

Southeastern Massachusetts Health Group (SMHG) Board Meeting

Thursday, April 25th, 2024
Virtual Meeting / Remote Participation / Meeting Recorded

Meeting Minutes

Board Members in Attendance:

Shawn Cadime, Board Chair	Seekonk
Mike Yunits, Board Vice Chair	Norton
Paul Reynolds	Dighton
Kelly Usher	Raynham
Deborah Arruda	Rehoboth
Sheena Martin	SCEC
Jim Hartnett	Westport

Guests in Attendance:

Chris Defontes	Seekonk
Paula Linhares	Norton
Sue Brayton	Westport
Stella Farias	Westport
Kristin McKenna	Abacus Health
Rich Bienvenue	Treasurer
Michael Breen	BCBS
Stephanie Ketcham	BCBS
Patrick Flattery	Arthur J. Gallagher
Marianna Gil	Arthur J. Gallagher
Darlenys Dominguez	Arthur J. Gallagher

Mr. Cadime, Board Chair began the meeting at 9:35 am. Attendance roll was taken by Darlenys Dominguez. Towns present were Dighton, Norton, Raynham, SCEC, Seekonk, and Westport.

Marianna Gil introduced two new Gallagher team representatives. Patrick Flattery joins Gallagher from Fallon Health as a Client Executive and will co-lead the service for SMHG. Darlenys Dominguez (Leny) joined Gallagher last month as a Client Associate, helping the team with meetings, minutes, and invoicing.

Vote to Approve Meeting Minutes from March 27th, 2024

Mr. Yunits made a motion to accept the minutes from the March 27th, 2024 Board meeting. The motion was seconded by Jim Hartnett. There was a roll call vote by Ms. Dominguez.

Motion



Dighton	Yes
Norton	Yes
Raynham	Yes
Rehoboth	Yes
Seekonk	Yes
SCEC	Yes
Westport	Yes

The motion passed by unanimous vote.

Potential Vote to Adopt Abacus Silver, Gold, & Platinum Rewards

Ms. McKenna provided a recap of the Abacus rewards program called Silver, Gold, and Platinum. The goal of this program will be to reward the benefits/wellness champions for their efforts in helping complete quarterly activities. Wellness champions will be able to earn different prizes per each level reached. For example, a free breakfast will be available once the group hits Silver status at 25% enrollment.

There was a discussion confirming that Abacus will fully sponsor this program.

Mr. Yunits made a motion to adopt the Abacus Silver, Gold, & Platinum Rewards program. The motion was seconded by Jim Hartnett. There was a roll call vote by Ms. Dominguez.

Motion

Dighton	Yes
Norton	Yes
Raynham	Yes
Rehoboth	Yes
Seekonk	Yes
SCEC	Yes
Westport	Yes

The motion passed by unanimous vote.

BCBS Wellness Credits Updates – Stephanie Ketcham

Stephanie Ketcham from Blue Cross Blue Shield provided an update on the BCBS wellness credit dollars. She stated that the group has been able to use a good percentage of their credit dollars. There has been a change in the original distribution plan for the Fitbits. Stephanie identified that while she has access to the participant's emails, she does not have permission from Blue Cross to share the emails of the registered participants. It is a breach since specific permission to release the email despite them being employees and members of the member units. Stephanie mentioned she is currently working with Marianna to develop alternative options.

Stephanie confirmed that 68 FitBits have been ordered and that the next step is determining how they will be distributed. The first option would be to use member names, group them into each member unit, and have the member units obtain their work emails. This would allow the members to provide the information to the town's

representative, and BCBS will reach out to send the survey to the participants. The advantage is that a survey will still be carried out, but the disadvantages are that extra steps will be necessary and participants will not receive the Fitbits until after the challenge has already begun since it has already been launched. Option two is distributing the Fitbits to the 75 current participants enrolled for the challenge. Ms. Ketcham mentioned that enrollment is technically closed as of April 23, 2024, but if someone wants to join the challenge, they still can. Since only 68 Fitbits were ordered, 7 more would need to be ordered, plus advised to order at least 10 more in case more people join late. If the group chooses option two, this may lead to the distribution of Fitbits to participants who may not need or want a Fitbit. Stephanie suggested to the group that while evaluating the two options, they should consider the importance level of providing Fitbits to individuals sooner rather than later and the importance of surveying to identify those interested in receiving the Fitbits.

