc. RSD
Terri Licata	Southern Berkshire RSD
Debra Turnbull	Town of Williamstown

Approval of the minutes of June 22, 2020 Board Meeting (meeting #20-08):

Maureen Senecal motioned to approve the Board meeting minutes of June 22, 2020.

Motion

Karen Fink seconded the motion. The motion passed by unanimous vote. Recorded votes were as follows:

Mary Beverly, Board Chair	yes
Erika Snyder	yes
Greg Boino	yes
Karen Fink	yes
Nancy Giardina	yes
Joe Bergeron	yes
Maureen Senecal	yes
Terri Licata	yes
Debra Turnbull	yes

Treasurer’s Report:

Treasurer Jim Kelley, CPA reviewed the June through August 31, 2020 financial statements (unaudited figures). He said that BHG experienced a \$2,392,000 profit at the end of June after the premium holiday. Claims were down by approximately \$2M over the period from March to June. From June 1, 2020 through September 30, 2020, Mr. Kelley sent \$1.1M to MMDT for reinvestment and a similar amount to Schwab. July had an overall profit of \$40,000. The health fund experienced a loss of loss \$243K and the dental fund \$10K. There was a small profit on investments. The overall Cash position decreased by a net of \$221K in August. Accounts Receivable/Reinsurance proceeds increased by approximately \$21K and the balance stood at approximately \$306K at month end. Prepaid expenses decreased by a net of \$408K for the month mainly due to use of the BCBS settle-up credit. Investments at MMDT increased by \$503K and Schwab increased by \$666K. The group experienced an overall profit for August of \$1,205,000 with the health fund generating a \$879K profit and the dental fund a profit of \$7K. The investment fund generated a \$319K profit. As of August, 31, 2020 the surplus stood at \$22,094,396. Mr Kelley stated he had done most of the September report to show that the group experienced an overall profit for September of \$160,000 with the health fund generating a \$308K profit and the dental fund a loss of \$26K. The investment fund generated a \$122K loss for September. The Total Retained Earnings as of September 30, 2020 stands at \$22,254,094.

Warrants:

Carol Cormier introduced Joseph Anderson, Area Vice President, from Gallagher. He formerly spent 10 years as the Director of Municipal Business for Fallon Health before joining Gallagher. She welcomed Joe as a valuable member of the Gallagher team and said he will be taking over for her as consultant for the BHG.

The July, August, September and October warrant summaries were presented for review and approval.

Karen Fink made a motion to approve the warrants as presented. Maureen Senecal seconded the motion. The motion passed by unanimous vote. Recorded votes are as follows:

Motion

Mary Beverly, Board Chair	yes
Erika Snyder	yes
Greg Boino	yes
Karen Fink	yes
Nancy Giardina	yes
Joe Bergeron	yes
Maureen Senecal	yes
Terri Licata	yes
Debra Turnbull	yes

Wellness Program report :

Beth Piantoni, Wellness Consultant, proposed the Seventh Amendment to the Consulting Agreement with Berkshire Health Systems for 2021 to the Board for approval. There was no change in fees for the new contract period.

Karen Fink made a motion to accept the Seventh Amendment to the Consulting Agreement as presented.

Debra Turnbull seconded the motion. The motion passed by unanimous vote. Recorded votes are as follows:

Mary Beverly, Board Chair	yes
Erika Snyder	yes
Greg Boino	yes
Karen Fink	yes
Nancy Giardina	yes
Joe Bergeron	yes
Maureen Senecal	yes
Terri Licata	yes
Debra Turnbull	yes

Motion

Ms. Piantoni also reviewed her report of current challenges and wellness programs. Participation was reviewed in four wellness initiatives: August Hydration Challenge, Build Your Armor, BHG HERO Coaching Program, and Diabetes Care Coaching Program. Flu Clinics were in the process of scheduling at 11 different locations. The Fall Fitness Yoga classes were ongoing at Berkshire Hills RSD, McCann Tech and Hoosac Valley RSD. A Colonoscopy Incentive Program starts in October and eligible members should receive post cards in the mail the first week of October. Newsletters for September and October focused on Immunity Resilience and the 30 Day Improve your Immunity Challenge. There will be a Walk October Challenge that runs from October 5th through November 1st.

