

**Berkshire Health Group
(BHG)**

Board Meeting #21 02

Monday, November 30, 2020 at 9:30 a.m.
Meeting by Virtual Participation

DRAFT

Meeting Minutes

Board and Alternates Present:

Mary Beverly, Board Chair
Sharon Harrison, Board Vice-Chair
Greg Boino
Maureen Senecal
Erika Snyder
Jason Hoch
Joe Bergeron

Town of Adams
Berkshire Hills RSD
Central Berkshire RSD
Northern Berkshire Voc. RSD
Adams Cheshire RSD
Town of Williamstown
Mt. Greylock RSD

Guests present:

James Kelley, CPA
Elizabeth Piantoni
Chris Desjardins
Heidi Fountain
Dr. Tom Hawkins
Maura McNamara
Hang Dao
Carol Cormier
Joseph Anderson
Karen Quinlivan

BHG Treasurer
Berkshire Medical Systems
So. Berkshire RSD
Blue Cross Blue Shield
Blue Cross Blue Shield, Medical Director
Blue Cross Blue Shield Health Engagement Strategist
Blue Cross Blue Shield Pharmacy Account Relations Mgr
Gallagher Benefit Services, Inc. (GBS)
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Mary Beverly, Board Chair, called the meeting to order at 9:32 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
Sharon Harrison, Board Vice-Chair
Greg Boino
Maureen Senecal
Erika Snyder
Jason Hoch
Joe Bergeron

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Approval of the minutes of October 19, 2020 (meeting #21-01):

Joe Bergeron motioned to approve the Board meeting minutes of October 19, 2020.

Maureen Senecal seconded the motion.

Motion

A roll call vote was taken

Mary Beverly, Board Chair	yes
Sharon Harrison, Board Vice-Chair	Abstain
Greg Boino	yes
Maureen Senecal	yes
Erika Snyder	yes
Jason Hoch	yes
Joe Bergeron	yes

The motion passed by majority vote.

Reorganization of the Board:

Mary Beverly recommended current Vice-Chair Sharon Harrison as the new Board Chair.

Maureen Senecal motioned that Sharon Harrison be nominated BHG Board Chair.

Joe Bergeron seconded the motion. A roll call vote was taken.

Motion

Mary Beverly, Board Chair	yes
Sharon Harrison, Board Vice-Chair	yes
Greg Boino	yes
Maureen Senecal	yes
Erika Snyder	yes
Jason Hoch	yes
Joe Bergeron	yes

The motion passed by unanimous vote.

Sharon Harrison then assumed the role of Board Chair and took over the meeting.

Ms. Harrison asked if there were any recommendations or nominations for Vice-Chair of the BHG.

Mary Beverly made a motion to nominate Jason Hoch as Vice-Chair.

Joe Bergeron seconded the motion. A roll call vote was taken.

Motion

Mary Beverly, Board Chair	yes
Sharon Harrison, Board Vice-Chair	yes
Greg Boino	yes
Maureen Senecal	yes
Erika Snyder	yes
Jason Hoch	Abstain
Joe Bergeron	yes

The motion carried by majority vote.

Treasurer's Report:

Treasurer Jim Kelley, CPA reviewed his reports of October 31, 2020 (unaudited figures). The overall cash position decreased by a net of approximately \$40,000 during October. The Operating Account decreased by a net of \$135,000 mainly due to increased investments. The Schwab money market account increased by a net of \$96,000. The increase allowed a \$250,000 transfer to the Schwab account during October for investment. Accounts Receivable proceeds decreased by approximately \$87,000 during the month of October and the group owes the reinsurer approximately \$132,000 for excess reimbursements. Prepaid Expenses decreased by a net of \$116,000 for the month of October due to unfavorable claims experience in October relative to September. The investment account at MMDT increased by \$277,000 of which \$2,000 represented interest income for the month and \$275,000 of additional investment. The investment account at Schwab increased by a net of approximately \$7,000 in October. The group experienced an unrealized loss in October of approximately \$237,000. The group experienced an overall loss for October of \$288,000 with the health fund experiencing a \$132,000 loss and the dental fund a profit of \$18,000. The investment fund generated a \$174,000 loss. The surplus at the end of October was \$21,965,974. Mr. Kelly pointed out the investment mix from Peoples United Advisors showing that as of September 30, 2020, 35% was invested in Equities and 65% in Fixed Income. The year to date gross return was 6%. The average on a yearly basis is 5%. One of the bonds fell out of the investment grade of A or better. It was downgraded to BBB. The Investment Manager sends this to the Board for vote on whether to retain. The recommendation is to retain the bond. Mr. Kelly agreed that the recommendation is conservative and the bond could remain.

Mary Beverly motioned to retain the downgraded bond.

Motion

Maureen Senecal seconded the motion. A roll call vote was taken.

Mary Beverly, Board Chair	yes
Sharon Harrison, Board Vice-Chair	yes
Greg Boino	yes
Maureen Senecal	yes
Erika Snyder	yes
Jason Hoch	yes
Joe Bergeron	yes

The motion carried by unanimous vote.