Kelly Usher noted that she prefers option two because it is easier and quicker than doing the survey, given the challenge has already started.

Paula reminded the group that not enough Fitbits had been ordered.

Stephanie said additional Fitbits can be quickly ordered and, in the interim, can be distributed to the initial 68 participants, with the remaining ones being provided once they are received. The group has sufficient funds, so there are no financial barriers.

Sheena Martin noted that it may be wasteful to provide Fitbits to all participants as many already have an Apple Watch or another device and would not use the Fitbit.

Paula agreed with the strategy to easily eliminate unnecessary distribution.

Marianna stated that the list of registered members can be sent out, but the groups will have to sort through a few non-BCBS members if they belong to their member unit. The groups can then email all participants asking them if they are interested in receiving a Fitbit.

It was determined that the group would proceed with option one, and each entity would contact Marianna to advise how many Fitbits would need to be distributed.

Ms. Ketcham reviewed a security alert email from AHealthyMe vendor, Vivacity. The email was sent to all registered participants as a precautionary measure due to suspicious activity observed a week prior. Although it did not impact the SMHG account, users were prompted to reset their passwords when logging in. The vendor acted swiftly to prevent any data breaches, and BCBS was unaware before the email release due to the fast-paced nature of the situation. The platform is functioning normally, and HR does not need to provide any additional information. BCBS can provide language if there are any inquiries regarding the password reset.

Kelly mentioned that she, Stephanie, and others attempted to change their password but did not receive the email to complete the password reset process. She was able to access the platform through her main BCBS account but was unsuccessful in receiving the password reset email from the AHealthyMe platform.

Stephanie thanked for the feedback and would provide steps for resetting the password.



Chris reported that to being locked out of the platform due to the difficulty of the password reset caused participants to miss the opportunity to join a group in the challenge. As a result, they were automatically assigned a random group since they had not yet selected one.

Stephanie mentioned if anyone wants to join the challenge late or change groups, they can send an email to Vivacity that they are with SMHG and their request.

A discussion was had about spouses being able to join the challenge. Stephanie clarified that currently, the challenge is open to SMHG employees only. However, in the future, the group has the flexibility to consider including spouses and dependents who are 18 years of age or older.

Potential Vote to Approve BCBS Recorded Wellness Videos

Stephanie went over the available wellness video options and asked the group to select up to three as they have varying costs.

There was a discussion that led to selecting The Key to Disease Prevention, Manage Your Stress for Optimal Living, and Eating for Energy as the video topics to purchase.

Stephanie advised that once purchased, these videos will be available for a full year.

Mr. Hartnett made a motion to approve BCBS recorded wellness videos of the Key to Disease Prevention, Manage Your Stress for Optimal Living, and Eating for Energy. The motion was seconded by Kelly Usher. There was a roll call vote by Ms. Dominguez.

Motion

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The motion passed by unanimous vote.

Treasurer’s Report

Mr. Bienvenue presented the monthly income statement for the fiscal year, which fluctuates based on claim activity. Currently, there is a year-to-date loss of \$720,000. The fixed premiums are now being paid to Mass Strategic Health Group, eliminating associated revenue for the group. The group's equity started at \$12.7 million this year and has decreased to \$12 million due to the loss. The final settlement with the withdrawing member of Plainville is still pending and may impact the fund balance. Despite the loss, the group remains in a favorable equity position. The audit firm, Roselli, Clark & Associates, CPAs, has reached out regarding FY23, but



finalization depends on resolving the Plainville issue. Once settled, the report for fiscal year 2023 can be completed.

Marianna shared feedback on the income statement report, highlighting that SMHG has put nearly \$700,000 at risk for fiscal year 2024. The report aligns with the projected figures up until February. Marianna also noted that there are some outstanding aged receivables that need attention, urging the entities noted to contact the Gallagher team for resolution.

Rich mentioned that most of the outstanding receivables have been resolved and everyone is now up to date. He specifically mentioned that the significant amounts owed by Westport and Raynham have been addressed. Rich emphasized the importance of maintaining a substantial investment pool, as it contributes to the group's equity. He advised everyone to make timely payments to ensure smooth cash flow and maximize investment returns.

Jim Hartnett asked for the deadline to close out the Plainville reserve inquiry.

Mr. Cadime stated he is anticipating closing it out quickly.

