

**MAYFLOWER MUNICIPAL HEALTH GROUP STEERING COMMITTEE**  
**MINUTES OF MEETING**  
**January 27, 2022**  
**Mayflower Municipal Health Group**  
**VIRTUAL ONLINE MEETING**

**Attendance Roll Call Steering Committee members:**

Michael Levy, Town of Bridgewater  
Ray Ledoux, Brockton Area Transit  
Michael Buckley, Town of Hull  
Lincoln Heineman, Town of Whitman (joined at 10:45a.m.)  
Kevin Powell, Retiree  
Derek Sullivan, Town of Wareham

**Guests:**

Kevin Feeley, MMHG Attorney  
Thomas O'Brien, Treasurer MMHG  
Sheila Avery, MMHG  
Kelly Morse Perez, MMHG  
Danielle Chaplick, Gallagher Benefit Insurance Services  
Diane Laflash, Gallagher Benefit Insurance Services  
Helga DaRosa, Blue Cross Blue Shield of Massachusetts  
Bill Hickey, Harvard Pilgrim Health Care  
Lynn Clark, Blue Cross Blue Shield of Massachusetts  
Scott Dinwiddle, Learn to Live  
Michelle Labadini, Norfolk County  
Rick Reino, South Shore Educational Collaborative  
Sue Shillue, Cook and Company  
Kory, Lydon, Town of Rochester  
Kathleen McCarthy, Town of Pembroke  
Jennifer Grasso, Town of Pembroke

Chairman Levy called the meeting to order at 9:22 a.m. He announced the meeting will be recorded and asked if there were any objections. Hearing and seeing none. He asked all participants to state their name before speaking and making motions for meeting minute purposes.

Avery completed a roll call of Steering Committee members and guests.

1. **Accept meeting minutes**

MOTION: Ledoux made a motion to approve the November 18, 2021 meeting minutes.

SECOND: Sullivan

Roll call vote: Levy=yes, Ledoux=yes, Buckley=yes, Powell=yes, Sullivan=yes  
motion passed unanimously

2. **Covid update- insurance carriers**

Hickey shared and reviewed his presentation on the screen. He stated MMHG has \$536,813 in total covid claims. He said testing costs are \$280,490 with over 2,836 tests given, averaging \$98.90 per test. He said there are no high cost claimants at this time. He reviewed the telehealth benefit stating there is high utilization. He stated the Biden-Harris administration released their guidance on covid test coverage and the insurance carriers had 4 days to implement. He said they are setting up a preferred network including Walmart and Rite-Aid. He stated members can get tests covered at no cost when they visit the preferred network. He said members can be reimbursed at a maximum of \$12 per test. He said the actuaries are not factoring additional testing costs as they feel the costs will be offset by less in person lab tests. He said the actuaries are not loading anything into claims projections, trend, or renewals.

Ledoux said all of the in-home testing costs are all paid for by MMHG and not reimbursed by the Federal government and Hickey agreed. Ledoux stated he thought other entities were seeing reimbursements. Ledoux stated all of the kits are a direct cost to MMHG. Hickey said participating networks have a reimbursement of \$12 per test and if members buy tests and file for reimbursement the cost is fully reimbursable.

DaRosa shared her screen showing covid statistics as of December 31, 2021. She said MMHG had costs of almost \$700,000 for confirmed covid claims and around \$622,000 for suspected covid claims. She reviewed telehealth utilization and said it more than doubled in 2021 with over 2,900 claimants using telehealth. She said vaccine totals are 9,949 with total cost of \$435,938. She said there is a reimbursement form for retail covid tests and they are working on a preferred network of providers for members to pick up tests at no cost. She said the reimbursement for home tests is \$12 per test. She stated BCBS will have information shortly on the details of the preferred network of providers. She said this doesn't impact the group directly.

Ledoux asked her about it not impacting MMHG directly and feels it does impact the group. DaRosa stated she was speaking in regards to it not having an impact on this year's renewal but it will be in future renewals. Ledoux said that every test issued does impact our costs this year and in future years.

Powell asked about the increase in telehealth and asked about the cost difference between telehealth and in person office visits. DaRosa said Governor Baker ordered telehealth visits be covered at the same level as in person office visits. DaRosa said we would see savings if members use telehealth versus going to the ER or urgent care facility. Hickey stated if members use HP Doctor on Demand telehealth there would be savings as it is not a typical office visit with their own physician.

3. **MMHG FY22 Wellness update**

Avery stated we had our Healthy Holidays challenge with 235 participants from 24 member units walking 35,114 miles. She said we had the Healthy Holiday Bingo grant with 10 member units participated. She said we currently have the getting back to basics challenge and the A Healthy Me incentive. She said we continue to have virtual programs including Savory Living, Learn to Live, Wellable on demand fitness, and the EX smoking cessation program. She said we have 24 live webinars scheduled and 63 live virtual fitness classes.

