

Southeastern Massachusetts Health Group (SMHG)

Board Meeting

Thursday, October 17th, 2024

Virtual Meeting / Remote Participation / Meeting Recorded

Meeting Minutes

Board Members in Attendance:

Shawn Cadime, Board Chair	Seekonk
Michael Yunits, Board Vice Chair	Norton
Paul Reynolds	Dighton
Lisa Dias-Cabral	Rehoboth
Kelly Usher	Raynham
Jennifer Prendergast	SCEC
Susan Brayton	Westport

Guests in Attendance:

Jennifer Sroka	Norton
Jenn Argo	Seekonk
Chris Defontes	Seekonk
Stella Farias	Westport
Michael Breen	Blue Cross Blue Shield
Kelly Hartnett	RetireeFirst
Patrick Flattery	Arthur J. Gallagher
Marianna Gil	Arthur J. Gallagher
Darlenys Dominguez	Arthur J. Gallagher
Richard Bienvenue	Treasurer

Mr. Cadime, Board Chair began the meeting at 10:32 am. Darlenys Dominguez took the attendance roll. Member units present were Dighton, Norton, Raynham, Rehoboth, SCEC, Seekonk, and Westport.

Vote to Approve Meeting Minutes of October 2nd, 2024.

Michael Yunits made a motion to accept the minutes of October 2nd, 2024. Lisa Dias-Cabral seconded the motion. There was a roll call vote by Ms. Dominguez.

Motion

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

The motion passed by unanimous vote.



RetireeFirst Utilization Review

Kelly Hartnett provided an update on the SMHG RetireeFirst utilization, sharing data from October 1, 2023, through September 18, 2024. She reported that 1,124 retiree members were enrolled in the plan, and advocates resolved 1,922 cases on behalf of these members during this period. The average response time for incoming calls was 13.58 seconds, and the NPS score for 2024 was 94. Ms. Hartnett further broke down the group's total cases, explaining that any situation that arose was considered a case. Some cases involved multiple follow-ups by the RetireeFirst team with providers, pharmacies, Aetna, or the Gallagher team to resolve member inquiries. She highlighted that 83% of the cases were resolved within a week, though some required more time due to their complexity. She emphasized that RetireeFirst's goal was to effectively resolve member inquiries, regardless of the time needed. A report was presented showing the various cases resolved, with the most common topics including plan design questions, enrollment updates, provider network issues, card replacements, and updates to authorized representatives.

Additionally, Ms. Hartnett highlighted that the RetireeFirst team provided a positive experience by answering calls promptly and resolving member inquiries efficiently. She noted that all members who called in were assisted within minutes, regardless of call volume. Kelly also reminded everyone that each case was assigned to a single member advocate, who would oversee the case until it was resolved.

Marianna Gil mentioned that the RetireeFirst team is investigating the Norton members who reported issues with the Aetna plan. She noted the group would be informed once feedback was available.

Treasurer's Report

Rich Bienvenue presented the financial statement as of August 31, 2024. He noted that the group's current operating income was in good standing, totaling (\$470,942.27), compared to the previous year's loss of just over a million dollars. He highlighted that the group's investments were performing well, with a balance of \$294,271.97 through August. The total group fund balance was just over \$12 million, representing over 30% of their annual self-insured cost. Rich pointed out that while the fund balance is strong, cash flow can sometimes become tight, particularly depending on settlements with Blue Cross. According to the report, the group currently holds about \$3 million. He mentioned that he relies on timely payments from members at the beginning of each month to process and pay the monthly warrant. If the group encountered a cash flow issue, Rich would contact Shawn to request permission for a fund transfer. However, the group has avoided such situations in recent months, which is beneficial for maintaining the ability to invest more dollars and generate investment returns to offset the group's costs.

Rich discussed the accrual of prescription rebate money, noting that the Rx rebates receivable amount of \$1,075,000 represented the actual rebates earned in the last quarter of fiscal year 2024. This amount will be reflected as a reduction in the September report. Additionally, it includes an estimated accrual of \$215,000 per month, resulting in an estimated total of \$430,000 accrued for fiscal year 2025 as of August 31, which is expected to be received in December. He explained that at any given time, the group will have outstanding amounts from prior quarters, along with one or two months of accrued rebates. These amounts get reimbursed and applied against the group's claims. He reminded the board that historically, claims rebates were recorded upon receipt rather than when they were earned. Given the significant dollar amounts involved, it is important to accrue these amounts and reflect them in SMHG's performance on a current basis.

Gallagher's Financial Report

Marianna presented the financial report for the period ending September 30th. She noted that the group's claims were performing slightly higher than expected, with a loss ratio of 104%. However, the pharmacy rebates anticipated for the following month should help offset these costs. Currently, there were no claims exceeding the specific deductible level, although three claims had reached the 50% level. Ms. Gil then reviewed the prior policy year, which showed only minor amounts of claims still coming in for those claimants over the specific deductible. She indicated that stop loss reimbursements would continue to be submitted until the policy year closes out. Additionally, she reported that the Medex plan was currently in the run-out phase, showing little to no claim activity, a trend expected to persist as more time passes since the plan's termination.

BCBS Wellness Credits Updates

Ms. Gil reported that the "Move it Move it" challenge concluded with a total of 41 participants, of which 23 achieved the goal of 600 or more minutes of activity. This turnout was lower than expected, and it was noted that some communities had no registered participants. For future challenges, she emphasized the importance of sending out email communications and utilizing internal platforms to encourage participation. The 23 individuals who met the challenge goal will each receive a \$50 gift card. Marianna mentioned that they will be using the gift cards leftover from the previous fiscal year's challenge. The next challenge will be "Maintain Don't Gain," and information about this challenge will start being distributed in November.

Additionally, she revisited the previous meeting's discussion on potential uses for wellness credits, including the idea of member unit wellness grants. Marianna shared feedback on what other joint purchasing groups were doing for wellness grants. She provided an example where one JPG has a pool of funds and allocates grants based on the size of each member unit, allowing them to apply the funds to any wellness-related activities. Marianna suggested that SMHG could adopt a similar approach but restrict it to BCBS-dedicated wellness dollars and approved BCBS wellness initiatives.

The group further discussed this type of setup, and communities expressed interest in implementing member-based wellness grants that could be used for initiatives listed in the BCBS wellness catalog.

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

A discussion was held about the group's progress in meeting the minimum enrollment requirement of 100 members set by Blue Cross for the Medex plan implementation. It was concluded the group was nearing and would likely hit the enrollment target.

Chris DeFontes asked whether the same group numbers as those previously by SMHG for the Medex plan would be setup.

Michael Breen confirmed new group numbers would have to be set up.



Gallagher

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Next Meeting

The next meeting will be held on Tuesday, November 19th, 2024, at 9:30 am.

Michael Yunits made a motion to adjourn the meeting. Shawn Cadime seconded the motion. The meeting was adjourned by unanimous consent at 10:08 a.m.

*Submitted by
Darlenys Dominguez
Gallagher Benefit Services*