

MAYFLOWER MUNICIPAL HEALTH GROUP STEERING COMMITTEE
MINUTES OF MEETING
January 16, 2024, 9:00a.m.
Mayflower Municipal Health Group
65 Cordage Park Circle,
Suite 110, Plymouth, MA. 02360

Attendance Steering Committee members:

Michael Levy, Town of Bridgewater
Ray Ledoux, Brockton Area Transit (BAT)
Michael Buckley, Town of Hull
Kevin Powell, Retiree
John Sciara, Professional Fire Fighters of Mass
Derek Sullivan, Town of Wareham
Mary Beth Carter, Town of Whitman

Guests:

Marianna Gil, Gallagher Benefit Insurance Services
Thomas J. O'Brien, Treasurer MMHG
Kevin Feeley, MMHG Attorney
Sheila Avery, MMHG
Mike Hurley, Point 32 Health
Helga DaRosa, BCBSMA
Matthew Hanley, Plymouth County
Bob Kademian, PBIRX
Stephen Fay, BCBSMA
Bob Knowles, BCBSMA
Paul Sweeney, BCBSMA
Michelle Labadini, Norfolk County
James Reidy, Bridgewater/PFFM
Wendy Lemieux, Wareham Fire District

Chairman Levy called the meeting to order at 9:04a.m. He announced the meeting will be recorded for meeting minute purposes.

1. **Accept meeting minutes**

MOTION: Ledoux made a motion to approve the October 12, 2023 meeting minutes.

SECOND: Buckley

VOTE: motion passed unanimously

2. **MMHG FY24 Wellness program updates**

Avery reviewed 2nd quarter wellness programs including 25 webinars with average participation ranging from 20-75 participants per webinar. She said we had 2 wellness incentive programs with members from 24 member units participating. She reviewed the MMHG Wellness programs including wellness grants, exercise/mindfulness classes, Savory Living, and Learn to Live.

3. **Treasurer's report**

Treasurer O'Brien reviewed his financial statements dated November 30, 2023. He said our claims revenue exceeds our claims expense at this time. He said our net revenue is \$497,522.60. He said our IBNR will be adjusted on the next report and will increase \$500,000. He reminded the Committee we put \$5,150,000 at risk for FY24 and stated we will be using some of it. He stated we have net assets of \$32,240,288.17 and are in good financial shape.

MOTION: Sullivan made a motion to accept the November 30, 2023 Treasurer's Operating Statement and Statement of Net Assets as presented by the Treasurer.

SECOND: Ledoux

VOTE: motion passed unanimously

Treasurer O'Brien said we are in the middle of our FY23 audit and thanked his staff. He said the audit should be available in the next few weeks.

Treasurer O'Brien said that groups are looking to join MMHG and investigating the opportunity. He said we get a lot of questions on the buy in to join MMHG. He said the buy in amount is a good thing as we are in good financial shape. He said potential groups are buying in to the group as a whole and the value MMHG provides. He said some groups could have unsubsidized MMHG rates and still pay less versus what they pay currently. He stated this provides the opportunity for potential member units to join MMHG and still have a savings.

Ledoux asked about the typical size and buy in to join and amortization. Treasurer O'Brien said it depends on the size and they are looking at a potential group with the buy in and the group could still save \$200,000. Treasurer O'Brien stated the buy in amount is based on net assets divided by the number of subscribers to get a per subscriber amount and it can be amortized over 2-5 years.

Sullivan said Wareham joined with a buy in spread out over a few years and it worked out very well. He said they are happy with their decision to join MMHG.

Chairman Levy reminded the Committee if a member unit leaves MMHG they will not receive any money from the trust.

4. **Gallagher's MMHG FY24 Funding Analysis/updates**

Gil said MMHG changed their BCBS pharmacy benefit to unbundled and this saved a lot of money and exceeded estimates. Gil explained the unbundled pharmacy program with delayed rebates coming in 6 months later.

Knowles said MMHG receives brand name drugs and specialty medication manufacturer rebates with the unbundled prescription drug program.