Jim Kelly said that the group might want to look at whether to go out to bid for the Audit contract when the contract expires. Sharon Harrison said that they would get together to discuss the topic further.

Investment Committee Appointment of New Members:

Sharon Harrison said that she is the only Board member on the Investment Committee and she would like to add a member/s. Erika Snyder and Joe Bergeron had expressed interest.

Mary Beverly nominated Erika Snyder and Joe Bergeron as Investment Committee members.

Motion

Maureen Senecal seconded the motion. There was a roll call vote.

Mary Beverly, Board Chair	yes
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Sharon Harrison, Board Vice-Chair	yes
Greg Boino	yes
Maureen Senecal	yes
Erika Snyder	yes
Jason Hoch	yes
Joe Bergeron	yes

The motion carried by unanimous vote.

Review and Approval of November and December 2020 Warrant Summaries:

Motion

Mary Beverly moved approval of the November and December warrant summaries.

Maureen Senecal seconded the motion. There was a roll call vote.

Mary Beverly, Board Chair	yes
Sharon Harrison, Board Vice-Chair	yes
Greg Boino	yes
Maureen Senecal	yes
Erika Snyder	yes
Jason Hoch	yes
Joe Bergeron	yes

The motion carried by unanimous vote.

Wellness Program report :

Beth Piantoni, Wellness Consultant, reviewed her report dated November 30. She said that the winter months and Covid-a9 will pose challenges but the ability for many of the programs to be completed online at the members own pace has been a bonus. The Walk October Challenge had 40 participants complete the challenge of getting out and moving more. The Build your Armor Challenge was also a successful nine-week program. The Mindful Eating Challenge runs from November 16th through December 6th and focuses on slowing down and focusing on peoples relationship with food. Maintain Don't Gain is a six-week program designed to help people stay healthy during the holidays without unwanted weight gain. There are 6 active participants in the BHG HERO Coaching Program. The Diabetes Care Coaching Program has 28 active participants. Membership has increased due to webinars. Fitness classes are all virtual now and there will be more scheduled for December and January. The Colonoscopy Incentive Program had 11 colonoscopy cards redeemed in October. Newsletters for November and December will focus on health over the holiday season. There will be a Wellness Champion meeting on December 3, 2020 to discuss 2021 programming.

There was a discussion regarding the Wellness Stipend for governmental units. The consensus was that there was a stipend distribution in February of 2020.

Mary Beverly motioned to distribute the annual Wellness Stipend in early 2021.

Motion

Maureen Senecal seconded the motion. There was a roll call vote.

Mary Beverly, Board Chair	yes
Sharon Harrison, Board Vice-Chair	yes
Greg Boino	yes

Maureen Senecal	yes
Erika Snyder	yes
Jason Hoch	yes
Joe Bergeron	yes

The motion carried by unanimous vote.

GBS reports:

Joseph Anderson reviewed the *FY20 Funding Rate Analysis* with data through October 2020. He said that the composite expense-to-funding ratio for health plans was 83.9 % and was 89.4% for dental. He noted this is a reflection that dental utilization has rebounded to normal levels.

Reinsurance:

Karen Quinlivan reviewed the reinsurance reports. For the FY20 period through October, there were 5 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 \$573,024 and there were \$604,997 in reimbursements, leaving a credit balance of \$131,973. The FY21 policy period had 1 member on the report of claims between 50% and 100% of the deductible with total claims of \$189,248.

Blue Cross Blue Shield Informatics Report:

Heidi Fountain introduced BCBSMA Senior Medical Director, Dr. Tom Hawkins and Health Engagement Strategist, Maura McNamara, and Pharmacy Account Relationship Manager, Hang Dao.

Ms. Fountain said the report covered Medical, Pharmacy and Dental claims for 2019 and 2020 policy years and compared enrollments, utilization and costs of the two periods. Claims were incurred and paid through the end of August. Data includes the impact of Covid-19 starting in March for the account and the benchmark. The comparators were BCBSMA Commercial Municipal book of business. It excluded accounts without BCBSMA pharmacy benefit. Benchmarks were adjusted for age and gender, PMPM, Utilization and Use and Cost Trends. Plan performance at a glance showed 73% of members had colorectal cancer screenings in 2019 which was 8 points above the benchmark. Claims over \$150,000 were 11.7% compared to 10.4% in the prior period and 16.8% for benchmark. Claims less than \$5,000 was 78.7% of population which was 1 point higher than benchmark. There was 10.4% lower utilization than benchmark for telehealth and 59% was for behavioral health. Urgent care was 34.2% lower than benchmark. Pharmacy costs were 55.7% driven by specialty drugs compared to 47% in the prior period and 56.4% for benchmark. Generic drug use decreased 1 point and was similar to benchmark. Membership had 25.4% or 1,118 members with a cardiometabolic condition. Subscribers primarily drove the prevalence rates for obesity, hypertension and diabetes. Use of drugs for these increased from the prior period.

