

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Board Meeting Virtual Meeting/Remote Participation/Meeting Recorded

April 29, 2021

Board Members Present:

Tim King	Westport
Sheena Martin	SCEC
Michael King	Raynham
Susan Brayton	Westport (Alternate)
Mary Hathaway	Dighton
Cheryl Gouveia	Rehoboth
Mike Yunits	Norton
Janet Jannell	Plainville
Chris Defontes	Seekonk (Alternate)

Others Present:

Maureen Valente	Treasurer
Pam Smith	Gallagher
Joan Yeun	Blue Cross
Mike Breen	Blue Cross
Chris Nunnally	Gallagher
Taylor Whitcomb	Gallagher

Tim King called the meeting to order at 9:32 A.M.

Mr. King requested roll call to be taken. Ms. Smith did a roll call, Towns present were Norton, Raynham, Seekonk, SCEC, Dighton, Westport, Plainville and Rehoboth.

Minutes from March 25, 2021

Mike Yunits made a motion to accept the minutes from the March 25, 2021 board meeting. The motion was seconded by Cheryl Gouveia. The motion passed unanimously.

Voluntary Benefits Update

Taylor Whitcomb updated the Board regarding the rollout for the Dental and Vision plans they are implementing. Mr. Whitcomb said he has been in touch with every Town and they should have the forms they need for enrollment. Mr. Whitcomb said everything is on track for a July 1, 2021 start date and if anyone needs anything to feel free to reach out to him. (handout attached)

Investment Policy

Mike King told the group that the sub-committee met to discuss the option of adding additional cash to the SMHG investment account. Mr. King said they would like to amend the policy to

include the wording that Maureen sent out to everyone and that is being presented today. The proposal includes wording that on a quarterly basis the Board will vote whether or not to authorize the Treasurer to transfer cash balances above the policy amount into the investment account. Mike Yunits motioned to add these amendments to the Investment Policy as presented. Chris Defontes seconded the motion. The motion passed unanimously.

Treasurer's Report

Ms. Valente said as of March 2021 income was a little over \$2.9M and expenses were \$2.8M for a total of income at about \$189K for the month. Ms. Valente reviewed her report and the investment fund report which is up about another \$75K from last months update.

Financial Report

Ms. Smith said there are 9 months of claims data in and the surplus is almost \$2M, with a loss ratio of 92%. Ms. Smith there are two members that are over the specific, Gallagher has started processing the forms requesting reimbursement for these members.

Reinsurance Renewal

Mr. Nunnally updated the group and said that last year the policy they purchased with AJG included a no new lasers option and a 50% rate cap. Mr. Nunnally said they also joined a pool with 13 other members and almost \$20M in premium, the block is running well with a 60% loss ratio to date, the renewal from Gerber is a 0% increase. Mr. Nunnally said they also received a 0% increase last year, this is the first time they have ever had a 0% renewal two years in a row. Mr. Nunnally said the Board has two options they can vote to take rate pass or they can go out to bid. The risk of going out to bid is that the group would have to be rated by themselves.

Mike Yunits made a motion to accept the renewal at 0% increase, Chris Defontes seconded the motion. The motion passed unanimously.

BCBS Pharmacy discussion

Mike Breen introduced Joan Yeun, she is a pharmacy specialist at BCBS. Ms. Yeun discussed the two different models that BCBS offers. The first being the applied rebate model and the other is the unbundled, prior to July 2020 SMHG had the applied model and then during the RFQ process it was decided to go to the unbundled option which uses rebates to offset claims. Ms. Yeun said as of February 2021 there was approximately \$883K earned in rebates vs. \$623K that would have been earned with the old model. Mike Breen explained that this would be rebated back through the quarterly settlement, this should be on the May settlement. Chris Nunnally explained that the Board is going to also receive back an additional \$662K for the 3rd and 4th quarters of 2020 worth of rebates through express scripts.

Ms. Yeun discussed the Pillarx program whom BCBS partnered with last August. This is a cost share assistance program for members with costly specialty medications. Pillar will send out notification letters and make outbound calls to get members enrolled. About 200 drugs in this program.

Once enrolled the member will not pay the coupon amount and many cases will allow the member copay to be \$0. Ms. Yeun presented a savings chart showing the potential that could be saved using Pillarx, an estimated \$393K could have been saved if this was in place last year. Ms. Yeun explained the fees for Pillarx, BCBS would take 25% of all savings that is captured. Mr. Timothy King asked if there were any questions on the Pillarx presentation. Mr. Timothy King thanked Ms. Yeun for the presentation and asked if a decision needs to be made

today, Mr. King asked to have this added to the next agenda, Ms. Smith said she would also send the meeting packet out to everyone with all this information.

Ms. Defontes asked if there is any downside to this program, Mr. Timothy King said he isn't sure and would like to take time to review the information.

Eligibility RFP update

Mr. Nunnally told the Board that we have received all the bids and we are in the process of putting them together now will have everything ready to present for the next meeting. Mr. Nunnally said the timeline discussed was to implement this in October and if the board votes in June we will be in good shape. Mr. Nunnally also reminded the Board that the State gives strong guidance on this stating that municipalities should have this done every 3 years to make sure people on the plans should be on plans.

FY22 Strategy Discussion

Mr. Nunnally said that over the past few years the group has done a lot of work to put some great programs into place to help offset claims costs but there are still more options we can look at for the future, one of them being a high performance health plan. Mr. Nunnally explained how this works and said that one of the nice things about a high performance health plan is that Towns won't have to negotiate changes since that can always be a difficult thing to do. (handout attached) Mr. Nunnally said he would like approval to invite Abacus in for a presentation at the next meeting, chronic care management is an important part of trying to reduce claims. Chris Defontes made a motion to invite Abacus to present at the next meeting. Mike Yunits seconded the motion. The motion passed unanimously.

Mr. Nunnally said he will also have Telehealth utilization data at the next meeting for review and discussion.

Mike King asked about medicare migration and where we are at in the process. Mr. Nunnally said that Blue Cross Blue Shield is working on this piece now and we should have something to present in a few months. Once we receive the data from Blue Cross we will review it and look at the penalties to see if the savings outweighs the penalties and that it is worth moving forward with this.

New business

The next meeting is scheduled for May 27th, 2021 at 9:30 A.M.

Mike Yunits made a motion to adjourn the meeting at 10:27 A.M. Chris Defontes seconded the motion. The motion passed unanimously.