GBS reports:

Joseph Anderson reviewed the *FY20 Funding Rate Analysis* with data through June 2020. He said that the composite expense-to-funding ratio for health plans was 84.8 % and was 74.9% for dental. He also reviewed the *FY21 Funding Rate Analysis* with data through September 2020. He said that the composite expense-to-funding ratio for health plans was 88.6 % and was 95.5% for dental. He noted this is a reflection that dental utilization has rebounded.

Reinsurance:

Karen Quinlivan reviewed the reinsurance reports. For the FY20 period through September, there were 3 claimants with claims above the the \$225,000 specific deductible. The aggregating specific deductible (ASD) of \$100,000 has been met. Total excess claims were \$674,272 and there were \$604,686 in reimbursements, leaving a credit balance of \$30,414 . The FY21 policy period had 1 member on the report of claims between 50% and 100% of the deductible with total claims of \$188,330.

CY21 Medex Rate:

Joseph Anderson reviewed Medex claims and enrollment experience from July 2018 through June 2020. Covid had a minor significance in numbers from March through June. Every year approximately 60 members get added to enrollment numbers. The BlueMedicare Rx PDP rate increased for CY21 from \$163.54 to \$166.11. The Blue Cross Administrative Fee went up from \$26.91 to \$27.44. The Blue Cross calculation on the medical only/self funded portion decreased from \$165.29 to \$161.16. The CY21 total calculated rate decreased from \$361.71 in CY20 to \$360.74 for CY21. The GBS recommendation is to hold the rate at the current amount of \$362 for CY21.

Maureen Senecal motioned to approve no change in the Medex rate for calendar year 2021. Motion

Debra Turnbull seconded the motion. The motion was approved by unanimous vote. Recorded votes are as follows:

		Motion
Mary Beverly, Board Chair	yes	
Erika Snyder	yes	
Greg Boino	yes	
Karen Fink	yes	
Nancy Giardina	yes	
Joe Bergeron	yes	
Maureen Senecal	yes	
Terri Licata	yes	
Debra Turnbull	yes	

Covid 19 update:

Heidi Fountain reviewed a BCBS Covid report provided through July. Overall there were 16 confirmed cases of Covid with total claims of \$286,864. There were 494 suspected cases with \$213,675 in claims. There were 4 ER visits and 94 professional visits.

BCBSMA reports:

Heidi Fountain said that Rx formulary change updates were recently sent out for both Express Scripts and Blue Medicare Rx Formularies. She said that Jonathan Payson is available for assistance with Open Enrollment. Office hours or virtual meetings can be established to help so please reach out for assistance. Plan summary materials will be distributed soon. Ms. Fountain asked to be placed on the November agenda to provide the Blue Cross Health Informatics Report. She also wanted to pass along the information to auditors that Blue Cross underwriters are looking at a factor of 10.9% when considering renewal to neutralize the impact of Covid claims when projecting forward.

Jim Kelley said that he would pass that information on to the auditors.

Other Business:

The next Board meeting will be held on November 30, 2020 at 9:30 AM. A tentative meeting for December 28, 2020 was scheduled as well as a rate setting meeting on January 25, 2021 at 9:30 AM.

Jim Kelley said that Mary Beverly was going to retire in January, therefore, the election of new officers needs to be on the November agenda.

There was no other business

Maureen Senecal motioned to adjourn the meeting. Motion

Karen Fink seconded the motion. The motion passed by unanimous vote. Recorded votes were as follows:

Mary Beverly, Board Chair	yes
Erika Snyder	yes
Greg Boino	yes
Karen Fink	yes
Nancy Giardina	yes
Joe Bergeron	yes
Maureen Senecal	yes
Terri Licata	yes
Debra Turnbull	yes

Mary Beverly adjourned the meeting at 10:39 AM.

*Prepared by Karen Quinlivan
Gallagher Benefit Services, Inc.*