

# SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

## Steering Committee Meeting

Westport Library Meeting Room

Meeting Minutes

June 18th, 2015

### Steering Committee Members Present:

Randy Buckner	Town of Raynham
Joe Fernandes	Town of Plainville
Chris DeFontes	Town of Seekonk
Chris Sylvia	Town of Westport
Cheryl Gouveia	Town of Rehoboth
Mark Fisher	Town of North Attleboro

### Others Present:

Michael Yunits	Town of Norton
George Foster	Group Treasurer
Patti Firing	Town of Mansfield
Pam Smith	GBS
Kate Sharry	GBS
Paul Mulkern	Group Counsel
Mike Breen	Blue Cross Blue Shield

Mr. Yunits began the meeting at 1:04 p.m.

### General Business

Mr. Yunits asked for a motion to accept the minutes of the Committee's February 5th, 2015 meeting. Ms. Sylvia made a motion to accept the minutes and Ms. Gouveia seconded the motion. It passed by unanimous vote.

Ms. Smith provided a summary to the Group explaining the reinsurance quotes that were received through the RFQ process. She told the Group that only 2 quotes were received again this year for stop loss reinsurance, and they were from BCBS and SLIB. Ms. Smith said that after reviewing the bids she is recommending the group increase their specific level to \$275K. By doing this the overall increase to the Group's annual premium would be 8.7%. She also mentioned that for the first time there was a \$450K laser placed on a member. She explained that the re-insurer would only be responsible for claims incurred for the member that exceeded \$450,000.

Mark Fisher asked for a motion to accept the recommendation of GBS and select the quote from SLIB with the \$275K specific level and rates at \$8.44 for Individual and \$24.59 for Family. Chris DeFontes seconded the motion and it passed by unanimous vote.

## **Financial Update**

George Foster reviewed the Treasurer's report. A discussion followed.

## **Other Business**

Kate Sharry noted that a question had been raised by Westport regarding Individual plus 1 rating. She explained that establishing a 2-person rate would not result in a reduction in claims but would merely have the effect of increasing the Family rate. Mr. Mulkern noted that the adoption of a new tier would also be subject to collective bargaining.

Ms. Sharry next discussed a request from several Units to receive their invoices and rosters from GBS electronically. She explained that GBS was now offering this service. The cost would be \$150. per governmental unit per year or, if the entire SMHG elected to purchase the service, \$130. per unit per year. Ms. Sharry indicated that GBS would be providing a sample report to the Group. She noted that two other joint purchase groups have decided to purchase the service.

Mr. Mulkern provided a brief update on the ACA reporting requirements. He explained that the reporting was necessary for the IRS to enforce the ACA's Individual Mandate and Employer Mandate. Forms 1094-B and 1095-B relate to the Individual Mandate and verify that the Group's subscribers are enrolled in health coverage that satisfies the requirements of that Mandate. Form 1094-C and 1095-C relate to the Employer Mandate and verify the coverage that an Employer has provided to its employees. Mr. Mulkern stated that each of the Group's governmental units would be responsible for providing Form 1095-C to its full time employees and filing those forms and Form 1094-C with the IRS. With regard to the filing of Forms 1094-B and 1095-B, Mr. Mulkern acknowledged that the guidance issued by the IRS has not directly addressed which entity or entities would be responsible for filing those forms in the case of a self-funded municipal joint purchase group and its members. He expressed the opinion, however, that the limited guidance issued by the IRS suggested that the Group, itself, would be responsible for filing forms 1094-B and 1095-B.

With regard to the "C" forms, Mr. Mulkern noted that the major payroll companies appear to be offering to complete the forms for their accounts for an additional fee.

Mr. Breen said that the level monthly funding payment, effective July 1, 2015, will be \$4,401,900 for active plans and \$173,200 for the Medex plan for a total of \$4,575,100.

Ms. Sharry explained that the PCORI fee is due by July 31, 2015. She estimated that the fee for this year would be approximately \$21,000. Ms. Sharry also reported that GBS would be sponsoring a webinar regarding the ACA reporting requirements.

Ms. Sharry stated that Shields MRI would like to make another presentation to the Group regarding possible savings that the Group could realize by using their services. Mr. Yunits suggested that a Shields representative be invited to a Committee meeting.

Ms. Sharry noted that the Group's contract with GBS would be expiring on June 30, 2015. It was agreed that Mr. Mulkern would prepare a RFP.

Mr. Fisher noted that he and Mr. Fernandes would be retiring before the next Steering Committee meeting, causing two vacancies on the Committee. Mr. Mulkern advised that the joint purchase agreement provides that Steering Committee members are appointed by the Board. It was agreed that new members should be elected at the next Board meeting which, ideally, should precede the next Steering Committee meeting.

The Committee scheduled the next Board meeting for September 15, 2015 at 9:00 a.m. in Mansfield and the next Steering Committee meeting for September 17, 2015 at the Westport Fire Station meeting room.

Mr. Fisher made a motion to adjourn the meeting at 2:34 p.m. Mr. Fernandes seconded the motion and it passed by unanimous vote.