

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Steering Committee Meeting

Easton Town Hall

Meeting Minutes

October 7, 2014

Steering Committee Present:

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

Others Present:

Teresa DeSilva	Town of Easton
George Foster	Group Treasurer
Patti Firing	Town of Mansfield
Pam Smith	GBS
Kate Sharry	GBS
Paul Mulkern	Group Counsel
Suzanne Donahue	Blue Cross Blue Shield
Jack Sharry	GBS

Mr. Yunits began the meeting at 9:02 a.m.

General Business

Mr. Yunits asked for a motion to accept the minutes of the Committee's September 9, 2014 meeting. Mr. Buckner made a motion to accept the minutes. Ms. Sylvia seconded the motion and it passed by unanimous vote.

Ms. DeSilva told the Group that she received a letter from the Town of E. Bridgewater requesting that the Committee reconsider its vote, taken at the last Committee meeting, to take no action on a request for payment of claims expenses that would have been covered by Medicare Part B. The member is the spouse of a retiree and is disabled and currently enrolled in Medicare Part A. Effective 7/1/12 her husband became eligible for a Medicare Supplement plan. Thereafter, she enrolled in the Network Blue plan as an Individual. Ms. DeSilva stated that the member was, apparently, provided erroneous advice concerning her enrollment options. She has accumulated substantial medical bills and is unable to pay them. Some of her providers will not see her until the bills are paid. A motion was made by Mr. Buckner to authorize Blue Cross Blue Shield to pay those claims that were incurred on or before June 30, 2014. The motion was seconded by Mr. Ross and passed by unanimous vote.

Financial Report

Ms. Smith reviewed the Financial Overview that GBS had prepared. The analysis covered the first two months of the 2014 - 2015 fiscal year and showed a loss ratio for the two months of 95.5%.

Mr. Foster provided the Treasurer's Report. He also reported that he had registered the Group online for payment of the ACA Transitional Reinsurance Fee.

Other Business

Ms. Sharry discussed the savings that towns could expect if the Group adopted an EGWP. GBS had sent out to each member entity an estimate of its savings if an EGWP was adopted. Ms. Sharry noted that Blue Cross had revised its rate for the Managed Blue for Seniors plan from \$277.00 to \$240.23.

Ms. Sharry shared with the Committee a listing of the 200 most utilized prescription drugs in the Group's MEDEX plan. She explained that the formulary under the EGWP plan would be slightly different than the current plan's formulary. She pointed out on the drug listing that while several drugs were tiered higher under the EGWP plan than under the current MEDEX, a number of other drugs were placed at a lower tier under the EGWP plan. A member of the Committee asked that GBS provide an analysis of the run-out under the RDS plan that would be available to each member entity if the Group moved to an EGWP plan. Ms. Sharry indicated that GBS would provide the analysis at the next Steering Committee meeting.

Ms. Donahue stated that, if the Group decided to adopt the EGWP, Blue Cross representatives would meet with retirees to discuss the EGWP program. Mr. Mulkern reiterated that a change to the future retirement benefits of current active employees would present a bargainable issue. It was suggested, however, that if the retirees were comfortable with the change, it was not likely that there would be objections from the bargaining units.

Mr. Ross made a motion, that was seconded by Mr. Buckner, that the Steering Committee recommend that the Board adopt the EGWP plan effective July 1, 2015. The motion passed by a 6 -1 vote with Mr. Fernandes voting in the negative as he favored a change effective January 1, 2015.

Ms. Sharry advised the Group that Mr. Foster would be paying the ACA transitional reinsurance fee for the Group and that GBS would be applying for a Health Plan ID (HPID) for the Group.

Mr. Mulkern addressed the ACA reporting requirements for the 2015 calendar year that health plans and employers will be required to file in 2016. The Committee members were concerned that members be familiar with those reporting requirements prior to the start of the 2015 calendar year. The Committee decided to schedule a meeting for October 29, 2014 to review those reporting requirements. A Board meeting will then be scheduled to review the requirements with all of the Group's members. Mr. Mulkern stated that he would e-mail to Committee members copies of the IRS preliminary reporting forms and instructions prior to the October 29 meeting.

Mr. Ross requested that he be provided with detailed information regarding the subscribers and dependents who had not submitted the information requested for the enrollment audit. Other Committee members indicated that their towns, also, needed that information. Ms. DeSilva indicated that she would supply the member entities with the requested information.

In response to question from Mr. Ross, Ms. DeSilva indicated that the Town of Easton was considering a move to the Group Insurance Commission.

At 10:22 a.m. Mr. Fisher made a motion to adjourn the meeting. The motion was seconded by Mr. Yunits and passed by unanimous vote.

The next Steering Committee meeting will be held at 9:00 a.m. on October 29, 2014 at Easton Town Hall.

Prepared by Pam Smith