

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Board/Benefit Meeting

Seekonk Town Hall

Seekonk, MA

April 24, 2018

Board Members Present:

Michael Yunits	Town of Norton
Jackie Boudreau	Town of Mansfield (alternate)
Chris Defontes	Town of Seekonk (alternate)
Tim King	Town of Westport (alternate)
Sheena Martin	South Coast Ed. Collaborative
Cheryl Gouveia	Town of Rehoboth
Shawn Cadime	Town of Seekonk

Others Present:

Pam Smith	GBS
Kate Sharry	GBS
Mike Breen	Blue Cross Blue Shield
Bruce Alexander	Town of Seekonk
Tracey May	Arthur Gallagher

Mike Yunits began the meeting at 1:38 p.m.

Minutes from March 29, 2018

Shawn Cadime made a motion to approve the minutes from the March 29, 2018 Board meeting. Jackie Boudreau seconded the motion and it was passed by unanimous vote.

Stop Loss Captive Discussion – Tracey May

A presentation was made by Tracey May of Arthur J. Gallagher & Co. regarding a Stop loss Captive arrangement (presentation available). Mr. May said there are three joint purchase groups that have formed a captive, they are West Suburban, Cope Cod Municipal and Minuteman Nashoba. They are in their fourth year since inception. Mr. May said captives have been around for many years and that the MMRA (Mass Municipal Reinsurance Arrangement) has outperformed the market trend for the last three years. Arthur J. Gallagher does underwriting, reporting and marketing. If SMHG is interested in joining the captive Tracey would be happy to give a proposal to the group. Ms. Sharry said GBS will send out a copy of the joint purchase participation agreement for the captive that is in place. GBS will also do a history for reinsurance for the past few years and will present at the next meeting.

Financial report – Pam Smith

Ms. Smith reviewed the report and said the group has a 94% loss ratio for all health plans with a \$2,722,124 funding surplus. She noted the Network Blue Value Plan had one claimant with approximately \$500,000 in claims for March. This claimant is on the prior stop loss policy and has a

pending reimbursement of \$243,808 due. Ms. Smith said there was a delay processing these claims – they were incurred in May 2017 and not paid until March 2018. Ms. Smith has been in touch with Stop Loss Insurance Brokers (SLIB) and will follow this closely. AIG is the carrier that has this policy, with a very fair reputation for paying claims, so she does not anticipate any issues with this claim. GBS will keep everyone updated on this.

Treasurer's report

Ms. Valente reviewed the expense report. (report available)

Norton exception

Mr. Yunits said the Town of Norton has a member with a Medicare eligibility issue. The town of Norton is asking that the coding be changed to allow the claims that were incurred under the PPO (prior to when the member was on Medicare) be paid. Tim King made a motion to pay the claims per Norton's request. Shawn Cadime seconded the motion and it passed by unanimous vote.

Mansfield exception

Ms. Boudreau told the Group the Town of Mansfield has a retired teacher that is not eligible for Medicare. This subscriber had services that requiring prior authorization and there were issues with the correct PCP being listed on her policy, which resulted in a breakdown of communication. The Town of Mansfield is requesting that the claims be paid by SMHG in the amount of \$1,478.02. Mr. Cadime wanted to know what would happen if the group decided not to pay the claims, would they be billed to the subscriber or the facility. Ms. Boudreau said she is not sure but will look into it. Tim King made a motion to deny the request for exception and said is the responsibility of the facility to make sure these things are taken care of. Shawn Cadime asked to table the motion until further information is received. Shawn Cadime made a motion to table until the next meeting. Tim King seconded the motion and it was passed by unanimous vote.

New Business

Ms. Smith said she has had a few conference calls with Vitals smart shopper in preparation to launch the program for June 1st. There is a mailer that will be going out to all subscribers in the next few weeks. GBS will send out an email with more information next week.

At 2:35 p.m. Mr. Cadime made a motion to adjourn the meeting. Ms. Boudreau seconded the motion and it passed by unanimous vote.

The next Board meeting will take place on May 30th at 9:00 a.m. in Seekonk.

*Prepared by Pam Smith
Group Benefits Strategies*