

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Board Meeting
Seekonk Town Hall
Seekonk, MA

March 28, 2019

Board Members Present:

Catherine Van Dyne	Town of Norton (Alternate)
Christine Defontes	Town of Seekonk
Patrick McIntyre	Town of Plainville
Cheryl Gouveia	Town of Rehoboth
Mary Hathaway	Town of Dighton
Tim King	Town of Westport (Alternate)

Others Present:

Kate Sharry	Gallagher
Pam Smith	Gallagher
Maureen Valente	Treasurer
Mike Breen	BCBS
Jeanne Hanlon	Town of Norton

Patrick McIntyre began the meeting at 1:02 p.m.

Maureen Valente did roll call. Berkley, Raynham and SouthCoast were not present. All other Towns present.

Minutes from January 31, 2019

Cheryl Gouveia made a motion to approve the minutes from the January 31, 2019 Board meeting. Chris Defontes seconded the motion and it was passed by unanimous vote.

Financial report – Pam Smith

Ms. Smith reviewed the Financial Report with claims data through February. Ms. Smith said the loss ratio is 87.6% with a \$2.8M surplus, all plans are running well. There is only one claimant on the current stop loss policy over the specific and this person has since termed. There are no stop loss reimbursements due at this time.

Treasurer's report – Maureen Valente

Ms. Valente presented the Treasurer's report she said the income exceeds the outgoing money. There were \$3.7M in checks cut for payouts to the Towns that have left the group. The balance does not reflect this payout. Ms. Valente said the contract for the annual audit will continue with the current company. She asked that this be put on the agenda for the next meeting to discuss and approve.

FY21 Strategy and Beyond – Kate Sharry

Ms. Sharry said the renewal for July 1st is complete. She said the next renewal we are working on is the stop loss renewal. Last year we had Gallagher come in to discuss possible captive with the group, we may have them back to discuss for the new year to see if this could be a possibility. We will also shop it out as we always do. Ms. Sharry said another possibility would be to merge the stop loss with the Mayflower Municipal Health Group. Even if we get rates to merge it doesn't mean we have to go through with anything. Ms. Sharry said with the groups approval we could look at a possible pooling arrangement. Tim King made a motion to allow GBS to get rates to pool stop loss, Cheryl Gouveia seconded the motion and it passed with unanimous vote.

Ms. Sharry told the group that it has been a long time since we put the health insurance out to bid. It's always a good idea to shop the market every few years just to see what's out there. Tim King made a motion to put the health insurance out to bid for the FY21. Cheryl Gouveia seconded the motion and it passed by unanimous vote.

Ms. Sharry said there are a number of other things we can also look at to save money and reduce claims such as carving out prescriptions and disease management programs. We could look at third party administrators for carriers also. Harvard Pilgrim uses HPI and Blue Cross uses BBA. Shawn Cadime asked if we could look at area hospitals and possibly try to negotiate with them?? GBS will present a draft timeline at the next meeting for the RFQ.

Gallagher Presentation – Tony DeSilva

Mr. DeSilva passed out a presentation to the group on HR Compensation consulting services. He discussed attracting talent and how to retain these employees. He also discussed wage structure and leadership development among other topics of interest. A board member remarked that one of their greatest challenges is training among personnel in the Towns. Mr. DeSilva said he is available to come speak to any town should they want more information.

New Business

Jeanne Hanlon from the Town of Norton requested to have \$900 approved for the Town for Wellness. They would like to offer some services from Blue Cross Blue Shield for the health fair and that is the estimated cost of the programs they would like for that day. Tim King motioned to approve \$900 as requested. Cheryl Gouveia seconded the motion and it passed by unanimous vote.

Ms. Sharry wanted to update the group regarding the FDA's notice to Canarx. Ms. Sharry said over the years we have had many legal opinions regarding Canarx and we have not received any negative feedback on this program. SMHG does not contract with canarx, the employees do. They do not send any injectibles or narcotics. They are not a dispensary and they don't fill prescriptions either. The federal government has accused them of being a dispensary and this is untrue. GBS has the full legal response and can send it to anyone that would like to see it.

At 1:51 p.m. Mr. King made a motion to adjourn the meeting. Ms. Gouveia seconded the motion and it passed by unanimous vote.

The next Board meeting will take place on May 14th, 2019 at 1:00 p.m. in the Plainville Town Hall located at 190 South Street.

*Prepared by Pam Smith
Group Benefits Strategies*