

Clinton-Essex-Warren-Washington Health Insurance Consortium

P.O. Box 455
Plattsburgh, NY 12901

DATE: January 11, 2018

KIND OF MEETING: Board of Directors Meeting

PLACE: Plattsburgh City Schools
Plattsburgh, NY

Board Members Present:

Stephen Broadwell
Mark Davey
John Fairchild
Robb Garrand
Stephen Gratto
William Larrow
Jay Lebrun
Daniel Mannix
Laura Marlow
Daniel Mayberry
John McDonald, Jr.
Thomas Palmer
Jonathan Parks
Paul Savage
A. Paul Scott

Board Members Absent:

Shari Brannock
Scott Osborne

Chairperson:

John McDonald, Jr.

Recording Secretary:

Jessie Moulton

Others Present:

Jacqueline Kelleher
Hollis Palmer
Christine Myers
Audience Members

MEETING
TO ORDER

Chairperson McDonald called the meeting to order at 9:01 a.m. with the Pledge of Allegiance and introductions. Dr. McDonald welcomed new Superintendent, Dr. Thomas Palmer (Peru CSD).

PUBLIC
COMMENT
SESSION

Rod Sherman stated that he has received questions on the side-by-side comparison of Classic Blue to the Traditional Indemnity. Is step therapy still needed for Plan 2? *Yes, per Steve Locey.* Mr. Sherman stated that this information is missing from the comparison and asked that it be clarified.

MEETING DATES
OF BOARD OF
DIRECTORS

There is currently no Board of Directors meeting scheduled for February, just the Ad hoc Committee meeting. The focus will be on projected expenses and rates. Steve Locey will make a recommendation on rates to the Ad hoc Committee in February.

The next Board of Directors meeting is currently scheduled for March 2018.

FINANCIAL
UPDATE

Handouts (provided by Locey & Cahill) -

- 1) Monthly Paid Claims Per Covered Life per Fiscal Year 2013/2014 to 2017/2018 (as of 12/31/2017)(5 pages)
- 2) At a Glance by Excellus
- 3) Excellus BCBS – At A Glance Report (Analyzed By: Locey and Cahill, LLC)
- 4) 2014 to 2017 Large Loss Claims History (Total Paid Claims >\$50,000)

Locey & Cahill conducted a full audit (every claim was audited) for the full calendar years of 2016 and 2017.

The two (2) major concerns are large losses, and the Vermont “takeover” of CVPH.

Handout 3 shows inpatient, outpatient and pharmacy claims have all increased. The most significant impact is with high claimants.

Steve Locey stated the audit is ready to go, and he is hoping to have preliminary information in February 2018.

MONTHLY
FINANCIAL
UPDATE

Handouts (from BOCES) -

- 1) Budget to Actual Comparison – As of December 31, 2017 with Quarterly Detail
- 2) Budget to Actual Comparison – As of December 31, 2017 with Monthly Detail
- 3) The Year-at-a-Glance, Cash In/Out Analysis, as of 12/31/17

Dr. Hollis Palmer expressed his gratitude for the Ad hoc Committee.

There was discussion regarding the upcoming audit by Locey & Cahill, and what it will encompass; UVM merger with CVPH, claims detail on every paid claim, forensic audit to detect anomalies, review of claims on site.

Mr. Mannix recommended a second opinion on the audit.

Dr. Davey stated that St. Lawrence-Lewis BOCES has someone on staff to check every claim.

There was discussion regarding an issue that was brought up previously, pertaining to Explanations of Benefits (EOBs) showing that Excellus paid more than the provider charged. Steve Locey explained it’s based on a formula, and although that happens occasionally, the overall discounts are good. Jon Parks remarked that this topic was reviewed by the Ad hoc Committee, and it was determined that the impact to the Consortium was fairly minimal.

Regarding out-of-network facilities issue, Steve Locey stated that the bulk of the usage was for mental health and substance abuse.

Dr. Hollis Palmer requested: 1) List of providers and institutions that were previously paid at 100%, but no longer will be.
2) Actual number of members affected.

EXCELLUS BC/BS
SETTLEMENT
CHECK

Steve Locey explained that the Excellus settlement check covered the period 7/1/13-6/30/15. This is unanticipated revenue found due to an issue with out-of-network billing.

AD HOC
COMMITTEE
UPDATE

Dr. Hollis Palmer stated that one of the early findings of the Ad hoc Committee was the large difference in cost between a doctor office visit, urgent care and the ER.

Dr. McDonald expressed his appreciation for the work of the Ad hoc Committee.

PUBLIC
COMMENT
SESSION

Rod Sherman thanked the Board of Directors for the Ad hoc Committee and opening it up to other members.

Carol Solari-Rusco requested the list of Ad hoc Committee members be sent out via the listserv.

Mario Lafranca asked why the cash flow was \$20 million at one point, and now is \$8 million. *Dr. Hollis Palmer explained it was a combination of high claims, a planned spend down of the fund balance, and stated that the Ad hoc Committee was also looking into this.* If there are members moving from Plan 1 to Plan 2, there will be less revenue coming in. *Dr. Palmer explained that the Ad hoc Committee would also be looking at this.* How large is the list of out-of-network facilities? *Dr. Palmer stated that is the first thing the Ad hoc Committee will be addressing.* There was a concern regarding ambulance coverage with the switch to Classic Blue. *Steve Locey stated there was no change to this benefit.*

An Audience Member asked for the side-by-side comparison of Classic Blue and Traditional Indemnity be provided to Peru CSD retirees.

ADJOURNMENT

Mr. Fairchild moved, seconded by Dr. Davey, to adjourn the meeting at 10:10 a.m. All Board Members present voted yes – motion carried.

Jessie Moulton, Recording Secretary