

GATEWAY HEALTH GROUP BOARD OF DIRECTORS
MEETING MINUTES OF SPECIAL MEETING
October 9, 2019
CARVER TOWN HALL

Attendees:

Carver: Brad Brothers and Craig Schoaf
Lakeville: Clorinda Dunphy
Marion: Katherine Milligan and Annita Donovan
Mattapoissett: Kristie Costa
Old Colony RSD: Eileen Reece
Old Rochester RSD: Susana Cunningham
NFP: Edd Byrnes, Kevin Paicos and Mary Whitters
Chairperson: Patrick Meagher
Treasurer: Debra Blanchette

Meeting commenced at 9:35 A.M.

Review of August 21, 2019 Minutes

Motioned to accept by Brothers
Seconded by Dunphy
Unanimously accepted by Board

Warrants

Blanchette passed warrants from August and September to be signed by Board members.

Treasurers Report

Blanchette said Eastern Bank Checking is \$576,000 but this does not reflect the \$270,000 worth of checks sent out prior to meeting so balance appears overinflated.

Waiting on monthly payments from a few entities.

Byrnes mentioned there will be \$14,000 reimbursement for Stop Loss as well.

Blanchette paid Mirick O'Connell invoices totaling \$8500.

Blanchette mentioned she received \$78,000 for Stop Loss reimbursement on September 10th.

Blanchette mentioned she has a conflict with Wednesdays at 9:30. Resolved that still meet on Wednesdays but at 8:30.

Milligan accepted Treasurers Report
Seconded by Cunningham

BCBS Senior Renewals

Byrnes said the Senior Renewals came in excellent and the rates have been distributed to all entities.

BCBS renewals were low with the highest at 3%.

Medical claims experience is what matters when it comes to the rates.

Collectively rated as a group which helps the numbers.

Prescription drug side is rated as a collective pool.

Brothers asked about the South Coast situation and whether that effects the rates.

Byrnes said the South Coast issue will not impact the Retirees however, early retirees on active plans will be impacted. NFP in daily contact with BCBS about the situation. In the long run it is a business deal.

South Coast Hospitals are asking for a 4 year accumulative increase of over 30%. MA insurance companies are limited to increasing their charges to 3.2% per year (What they provide to State). If they go over need to rebate to clients.

South Coast complaining that they are not paid as well as, for example, Cape Cod Hospital. In MA they are on the lowest tier for reimbursement. However, Cape Cod Hospital has a location advantage as they are the only hospital on the Cape.

They appear to be preparing for the cost cuts in Medicare and Medicaid that are approaching in two years.

South Coast is still turning a profit every quarter.

This could go down to the line and into December before resolved.

BCBS has set up an 800 number for those with scheduled January procedures/services to phone and receive triage care ahead of time.

Wellness Update:

BCBS Report said the Wellness Incentive for Gateway was poorly responded to.

Should Gateway slow things down and do another offering in middle of time period or simply move on?

Byrnes mentioned that he rarely sees Municipal employees take advantage of Wellness. It is too far out of scope of everyday activities.

Donovan sited that she thought this Wellness program entailed a lot of work on the participant's part.

She thinks it was too time consuming and participants simply give up partway through the process.

Byrnes will take this feedback back to BCBS.

The fit bit incentive was not new and novel. The same individuals received the fit bits that received them last year.

Brothers asked if Gateway is subsidizing this program or is it part of the overall contract with BCBS.

Byrnes responded that Gateway elected to do this and BCBS helped subsidize the cost of the fit bits.

Gateway has received two \$5000 wellness awards over the past 7 years.

Brothers asked if we cut this program will it save Gateway money.

Byrnes responded that it would save minimal, about \$600. The real value is in preventive saving claim dollars.

Hoping to have a new BCBS wellness report to share at the next meeting. Tanya is thinning down our Wellness options and will present at next meeting.

Old Business:

Prospective Underwriting.

Last report without surplus 3 - 4% rate increase. With surplus 5 – 6% rate increase for July 1, 2020.

This has actually improved. Without surplus (straight claims) 3% and with surplus at 5%.

Looking good at this point. Still not time to set budgets.

Meagher – Stop Loss activity and cost?

Byrnes – Existing claimants still causing activity.

No new reimbursement activity for plan year 2019.

With regards to renewals two entities (Town of Marion and Old Rochester RSD) have opted to have MIIA look at their claims experience and give them a rate for July 1, 2020.

To confirm that all the entities have been told the Gateway trust is still in a deficit, therefore if leave JPA will get a bill if they leave Gateway and join MIIA. If they want to leave the JPA will need to inform the Board by December 31, 2019.

Byrnes will provide Marion and ORR with an estimate of the current deficit on a per employee per head cost. So that you have that information on hand. Several benefit differences exist.

Meagher expressed his concern to these two entities to think about what the consequences may be if you leave JPA.

New Business:

Byrnes suggest for this year 2020 to open up the current Deductible (\$250/\$500) plan to other groups.

This could produce savings to entities.

And then to start educational programs to roll out High Deductible plan with HSA for 2021.

Paicos – MIIA is purposely dropping rates and using surplus monies to keep groups and draw other groups in. Marion and ORR will get great quotes from MIIA using this surplus strategy. Short term gain to leave Gateway and long term may be detrimental.

Gateway is currently looking to add new members to their JPA.

Paicos distributed a survey of potential new members to the group. (See attachment)

Included in study were Freetown, Acushnet, Freetown/Lakeville and Bristol County. There is no perfect match however there is some potential among these groups. Compromises will need to be made on both sides.

Dunphy mentioned that the HR person from Freetown contacted her that morning asking about her about Gateway.

Meagher pointed out that we lost one member (SERSD) and possibly could lose 2 more. What is the viability of Gateway at this point? Should Gateway pursue another answer?

Byrnes stressed that the Gateway will remain okay. If the budget is the concern then why not do what Carver did and let NFP implement the Benchmark plan and using Section 21 – 23 expedite the bargaining process. NFP can meet with IAC and negotiate a new plan design within 60-90 days.

Senior Dental Plan

Altus Dental Trust plan for Retirees only. Part of a statewide trust.

Two different plans available

1. 100/80/50 \$1000 CYM \$50 / \$150 Deductible Rates: \$52.47 / \$104.92 / \$183.61
2. 100/50/50 \$1000 CYM \$50 / \$150 Deductible Rates: \$46.77 / \$93.56

Rates for both plans good through 2021

A vote on dental plan will be taken at next Gateway Board meeting.

Note: no one has to take this plan or move off existing plan.

Cunningham asked about the correspondence she received about the new COBRA vendor ABG. All entities will be receiving this notification soon.

Mary Whitters will be retiring from NFP at end of year.

Please think about whom may want to take over as Minutes reporter.

Next meeting – Wednesday, November 13, 2019 8:30 AM

Meeting adjourned 11:30 A.M.

Respectfully Submitted:

Mary Whitters