

MAYFLOWER MUNICIPAL HEALTH GROUP STEERING COMMITTEE
MINUTES OF MEETING
January 23, 2025, 9:00a.m.
Mayflower Municipal Health Group
65 Cordage Park Circle,
Suite 110, Plymouth, MA. 02360

Attendance Steering Committee members:

Maureen Adams, Town of West Bridgewater
Mary Beth Carter, Town of Whitman
Ray Ledoux, Brockton Area Transit (BAT)
Jason Leto, Mass Teachers Association
Michael W. Levy (Chairman), Town of Bridgewater
Kevin Powell, Retiree
James Reidy, Professional Fire Fighters of Mass
Derek Sullivan, Town of Wareham

Guests:

Thomas J. O'Brien, Treasurer MMHG
Kevin Feeley, MMHG Attorney
Sheila Avery, MMHG
Kelly Morse Perez, MMHG
Matthew Hanley, Plymouth County
Pat Haraden, Lockton
Jacqueline Scherer, Lockton
Summer Steegstra, Lockton
Helga DaRosa, BCBSMA
Mike Hurley, HP
Bob Kademian, PBIRX
Michelle Labadini, Norfolk County
Kathleen McCarthy, Town of Pembroke
William Chenard, Town of Pembroke
Craig Dandrow, Lockton
Lindsay Grasso, Town of Abington
Kathleen Simmons, MTA

Chairman Levy called the meeting to order at 9:00 a.m. with a quorum present. He announced the meeting will be recorded for meeting minute purposes.

1. **Accept meeting minutes**

MOTION: Leto made a motion to accept the October 17, 2024, meeting minutes.

SECOND: Powell

VOTE: motion passed unanimously

2. MMHG FY25 Wellness program updates

Avery gave an overview of the MMHG Wellness program through December 31, 2024. She reviewed the core MMHG Wellness programs including Wellable, Savory Living, and Learn to Live. She stated there were 23 wellness grants, 3 online challenges with just under 1100 participants. She also reviewed statistics for program webinars, virtual fitness classes and mindfulness sessions.

Avery stated the Wellness Committee will be working with Blue Cross Blue Shield to implement a “Culture of Health” employee survey. She said the survey will help identify wellness programs that employees are interested in. She said the survey also has questions to help identify small changes that could be made to foster a healthier work environment. She stated small changes can have a huge impact on employee happiness, wellbeing and productivity at little or no cost.

Ledoux asked if the survey would be conducted at the member unit with responses being returned to the Steering Committee. Avery said there are no names collected on the surveys with responses going to the member units. Avery stated the Wellness Committee will discuss more details at their next meeting and she will provide an update.

Adams stated there has been discussion about health assessments and we are moving toward wellness assessments that include both health and wellness. She stated this will give a better idea of the overall health of members and potential wellness program offerings.

3. Treasurer’s Report

Treasurer O’Brien reviewed what makes MMHG unique including internal staff, legal support, financial resources, and having unions and retiree representation on the Steering Committee. He said we have been able to see less increases versus what the rest of the country is experiencing. He said the goal of this group in the next 4-5 years is to have single digit increases. He thanked the Steering Committee for all of their hard work in bringing the group to where it is currently.

Treasurer O’Brien reviewed his financial statements dated November 30, 2024. He stated we put \$4,500,000 in reserves at risk for FY25. He reviewed the investment fees, other revenue and other expenses. He said our net assets are \$30,929,114.01. He said we should remain cautious moving forward. He asked if there were any questions and there were none.

MOTION: Ledoux made a motion to accept and approve the November 30, 2024, Treasurer’s Operating Statement and Statement of Net Assets as presented by the Treasurer.

SECOND: Sullivan

VOTE: motion passed unanimously

Ledoux asked if we can expect to see increased interest and growth of member units in the next few years. Treasurer O’Brien said we do expect growth and will continue to analyze potential new member units that are interested in MMHG.

4. **FY25 MMHG Audit update**

Avery stated the auditors have completed all field work and we expect to receive a draft in the next week.