Avery stated we have the Learn to Live “Find the path back to you” incentive going on and all members received a postcard to announce this program. She said employees from MMHG member units that explore Learn to Live in the month of January will be entered in a drawing to win several \$50 Amazon gift cards.

Avery said she wants to give background on the Learn to Live program as the Committee decides if the program is continued. She stated we met with BCBS last year and reviewed the informatics report for top cost conditions in respect to claims. She said behavioral health conditions are one of the top five medical and pharmacy costs for MMHG. She said BCBS suggested the Learn to Live program to help our members and the Committee voted to try it for 1 year. Avery said we projected the cost to be higher but due to our member count it was reduced to just over \$83,000. She introduced Scott Dinwiddle from Learn to Live.

4. **Learn to Live program-1 year review-vote to continue**

Dinwiddle shared his presentation on the screen. He said Learn to Live (L2L) exists because behavioral conditions and substance abuse are common and so prevalent even before the pandemic. He stated L2L is a digital cognitive behavioral therapy to treat depression, anxiety, stress, insomnia, and substance abuse. He said cognitive behavioral therapy is widely used and most effective in treating these conditions. He said L2L is available 24/7 and has unlimited number of visits.

Dinwiddle stated for calendar year 2021 MMHG had 342 unique users which is about 3% utilization of the population. He stated L2L book of business with similar municipal joint purchase groups is between 2%-4%. He reviewed the slides pertaining to specific utilization, demographics, and coaching services. He said based on the assessment results, a significant portion of participants have mental health conditions. He stated the feedback from members is they like the accessibility of the program and enjoy the content. He stated depression requires a person to do some work for themselves in order to get out of it and can't rely on someone else to fix it. He said much of the feedback has been that L2L provides a safe and effective way for them to help with their condition. He reviewed the month to month utilization and can see increases based on promotional campaigns. He said January, 2022 shows 1% utilization and we are hoping to get to 5% for the rest of the year.

Ledoux asked Avery about a comparison of this service compare to the cost of health insurance covered for these services. Avery stated we do have reports on cost data for these services and based on those reports depression and stress are high cost. Avery said stress is a modifiable health condition, according to BCBS, and its currently costing us around \$376,000 based on the informatics report. Avery stated she can send him the informatics reports so he can see our costs. Avery stated one of the issues is finding a mental health provider and the wait time. Avery asked Dinwiddle to elaborate on the differences in the program and costs. Dinwiddle stated wait times for mental health providers are a huge concern. Dinwiddle said L2L can immediately provide help for members and this usually forms a long-term relationship with the program. Dinwiddle said he does have cost comparative data used by L2L for analysis and it will be forwarded to Avery.

Avery stated L2L is requesting a \$ .05 cent increase per member per month bringing total projected cost to just over \$90,000. She said the cost is low and it is a worthwhile program that helps our members and recommended continuing it.

MOTION: Ledoux made a motion to continue the Learn to Live program.

SECOND: Powell

Roll call vote: Levy=yes, Ledoux=yes, Buckley=yes, Powell=yes, Sullivan=yes  
motion passed unanimously

Powell requested L2L make a presentation next year. Dinwiddle thanked the committee and said he is happy to provide a presentation next year.

5. **Treasurer's Report**

Treasurer O'Brien reviewed his operating statement and statement of net assets, dated November 30, 2021, showing on the presentation screen. He stated our net revenue is \$3,470,156.14 and stated our fund balance is \$41,324,106.86. He said we are in good financial shape and asked the Committee if there were any questions.

MOTION: Sullivan made a motion to approve the Treasurer's reports, dated November 30, 2021.

SECOND: Powell

Roll call vote: Levy=yes, Ledoux=yes, Buckley=yes, Powell=yes, Sullivan=yes  
motion passed unanimously

Treasurer O'Brien stated we received the FY21 draft audit and hope to have something at the next meeting.

6. **Attorney's update**

Attorney Feeley stated gave an update on the opioid litigation stating the New York case is completed and they are waiting for the decision. He said the Ohio trial received the jury verdict and the damages hearing will be in May. He said attorney Sacks told him they are hoping to have negotiated settlements by July, 2022.

7. **Gallagher's MMHG Funding Analysis- Claims paid through December, 2021**

Chaplick reviewed the funding analysis stating active plans are at a 99.3% loss ratio with a surplus of \$312,000. She said five active plans are running a deficit. She said the Medex is running at a 105% loss ratio with a deficit of \$187,000. She explained the deficits in the 5 active plans are primarily due to high cost claimants.

Chaplick reviewed the FY22 stop loss page stating we have 5 claimants over the \$300,000 deductible and all are active members. She reviewed the FY21 stop loss page and stated we have received around \$1.4 million in reimbursements and we have 6 more months left in the pay out period.

Chaplick reviewed page 9 of the funding analysis and stated claims are running at carrier projections for FY22. She stated retiree plans are running above projections as expected and Gallagher is looking at additional retiree supplemental plan options for January, 2023.

