

**Clinton-Essex-Warren-Washington
Health Insurance Consortium**

P.O. Box 455
Plattsburgh, NY 12901

DATE: June 6, 2018

KIND OF MEETING: Board of Directors Meeting

PLACE: Ticonderoga CSD, Ticonderoga, NY
CVES Instructional Services Center, Plattsburgh, NY

Board Members Present:

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

Board Members Absent:

John Fairchild
Robb Garrand

Chairperson:

John McDonald

Recording Secretary:

Jessie Moulton

Others Present:

Hollis Palmer
Christine Myers
Meghan Zedick
Mark Jones

MEETING
TO ORDER

Chairperson McDonald called the meeting to order at 9:08 a.m.

PUBLIC
COMMENT
SESSION

No comments.

MINUTES OF
PREVIOUS
MEETINGS

Mr. Osborne moved, seconded by Mrs. Marlow, to adopt the minutes of the November 9, 2017, November 28, 2017, January 11, 2018, February 1, 2018, March 15, 2018 and May 10, 2018 meetings. All Board Members present voted yes – motion carried.

UPDATE FROM
AD HOC
COMMITTEE

Dr. Hollis Palmer explained that May 2018 was a 5-week month, so as expected, the expenses surpassed the revenue.

Dr. Palmer stated that he had several conversations with Excellus, in which they clarified the broker agreement between Excellus and Locey & Cahill. According to Excellus, when they file with the state, they do not have the option to return the money to the participants; it either goes to a broker, or stays with Excellus. Dr. Palmer was able to negotiate a reduction in the administrative fees; specifically Excellus agreed to eliminate the prescription drug portion of the administrative fee, resulting in a true savings to the Consortium of approximately \$194,712.00. Also, Excellus agreed to

reduce the IBNR from \$9.2 million to \$8.2 million, freeing up approximately \$1 million.

Dr. Palmer shared that, based on the consultant interviews, the recommendation of the Ad hoc Committee is to use Segal Consulting. The Committee felt that the first group interviewed was too similar to the service the Consortium is receiving now. The last group was very progressive in their thinking, and may be something we would want to consider for the future, but Segal made the most sense at this time.

PRESENTATION
BY MARK JONES
ON PRESCRIPTION
DRUG SAVINGS

Handout – Presentation from Capital Region BOCES - Pharmacy Purchasing Coalition

Mark Jones from Capital Region BOCES shared his background, and then gave a presentation on their prescription drug program. There is a potential for 10% to 20% savings on prescription drug costs. The program is managed by Keenan & Associates, who uses Express Scripts as their Pharmacy Benefit Manager (PBM), which is the same PBM currently being used by Excellus BC/BS. There is also an audit firm that audits every claim. Mr. Jones explained that all rebates belong to the participants; either each district individually, or the Consortium as a whole. The current Capital Region BOCES fee is \$1.13 per member per month, and the fee for Keenan is \$1.35 per member per month, and Mr. Jones believes the fee will remain fairly consistent.

Mr. Jones is willing to meet with key members of our group to provide more detail. Dr. Hollis Palmer will arrange for a meeting with the Ad hoc Committee, and then report back to the Board of Directors.

PUBLIC
COMMENT
SESSION

An Audience Member stated that she felt it was very important that the prescription drug savings issued is explored, and that there is a problem with specialty pharmacies. *Dr. McDonald assured her that the Ad hoc Committee would be examining this thoroughly and reporting back to the Board of Directors.*

Bud Smith stated that this is the first meeting he has attended, and requested that when a question has been asked, that the question be repeated before the response is given. *Dr. McDonald acknowledged Mr. Smith's concern.*

EXECUTIVE
SESSION

Mr. Mayberry moved, seconded by Dr. Davey, that the Board go into Executive Session at 9:49 a.m., for the purpose of the discussion of contractual relationships. All Board Members present voted yes – motion carried.

Mr. Mayberry moved, seconded by Mr. Parks, that the Board come out of Executive Session at 10:44 a.m. All Board Members present voted yes – motion carried.

APPROVE
EXCELLUS BC/BS
RENEWAL FOR
2018-19

Mrs. Marlow moved, seconded by Mrs. Brannock, to approve the Excellus BlueCross BlueShield renewal for 2018-19. All Board Members present voted yes – motion carried.

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PUBLIC
COMMENT
SESSION

No comments.

ADJOURNMENT

Mrs. Brannock moved, seconded by Mr. Savage, to adjourn the meeting at 10:46 a.m.
All Board Members present voted yes – motion carried.

Jessie Moulton, Recording Secretary