Marianna added that Gallagher is currently working with Blue Cross to audit the reports.

Financial Report

Ms. Gil provided an overview of the group's current financial report. The group is currently running 6.4% above the projected budget, resulting in a deficit of \$1.4 million. March's performance was similar to February's, with no new high-cost claimants, but those claimants that are already above the spec continue to grow. The implementation of the new CanaRx incentive is expected to reduce pharmacy spending in the coming months. The group received the next quarterly rebate check in April for just under \$700k, which is slightly lower than in previous quarters due to lower utilization of the pharmacy and the departure of an entity. The group has maintained only 5 large claimants, similar to the prior month. Last month, the group exceeded the total specific deductible by \$479,000, and this month, it exceeded by \$576,000, showing an increase of nearly \$100,000. Two more individuals are now at the 50% level. As claims continue to be processed and paid out in the coming months, further increases are anticipated. Compared to last year, the group had fewer large claimants at this point and performed better. Gallagher will continue monitoring and submitting reimbursement claims to ensure all funds are paid to the group.

Review Telemedicine Utilization

Marianna Gil reviewed the utilization of telemedicine services and emphasized the need for education about SMHG's various point solutions, including telemedicine (formerly known as MyTelemedicine, now rebranded as Lyric). The utilization report showed that only one individual utilized the services in August 2023.

Marianna explained that telemedicine operates within SMHG by charging a PEPM fee of \$2.05, resulting in a monthly cost of slightly over \$3,000 or \$36,000 annually for approximately 1,400 subscribers. However, the return on investment is not evident due to low utilization. As the group is not meeting the expected utilization rate, they are paying for a service that members are not utilizing. Therefore, Gallagher recommends terminating the relationship effective July 1st.



Information was provided on a telemedicine offering available through BCBS, which charges a PEPM fee of \$0.50, representing a sustainable cost-saving compared to the current vendor. Additional charges include a fee per claim, averaging around \$70 for medical visits and \$130-\$140 for behavioral health visits. The group has the option to offer a \$0.00 copay, with the plan absorbing the cost except for those carrying an HDHP. However, even with a \$0.00 copay for most, a significant number of visits would be required to equal the current expenses.

Potential Vote to Terminate Lyric Health Telemedicine

Kelly Usher made a motion to terminate Lyric Health Telemedicine.

The motion was seconded by Michael Yunits. There was a roll call vote by Ms. Dominguez.

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The motion passed by unanimous vote.

A discussion took place to add a topic to the agenda for the next meeting regarding the potential introduction of Well Connection services.

Potential Vote to Adopt Sempre Health

Marianna apologized for the confusion regarding Sempre Health and clarified that a vote had not yet taken place. During the FY25 renewal process, the Sempre Health program by BCBS was discussed and recommended for adoption. This program aims to improve medication affordability and adherence for members by providing incentives for medication adherence. It would benefit the impacted members. In the previous meeting, a question was raised about the potential overlap between Sempre Health and CanaRx. It was confirmed that some medications overlap between the two programs. However, CanaRx offers a guaranteed zero-dollar copay. Additionally, CanaRx provides deeper savings for the plan, while Sempre Health only benefits the member. Marianna mentioned that for medications that do overlap with CanaRx, it is hoped that members would be encouraged to use CanaRx directly.

Mr. Yunits made a motion to adopt the Sempre Health program by BCBS. The motion was seconded by Jim Hartnett. There was a roll call vote by Ms. Dominguez.

Motion



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Seekonk	Yes
SCEC	Yes
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The motion passed by unanimous vote.

BCBS Updates

Michael Breen said there were currently no further updates.

Marianna informed the group that negotiations with Mike and his team regarding the administrative fee have been taking place over the past few months. The initial renewal for this year came in at \$62.96, reflecting a 1.5% increase from last year's fee of \$62.03. However, due to negotiations and SMHG's significance to BCBS, they were able to reduce the increase to just 1%.

Open Session for Topics Not Reasonably Anticipated 48 Hours in Advance of the Meeting

There were no topics to discuss.

Mr. Hartnett made a motion to adjourn the meeting. Mr. Yuinits seconded the motion.
Board Chair Shawn Cadim adjourned the meeting by unanimous consent at 10:25 AM.

Motion

The next meeting will be held on May 28th, 2024 at 9:30 a.m.

*Submitted by
Darlenys Dominguez
Gallagher Benefit Services*