Chaplick said they based their FY23 analysis and renewal recommendation on claims, carrier projections, covid considerations, and the trust fund balance. She said we look at these factors to determine funding for next year to make sure we are fully funded. She introduced Diane Laflash to present their recommendation.

8. **FY23 Health Insurance renewal- Steering Committee FY23 Health rate recommendation-discussion/possible vote**

Laflash reviewed her renewal presentation showing on the screen. She stated BCBS expected claims increase is 5.9% with a 2% increase in administration. She said last year BCBS added 7.7% for a covid factor but this year they did not add anything. She stated none of carriers are adding covid factors to renewals as claims are evening out. She said Harvard Pilgrim expected claims increase is 7.15% with a 2% increase in administration fee. She stated both carrier expected increases are below trend. She said the FY22 estimated surplus draw is \$3,338,529 but we have not had to use it yet. She reviewed the FY23 funding options and stated if we do not put any money at risk we would need a 10.3% increase to be fully funded. She reviewed different composite rate increases with estimated surplus draw as shown in her presentation. She stated we want to see small steady increases so we don't have a large increase. She said they are recommending 4% increase but it is up to Committee if they want to put more money at risk. She reviewed historic carrier projected loss ratio, MMHG loss ratio, and funding surplus for the past five years.

Ledoux stated prior meetings it was discussed to keep increases around 3% and asked Laflash why it wasn't considered. Laflash said she did one other calculation at 3.5% but not any lower. Chaplick said we recommend a range with the lowest at 4% and takes into consideration the volatility of the claims with the insurance carriers not factoring in potential additional cost of covid.

Treasurer O'Brien stated he appreciates Gallagher's conservative approach and understands the covid claims are uncertain. He said we are in a good financial position and feels comfortable with the 4% increase and putting \$5.6 million at risk. He stated he is not averse to having a discussion if the Committee feels they would like to put more money at risk. He said we are doing better versus national average and locally he is hearing increases of 6%-7%.

Powell asked about last year 's rate increase and Chairman Levy said it was 2.25%.

Ledoux stated in looking at a more normal claims period would we be looking at less than 100% loss ratio. Laflash stated MMHG is in great financial shape and is where we expected it to be. Treasurer O'Brien said he looked at the last 5 years and the average is 95%-96% loss ratio. Treasurer O'Brien said we really don't know what will happen in the future with elective surgeries and covid but he said we do have enough in reserves to decide on the FY23 increase.

Ledoux asked what our reserve guideline is currently and Treasurer O'Brien stated 15%. Ledoux asked if the Treasurer would be comfortable with a 3% increase putting around \$6.5 million at risk leaving about 35%-37% in reserves. Treasurer O'Brien said he is more comfortable with 3.5% but is not opposed to 3%. Laflash agreed with the figures as verified.

Sullivan asked Treasurer O'Brien if he sees the investment income decreasing in FY23. Treasurer O'Brien said in looking at the investment account with US Bank we don't expect to receive the returns we have seen but expect to be ok.

Buckley said he is comfortable putting more at risk as we have significant reserves.

Powell said our trust fund is in good shape and has been in good shape. He stated the returns on investments are expected to be good and he is comfortable with 3% increase.

Chairman Levy said he is comfortable with the 3% but understand that covid claims are a factor. He said he is concerned that we are missing four Committee members at today's meeting.

Ledoux asked if it made sense to schedule another meeting. He said the information was received only a few days prior to the meeting. Treasurer O'Brien said the information isn't going to change in terms of the renewals and what our experience has been.

Lincoln Heineman joined the meeting at 10:50. He said he listened to part of the conversation and agrees we need to give member units budgeting information on the increase and the sooner the better. He stated he agrees with the 3% and putting reserves at risk and is prepared to move forward today.

MOTION: Ledoux made a motion to recommend to the General Board a composite 3% increase in health insurance rates putting an estimated \$6,574,218 in reserves at risk for FY23.

SECOND: Powell

Roll call vote: Levy=yes, Ledoux=yes, Buckley=yes, Powell=yes, Sullivan=yes,

Heineman=yes

motion passed unanimously

Chairman Levy said we will schedule a General Board meeting in March to accept the final FY23 rates.

9. **Next meeting- Steering/General**

General Meeting- March 3, 2022, at 10:00a.m.

Steering Committee Meeting-March 3, 2022, at 9: 00a.m

Virtual or in person to be determined.

10. **Any other Business**

none

11. **Adjourn**

Sullivan motioned to adjourn the meeting at 11:00 a.m., seconded by Powell and voted unanimously by roll call vote.

Roll call vote: Levy=yes, Ledoux=yes, Buckley=yes, Powell=yes, Sullivan=yes, Heineman=yes

motion passed unanimously

Respectfully submitted,  
Sheila Avery

**Reference Documents for this Meeting:**

MMHG Gallagher Funding Analysis-claims paid through December 31, 2021

MMHG Statement of Net Assets and Operating Statement, dated November 30, 2020

Learn to Live program review presentation

HP/BCBS covid reports