Treasurer O'Brien stated there is a lot of work for the rigorous audit our firm provides. He said we look forward to bringing it to you when it is finalized.

5. **Lockton's MMHG FY25 Funding/reporting update**

Scherer reviewed Lockton's funding report with data through November 30, 2024. She stated page 2 shows all self insured plans combined have a loss ratio of 103.7%. She said we are seeing increased claims on medical and prescription drugs. She reviewed the prior year data shown on the handout.

Scherer reviewed page 3 showing loss ratios for the month of November. She said November claims are higher versus projections.

Leto asked Scherer to review plan expenses. Scherer stated these are fixed costs such as administration fees, state fees and other program fees such as wellness.

6. **FY26 health Insurance renewal discussion, Lockton assessment of key trend factors, BCBS/HP renewal projection/ Senior plan update**

Scherer reviewed Lockton's renewal handout with average initial renewal increase distribution amounts for their entire book of business. She said 2024 increase averaged between 5%-10% and 2025 is between 10%-15% or higher.

Scherer reviewed medical and rx trends with inflators of inpatient facility unit costs and utilization, as well as pharmacy unit costs.

Haraden said locally they are watching hospital mergers/shutdowns and will have more information in the future. He stated some of the trends they are watching are inflation, contract negotiations, and legislative changes.

There was a brief discussion of federal policies, state budget, and pharmacy benefit managers with no action taken.

Scherer said they looked at MMHG data through December 2024 for FY26 projections. She said page 3 shows a 12% increase with no funds at risk. She said there are factors that can take this amount down. She said MMHG's intent is to put about \$5 million at risk which would bring the percentage increase to about 7%. She said there are several different scenarios shown on the handout and we expect the data to be updated for January.

Scherer said since the renewals were just received, they are looking at the administrative fees and other programs for savings. She said they looked at the Pillar program with estimated savings of \$1 million.

Chairman Levy stated we will set a meeting for early February in order to vote a recommendation for FY26. He said the rates are not final until voted by the General Board. He said the administration fees need to be looked due to the amount of work done in our office. He said we will have the General Board meeting in March.

Ledoux asked if the administration fees are negotiated between managers and carriers or everyone pays the same. Haraden explained they are negotiable, and all groups pay different amounts depending on the services the carriers provide. Ledoux asked about having an executive session to discuss the confidential contract. Chairman Levy said we can put it on for the next meeting. Ledoux requested a detailed explanation of the arithmetic if we don't have executive session.

Leto asked for follow up information about the Pillar RX program and how it works for subscribers. He said he would also like to see what the fees and trends have been for the past 4 years for the renewals.

Chairman Levy asked DaRosa for an explanation of the Pillar program.

DaRosa said there is a set list of specialty medications eligible for the Pillar program. She said the drug manufacturers provide coupons for the eligible medications to provide savings to the group. She said the last report showed MMHG with 168 eligible members and estimated \$1 million in savings. She said BCBS takes the manufacturer coupon and applies it to MMHG as a credit. She stated the member just needs to speak to a Pillar RX representative to enroll in the program. She said outreach to member would begin 1 month before the program begins with follow up to MMHG if no response is received. She said if a member doesn't enroll in the program they would have a 30% coinsurance cost. She said the member can enroll immediately with Pillar RX. She stated she hasn't seen any member not enroll in the program. DaRosa said Pillar RX does take 25% of the savings per script.

Leto said members are concerned with security and signing release forms. DaRosa said there is no data sold to any entity but obviously they have to share the claim data with Pillar RX.

Kademian stated that over 95% of his clients have some sort of program like Pillar RX. He said 56% of MMHG pharmacy costs are for specialty drugs. He stated it is a good opportunity for savings.

Leto requested additional information including the letter sent to members, signature forms providing release of data, and any other data. He said he has concerns coming from his members regarding security and the 30% coinsurance. He stated it also creates a delayed barrier to members getting their medications that MMHG promised to cover.