There was a brief discussion regarding the pharmacy rebates.

Gil reviewed her presentation showing claims paid through November 30, 2023. She stated the active plans are running at 100.6% funding ratio and the Medex 2 is a 92.5% funding ratio. She said mid-size claims are driving the experience.

Powell asked for the migration from Medex 2 to the Medicare Advantage plan. Gil said it is a fully insured plan and is not listed on report. Avery stated the migration was not huge and she would follow up with the total subscribers.

Ledoux asked about the Harvard Pilgrim cost differences. Gil explained the funding report and expenses. Gil said it is the health of the member and if a HP member went to BCBS it would be the same expense.

Avery said it is important to point out that the HP claims are a little higher due to delayed claim payments from their security issue.

There was a brief discussion on the HP lower claim amounts paid in FY23 and the catch-up claims that were paid in FY24.

Gil reviewed the stop loss summary page of her presentation. She stated we have one member in excess of the specific deductible for FY24. She reviewed FY23 stop loss and stated we have about \$100,000 in outstanding reimbursements due to MMHG.

5. **FY25 Health insurance renewal timeline**

Chairman Levy said we need to set our rates by mid-march and he would also like to have the elections at the next General Board meeting. He asked the Committee to notify Avery if they do not intend to run for the Steering Committee in the election.

Gil said they will have the renewal information ready for February 22nd and will be available to meet with the General Board on March 7th.

6. **Next meeting- Steering/ General save date**

Steering Committee meeting: February 22, 2024, at 9:00am. (AT MMHG OFFICES)

Steering Committee meeting: March 7, 2024, at 8:30a.m.

General Board meeting March 7, 2024, at 9:00 a.m.

7. **Delta Dental FY25 rates-**

Avery stated we are in the second year of a two-year agreement with Delta Dental. She said the FY25 MMHG rates will be the same as FY24. Individual= \$31.46, Family=\$118.33. She stated they looked at MMHG experience and we are running very well and in line with projections. She stated the MMHG Delta Dental plan is a fully insured contributory plan.

8. **BCBSMA updates-**

DaRosa stated that effective January 1, 2024, BCBSMA will be following medical policy for certain monitored GI procedures with diagnostic codes for full sedation. She said in most cases moderate sedation is used versus full sedation and this is in line with industry standards. She said there is no cost difference for the members.

Bob Knowles introduced his replacement, Stephen Fay, as Director of Municipal Sales and Paul Sweeney as the Senior VP.

9. **HP updates-**

Hurley clarified the new wellness reimbursement is actually \$300 per family contract and includes sporting equipment, cardio equipment and nutritional apps. He said there was some confusion if it was \$150 individual but the total is \$300 family contract.

Hurley stated mental health benefits will now be insourced and will be the same phone number as HP.

Hurley said Optum RX has a new program called proactive savings alert and will give HP members filling prescriptions additional savings opportunities.

10. **PBIRX-FY24- first quarter update**

Kademian presented his first quarter updated report. He said the up-front costs are higher due to getting the rebates later. He said they only count the rebates when received and will have a better idea on the amounts as time goes by.

Treasurer O'Brien asked about the rebate detail on page 2 matching the backup data as the amounts are the same. Kademian apologized and said the rebate may not have been included on page 2.

Kademian reviewed his reports and explained the trend amounts etc.

Kademian stated Pillar RX is an option to add for additional savings.

There was a brief discussion regarding their reports/options with no action taken.

Ledoux asked about driving down prescription drug costs and wanted to know the medical claims/prescription claims percentages. Kademian said it is estimated that prescription drug costs are 20%-25% of total claims.

Chairman Levy said PBIRX will present at a future meeting TBD.

11. **Any other Business**

none.

12. **Adjourn**

Sullivan motioned to adjourn the meeting at 10:24 a.m., seconded by Ledoux and voted unanimously.

Respectfully submitted,
Sheila Avery

Reference Documents for this Meeting:

Treasurer's FY24 financial reports (November 30, 2023)

Gallagher's FY24 Funding Analysis presentation, (claims paid through November 30, 2023)