

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Board Meeting

Mansfield Meeting Room, Town Hall
Mansfield, MA

Meeting Minutes

February 23, 2016

Board Members Present:

Christine Sylvia	Town of Westport
Randall Buckner	Town of Raynham
William Ross	Town of Mansfield
Michael Yunits	Town of Norton
Chris Defontes	Town of Seekonk
Michael Gallagher	Town of N. Attleboro
Mary Hathaway	Town of Dighton

Others Present:

Jackie Boudreau	Town of Mansfield
Patti Firing	Town of Mansfield
Catherine Calicchia	Town of N. Attleboro
Pam Smith	GBS
Kate Sharry	GBS
Mike Breen	Blue Cross Blue Shield
Paul Mulkern	Group Counsel
Jennifer Thompson	Town of Plainville
Shawn Cadine	Town of Seekonk

Mike Yunits began the meeting at 10:09 a.m.

General Business

Mr. Buckner made a motion to accept the minutes of the December 2, 2015 meeting. Mr. Ross seconded the motion and it passed by a unanimous vote.

Mike Breen briefly discussed the BCBS FY17 renewal. He noted that medical trend was up by approximately 7% while prescription drugs were trending approximately 15% higher. He said Blue Cross recommended rates that would generate approximately 16.2% higher revenue than the Group's current rates.

Kate Sharry discussed the alternate rate proposals for the 2016 - 2017 plan year that GBS had prepared. One proposal was a 10.5% increase to all of the 2015 - 2016 rates. The other proposal was for plan specific increases to the 2015 - 2016 rates. Those increases are detailed in an exhibit that GBS prepared that is attached as Appendix A. She noted that under either approach approximately \$3 million of the Group's surplus would be at risk.

Ms. Sharry observed that Medical and Prescription trends have been increasing at rates that haven't been seen for years.

Ms. Sharry noted that the Steering Committee had recommended that the Board adopt the plan specific rate increases that GBS had proposed. She said that those increased rates would generate 10.3% greater revenue than the rates for the 2015-2016 plan year.

Mr. Yunits observed that there had been discussion at the Steering Committee meeting regarding the use by members of M.G.L. c. 32B, Sections 21 - 22 to make plan design changes by July 1, 2016.

Mr. Ross made a motion that the Group accept the plan specific increases proposed by GBS for the 2016 - 2017 plan year. Mr. Buckner seconded the motion. Mr. Yunits voted "No" but all of the other Board members voted in the affirmative. The motion passed.

Pam Smith reviewed the Financial Report that GBS had produced. She noted that the loss ratio for claims was 103.1 through the month of January.

Other Business

Mr. Mulkern reminded the members that the ACA reporting was due on March 31. He said that he is available to provide assistance if any member needs help regarding the coding for the reporting.

Mike Breen stated that assessment charges for the BCBS pediatric immunization program will appear on the Group's next invoice from BCBS. He observed that the Group will also be billed quarterly for the Rhode Island vaccine assessment.

Mr. Gallagher made a motion to adjourn at 10:31 a.m. Mr. Ross seconded the motion and it passed by unanimous vote.

*Prepared by Pam Smith
Group Benefits Strategies*