Annual member enrollments stayed consistent from the prior period. The average age was almost 2 years older than benchmark. The total net paid PMPM increased 0.6% and was 12% below benchmark. This was driven by the lower cost for professional outpatient services.

The product profile shows Network Blue with the youngest and largest population at 93%. Blue Care Elect Deductible has the highest average age at 5%. Blue Choice New England was 2%. The overall average risk score was 13% below the benchmark. Medical allowed PMPM increased 5% in the Blue Care Elect plan but was offset by the decreases in the other two plans. Pharmacy allowed PMPMs increased significantly in the Blue Care Elect and Blue Choice Plans, contributing to the overall increase in net pharmacy paid PMPM. Total member cost share decreased 13% from the prior period and is now closer to benchmark.

Response to the pandemic drove much of the cost reductions in the current period and are likely to increase to prior year levels in the future. Telehealth visits offset some of the decrease but overall, total primary care and specialty visits decreased 14% which was 15% below benchmark.

Financial and utilization metrics showed 78.7% of the population had annual claims less than \$5,000 which was 1 point higher than the benchmark at 77.7%. The increase in PMPM for claims over \$50,000 was offset by the decrease for claims less than \$50,000.

Ms Fountain reviewed medical cost drivers by category. Inpatient surgical use declined but cost per admission increased. Medical and maternity admissions were below benchmarks in both periods. Inpatient behavioral health increased and was 44% above benchmark. Outpatient behavioral health increased 10% but remained 11% below benchmark.

Dr. Thomas Hawkins reviewed medical cost drivers by category and per member per month medical and pharmacy costs by plan type. He reviewed individual high cost claims over \$150,000.

Dr. Hawkins continued to review the cost and utilization by categories of Covid-19, Cardiometabolic, Musculoskeletal, Behavioral Health and Oncology.

Hang Dao reviewed the overall pharmacy profile and performance. Overall pharmacy utilization increased 3.4% and was 8.7% below benchmark. The average cost per script remained 13.4% below benchmark. Generic drug use decreased to just below benchmark. Specialty drugs represented 55% of pharmacy costs after a 9 point increase from the prior period. Cardiometabolic drugs increased but remained below benchmark except for hypertensives. Anti inflammatory drugs and psychotherapeutic and neurological agents increased. Overall pharmacy use was 5% above benchmark. Overall PMPM decreased 39% due to reduction in cost for most services.

Ms. Dao reviewed the current specialty network as well as the Pharmacy Cost-Share Assistance Program rolling out in January of 2021 in conjunction with Pillar Rx. The program uses coupons from manufacturers to cover most or all of the members out-of-pocket costs for eligible medications.

Dr. Hawkins reviewed predictive modeling compared to benchmark. The current populations shows 86% of members to stay at the same health risk level, 5% predicted to improve the risk level and 9% to increase the risk level. This is perhaps related to slight aging of the membership.

Maura McNamara reviewed Wellness utilization. All cancer screening rates increased and were at or above benchmark. Adult well visit rates decreased 8 points in the current period while benchmark decreased 3.6%. The Modifiable Health Risk Report summarized claims by health outcome. BHG tended to be leaner and healthier than the average book of business. It was compared to other municipalities.

Dr Hawkins reviewed Covid-19 confirmed and suspected diagnosis compared to the benchmark. Whether due to low population density or other factors, the .3% of members with confirmed diagnoses was less than the benchmark of .6%.

Hang Dao reviewed the Diabetes Care Value Program. It allows greater condition management and improved medication adherence. Patients can receive electronic glucose meters and coaching. BHG had 138 identified and 2 enrolled for the program. The STEPIN program is a no-cost virtual weight management program that includes a smart scale and app designed for members with pre-diabetes and chronic heart conditions.

Heidi Fountain introduced a new program called Hinge Health. It is a 12-week coached program with an interactive personalized curriculum based on Musculoskeletal condition. It is a tailored exercise program with real-time feedback and tracking. This is available as a buy-up program. Wellness credits can also be used.

The Learn to Live Program targets members who are not using other resources for stress and anxiety. This is an online self-directed cognitive behavioral therapy tool. This can also be added at open enrollment.

Heidi Fountain said Dental utilization decreased slightly from the prior period.

Ms. Fountain reviewed *Proposed Recommendations* in several areas including Cardiometabolic, Musculoskeletal, and Behavioral Health.

Sharon Harrison thanked all from Blue Cross for the presentation. She appreciated getting the information to see that many of the Wellness initiatives of BHG are working.

Other Business:

Sharon Harrison proposed that the December board meeting be cancelled. All agreed. The next meeting will be January 25, 2020 at 9:30 A.M.

There was no other business.

Mary Beverly motioned to adjourn the meeting.

Maureen Senecal seconded the motion. A roll call vote was taken.

Mary Beverly, Board Chair	yes
Sharon Harrison, Board Vice-Chair	yes
Greg Boino	yes
Maureen Senecal	yes
Erika Snyder	left the meeting
Jason Hoch	yes
Joe Bergeron	yes

The motion carried by majority vote. The meeting adjourned at 11:34 A.M.

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