

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Steering Committee Meeting

Easton Town Hall

Meeting Minutes

May 22, 2014

Steering Committee Present:

Michael Yunits	Town of Norton
William Ross	Town of Mansfield
Joe Fernandes	Town of Plainville
Mark Fisher	North Attleborough
Randy Buckner	Town of Raynham
Chris DeFontes	Town of Seekonk

Others Present:

Teresa DeSilva	Town of Easton
George Foster	Group Treasurer
Pam Smith	GBS
Ginger Hastings	GBS
Paul Mulkern	Group Counsel
Stella Farias	Town of Westport

Mr. Yunits began the meeting at 9:08 a.m.

General Business

Mr. Yunits asked for a motion to accept the minutes of the Committee's February 27, 2014 meeting. Mr. Buckner made a motion to accept the minutes. Mr. Ross seconded the motion and it passed by unanimous vote.

There was a discussion about adding a fitness Benefit Rider on Medex plans. Ms. Hastings explained this rider.

Mr. Mulkern addressed out-of-pocket maximums. He pointed out that the Board had set comprehensive out-of-pocket maximums for the Group's non-grandfathered plans (as required by the ACA). These required out-of-pocket maximums will eventually apply to all medical and pharmacy payments. He explained that many of the Group's plans have had limited maximums for certain out-of-pocket expenses. For example, several plans have a \$1,000. cap on in-patient co-pays, while other plans have out-of-pocket maximums that apply to services other than office visits. Mr. Mulkern indicated that he did not realize at the last meeting that Blue Cross intended to replace all of those limited caps with the comprehensive maximums mandated by the ACA. He explained that eliminating those limited caps would be construed as reductions in the plans' benefits. He said that he had been told by a Blue Cross representative that Blue Cross would no longer offer the limited caps as features of its plans. He pointed out that this was a concern since a subscriber who had benefited from the co-pay cap in the past could legitimately question why that protection was no longer available to him/her. After discussion, the Committee directed Ms. Hastings to notify Blue Cross that it should restore the previous limited caps to the Group's plans.

Ms. Hastings next discussed the PCORI fee. She explained that the fee of \$1.00 per covered member was payable by July 31. She estimated that the fee would be approximately \$10,000. Mr. Ross made a motion to authorize the Treasurer to pay the fee. The motion was seconded by Mr. Buckner and passed by unanimous vote.

Ms. Hastings suggested that the Group consider the adoption of an Employer Group Waiver Plan (EGWP). She felt that the Group could save considerable money by adopting an EGWP and its adoption could also favorably impact the Group's members' OPEB liability. She indicated that she would provide the Group with estimated savings at the Committee's next meeting.

Ms. Hastings informed the Group that Tufts was interested in offering a proposal for the Group's Medicare plans. It was the consensus of the Committee that Tufts should be invited to make a presentation.

Financial Report

Ms. Hastings reviewed the Financial Overview that GBS had prepared. She noted that the combined loss ratio for the plans offered by the Group was now 98.9%.

Mr. Foster provided the Treasurer's report.

Other Business

Ms. DeSilva was asked to provide an update on the enrollment audit. She explained the status of the audit.

Mr. Ross explained that a disabled member from Mansfield had failed to enroll in Medicare Part B and the portion of his claims that would be covered by Medicare are not being paid by Blue Cross. Mr. Ross indicated that the member has enrolled in Part B but his coverage will not be effective until July 1. Mr. Ross asked that the Group authorize payment of the member's claims (that would have been covered by Part B) through June 30, 2014. Mr. Fisher made a motion to that effect. Mr. Buckner seconded the motion and it passed by unanimous vote.

Ms. Hastings raised for discussion the possibility of the Group establishing a website. She said that she would forward to Committee members links to the MMHG and CCMHG websites. She indicated that setting up a website for a health group had, generally, cost about \$10,000., while maintaining the website would cost approximately \$2,000. to \$3,000., annually. Mr. Mulkern noted that the Group could comply with the Open Meeting Law's notice requirements by posting notices of meetings on its website. A discussion followed regarding the applicability of the Open Meeting Law to the Group. Mr. Fisher made a motion that the Committee direct Mr. Mulkern to seek the opinion of the Attorney General regarding the issue. Mr. Ross seconded the motion and it passed by unanimous vote.

The Committee scheduled its next meeting for June 25th at which quotes for the Group's reinsurance will be considered.

Mr. Fisher made a motion to adjourn the meeting at 10:32 a.m. Mr. Ross seconded the motion and it passed by unanimous vote.