

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Board Meeting

North Attleboro Police Facility
North Attleboro, MA

September 21, 2016

Board Members Present:

William Ross	Town of Mansfield
Michael Yunits	Town of Norton
Michael Gallagher	Town of N. Attleborough
Mary Hathaway	Town of Dighton
Chris Defontes	Town of Seekonk
Randy Buckner	Town of Raynham
Cheryl Gouveia	Town of Rehoboth
Brad Brightman	Town of Westport

Others Present:

Jackie Boudreau	Town of Mansfield
Pam Smith	GBS
Kate Sharry	GBS
Mike Breen	Blue Cross Blue Shield
Stephanie Burke	Blue Cross Blue Shield
Michelle McDonough	Blue Cross Blue Shield
William Rowbottom	Blue Cross Blue Shield
Helen Dennen	Town of Rehoboth
Paul Mulkern	Group Counsel
Shawn Cadime	Town of Seekonk
Sue Calista	Town of N. Attleborough

Mike Yunits began the meeting at 1:07 p.m.

General Business

Ms. Sharry emphasized the importance of making plan design changes prior to the next renewal in order to reduce rates. She said there are many options available to the Group including adding a qualified high deductible plan along with an HSA to the plan.

Stephanie Burke from BCBS gave the Group a powerpoint presentation on HSAs and how they work. She explained that, in order to offer a tax-advantaged HSA, a plan must include a deductible that is

equal to or greater than the minimum required by the IRS. She stated that for 2017 the minimum deductible

for Individual coverage is \$1,300 and \$2,600 for Family coverage with annual out-of-pocket maximums of no more than \$6,550 for Individual coverage and \$13,100 for Family coverage. She said that for 2017 the maximum contribution that may be made to an HSA is \$3,400 for an Individual Plan and \$6,750 for a Family plan.

Ms. Burke said that Blue Cross recommends that a plan have deductibles of at least \$1,500 (Individual) and \$3,000 (Family). She said that Blue Cross also recommends that the Employer make a contribution toward funding the HSA.

Ms. Sharry pointed out that other municipal joint purchase groups have decided to offer the high deductible/HSA plans as an option. She said that the underlying plans can be modified. For example, while most co-pays would not apply after the deductible was reached, a plan might specify that the emergency room co-pay apply in order to discourage members from using the emergency room for non-emergency events.

Ms. Sharry recommended that the Group reduce the number of plans it is currently offering. She suggested that the grandfathered plans might be dropped and replaced by the Value and Deductible plans. She suggested that the Group might also consider modifying the deductible plans to conform to the most current GIC benchmark plan.

Mr. Mulkern stated that the process provided by c. 32B, Sections 21 - 22 was the most effective vehicle for making plan change. He pointed out that even those communities that had previously implemented changes pursuant to that process could now use the process, again, to take advantage of the changes that the GIC has recently made to the benchmark plan.

Other Business

Ms. Sharry discussed proposals that had been received from Abacus Health Solutions. She explained that Abacus offers a program where high-priced prescription drugs can be purchased for less from vendors in other countries such as Canada, New Zealand, Australia and the United Kingdom.

Ms. Sharry said that Abacus also offers a diabetes program that the Group might consider. She said that members who participated in the program would receive their medications and supplies without co-pays. Finally, she said that Abacus was offering a Health, Weight, Healthy Heart program.

Ms. Sharry said that Abacus would be happy to provide the Group with a presentation related to any of those programs.

A Steering Committee meeting was scheduled for October 6 2016 at 9:00 a.m. in Mansfield.

