

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Board Meeting

The Holiday Inn, Mansfield

Meeting Minutes

Wednesday, December 10th, 2014

Board Members Present:

Teresa DeSilva (Board Chairman)
Christine Sylvia
Randall Buckner
Mary Hathaway
William Ross
Cheryl Gouveia
Michael Yunits
Chris Defontes
Mark Fisher
Joe Fernandes

Town of Easton
Town of Westport
Town of Raynham
Town of Dighton
Town of Mansfield
Town of Rehoboth
Town of Norton
Town of Seekonk
Town of N. Attleborough
Town of Plainville

Others Present:

Cathy Calicchia
Bonnie Benvissuto
Sheena Martin
Paul Mulkern
Pam Smith
Kate Sharry
George Foster
Suzanne Donahue
Bette Redgate
Patti Firing
Anthony Marini
Sandra Stankiewicz
Tracy Jamieson
Tracy Lavoie
Sue Medeiros
Carolyn Awalt
Sue Calista
Jackie Boudreau
Barbara Guilbault
Mike Breen
Catherine VanDyne
Amy Higgins
Jack Sharry

Town of N. Attleborough
Town of Mansfield
SCEC
Group Counsel
GBS
GBS
Town of Westport
Blue Cross Blue Shield
Blue Cross Blue Shield
Town of Mansfield
Lynch, Malloy, Marini LLP
Blue Cross Blue Shield
Town of Seekonk
Seekonk Schools
Town of Dighton
Town of Berkley
Town of N. Attleborough
Town of Mansfield
Town of Mansfield
Blue Cross Blue Shield
Town of Norton
Blue Cross Blue Shield
GBS

Kate Sharry began the meeting at 10:10 a.m.

General Business

Suzanne Donahue introduced Betty Redgate, Amy Higgins, Sandra Stankewicz and Mike Breen from Blue Cross Blue Shield. Mike Breen will be taking over for Ms. Donahue upon her retirement at the end of the 2014. The Board thanked Ms. Donahue for her hard work and dedication.

Mr. Marini from Lynch, Malloy and Marini gave a presentation to the Group regarding the Trust Fund audit which he has completed. He distributed and explained the draft audit report. He said the Group's net position as of June 30, 2014 was nearly \$11 million. Mr. Marini said the Group is in a good financial position and that the Treasurer, George Foster, is doing an excellent job overseeing the Trust Fund.

There was a motion by Mike Yunits to accept the Trust Fund audit report. Chris Defontes seconded the motion and it passed by unanimous vote.

Mr. Foster asked for authorization to pay the Town of East Bridgewater its share of the Trust Fund surplus as of June 30, 2014 based upon its withdrawal from the Group as of that date. The Town's share of as of that date is \$956,953.85. Mark Fisher made a motion to approve payment to E. Bridgewater. The motion was seconded by Chris Sylvia and passed by unanimous vote.

There was a motion by Mr. Yunits to approve the minutes of the last Board meeting. Ms. Sylvia seconded the motion and it passed by unanimous vote.

The next item on the agenda was the election of officers. Mark Fisher nominated Mr. Yunits for Board Chairman, Ms. Sylvia for Board Vice-Chairman and Steering Committee Chairman, and Bill Ross for Steering Committee Vice-Chairman. Cheryl Gouveia seconded the motion and it passed by unanimous vote. Randy Buckner, Cheryl Gouveia, Joe Fernandes, Chris DeFontes and Mr. Fisher were then nominated by Mr. Ross to join Ms. Sylvia and Mr. Ross on the Steering Committee. Mr. Buckner seconded the nominations and the nominees were elected by unanimous vote.

Amy Higgins, a Wellness Coordinator for Blue Cross, made a presentation on the Blue Cross "Healthy Me" program. She stressed that, if the program was to be successful, members would need encouragement from their towns. She said that Blue Cross will help to promote the program but that the towns will also need to help. In answer to a question, Ms. Sharry stated that the issue of providing an incentive for members to take the online health assessments (that are part of the program) would be discussed at the next meeting of the Wellness Committee. Teresa DeSilva suggested that the Board vote to go forward with the "Healthy Me" program. Randy Buckner made a motion to that effect that was seconded by Mr. Fisher and passed by unanimous vote.

Ms. Sharry then discussed the Steering Committee's recommendation to adopt a PDP plan for the senior plan pharmacy benefit. She explained that the Steering Committee had voted to recommend that the change be effective as of July 1, 2015. Jack Sharry stressed that advance notification and education are of critical importance when making changes to senior plans. Paul Mulkern cautioned that, while unlikely, municipal unions could demand bargaining over the changes to pharmacy benefits, as a change to the future retirement benefits of current active employees. In particular, he was concerned that the PDP plan's failure to cover lifestyle drugs could cause concerns among seniors and those current employees approaching retirement. He urged that the towns provide notice of the change at the earliest practical time. Bill Ross made a motion to accept the Steering Committee's recommendation to adopt the PDP plan effective July 1, 2015. Mr. Fisher seconded the motion and it passed by unanimous vote.

Ms. DeSilva confirmed that the Town of Easton is withdrawing from the Group and transferring its subscribers to the GIC, effective July 1, 2015.

Ms. Sharry noted that GBS has been considering strategies for recruiting new towns and districts for membership in the Group.

Ms. Sharry provided those in attendance with a COBRA Manual. She reviewed the Manual with the Board.

Financial Update

Mr. Sharry provided an update of the Group's finances. He noted that there had recently been a trend of low claims for one month followed by significantly higher claims the next month. He said the alternating low claim/high claim months were the result of the adoption of a new claims platform by Blue Cross.

Other Business

Mr. Mulkern discussed the Affordable Care Act's employer mandate. He also reviewed the draft reporting forms that had been issued by the IRS. He explained that the IRS will need information regarding health plan enrollment in order to enforce the employer and individual mandates. Employers should be talking with their payroll companies to see if they will be able to provide the necessary information to the IRS. This data will have to be collected in 2015 and reported in early 2016.

New Business

Ms. Smith announced that the SMHG website has been launched and is up and running. She told the Board that they should send anything that they would like posted on this website to her and she will put it on the site. She also said that they should get the word out to their members and retirees about the website.

Bill Ross thanked everyone for coming to Mansfield for the meeting.

A motion to adjourn the meeting at 12:36 a.m. was made by Bill Ross and was seconded by Randy Buckner. It passed by unanimous vote.

*Prepared by Pam Smith
Group Benefits Strategies*