Hurley said Harvard Pilgrim is working on implementation of a similar program.

Treasurer O'Brien asked if eligible members can be auto enrolled in Pillar to avoid shock of 30% if they don't voluntarily enroll. DaRosa stated members can't be auto enrolled as Pillar needs the member to authorize enrollment.

Sullivan said this could be advertised at open enrollment with member education. He said he is concerned with members having a hard time and needing to take a specialty drug and do not need to have an additional barrier.

Powell asked if our pharmacy benefit manager (PBM) should be doing this automatically. DaRosa said Pillar RX is a separate program so the PBM is not involved.

Chairman Levy stated the specialty drugs are only available with mail order and not local pharmacies.

Ledoux asked if Pillar is available for retirees Medicare plans. DaRosa stated it is only available for active plans. Haraden stated the member has to call to enroll as they need to know if they have Medicare or a government plan as they wouldn't be eligible for Pillar. Haraden said they can have HP run a report of eligible members as well.

Reidy asked if Pillar can come to a meeting for a presentation. DaRosa said they can work on having a presentation.

Avery said MMHG looked at Pillar program in the past and weren't comfortable with the sticker shock for the member if they don't enroll. She stated this year, BCBS and MMHG can provide good outreach to current eligible members. She asked what the notification time frame is for new eligible members when an eligible prescription is put in the system. She asked why Pillar isn't a voluntary program and is there a way to give the eligible member a 3 month trial of the drug to see if the drug works for the member. DaRosa said the program is mandatory and she said the notification of prescription is real time for notification to Pillar.

Adams asked if the 30% is off the member cost. DaRosa said the discount is off the total cost of medication and the member would pay their \$0 - \$35 copay. DaRosa said without Pillar the members pay their copay and there is no manufacturer coupon to provide savings to the group.

Chairman stated we can have a review of the program at a future meeting.

7. **Next meeting- Steering Committee**

Chairman Levy said the next Steering Committee will be held at the MMHG offices, on **February 11, 2025, 9:00am.** Haraden stated Lockton receives January claims data on this day so timing might be an issue. Chairman Levy stated we can schedule another meeting if it is needed.

8. **Next meeting- General Board- save date**

March 6, 2025, 9:00a.m., location to be determined

Chairman Levy said the FY26 elections will take place at this meeting and asked members to notify Avery by February 11th, if they do not plan on running for re-election.

Treasurer O'Brien asked if there will be a Steering Committee prior to the Board meeting and Chairman Levy said yes most likely.

9. **FY26 Delta Dental renewal update**

Chairman Levy stated we just received the renewal and will have more information at the February 11th Steering Committee meeting.

10. **Insurance Carrier Updates**

Hurley said the sale of Health New England to Point 32 is not going forward.

Hurley stated Harvard Pilgrim's NCQA accreditation for clinical care management has been restored.

DaRosa said they are offering a new benefit for July 1, 2025 for dependents to eliminate a certain number of copays for primary care and mental health visits. She said the copay could be waived for one, three or six visits, and is being provided to remove cost barriers to ensure members are going in for services they need.

11. **Finance Committee vacancy**

Chairman Levy stated we have a FY25 vacancy on the Finance Committee. He said he received a letter indicating Kathleen McCarthy, Treasurer/Collector, Town of Pembroke, is interested in serving on the Finance Committee.

MOTION: Ledoux made a motion to appoint Kathleen McCarthy, Treasurer/Collector, Town of Pembroke, to the MMHG Finance Committee for the remainder of FY25.

SECOND: Carter,

VOTE: Unanimous

Treasurer O'Brien left the meeting at 10:27 a.m.

12. **Any other business**

None

13. **Adjourn**

Sullivan motioned to adjourn the meeting at 10:28 a.m., seconded by Levy and voted unanimously.

Respectfully submitted,

Sheila Avery

Reference Documents for this Meeting:

Treasurer's Financial reports dated November 30, 2024

Lockton- claims experience report FY25 (claims through November 2024)

Lockton- MMHG Renewal insight presentation