

## **Health Insurance Trust Meeting – Minutes**

**Thursday, June 8, 2023– 8:15 am**

**Member Attendees:**

Steve Noone, Margaret Dennehy, Theresa O’Leary, Andrew Schwartz, Alissa Nicol

**Non-Member Attendees:**

Lena Jarostchuk, Sue Shillue, Marie Altieri, Marianne Fleckner, Tim Harrison

**1) Call to Order;**

- Meeting was called to order at 8:20 am by the Chair. The new Select Board representative, Alissa Nicol, was introduced to members.

**2) Approval of Minutes.**

- Minutes of April 27<sup>th</sup> were approved with one abstention, Alissa Nicol.

**3) Cash Flow – Sue Shillue, Cook and Company**

- Sue presented the year to date cash flow with claims through March. No claims information from Harvard Pilgrim for April due to cyberattack.
- BCBS just broke even this month. Deficit through April is just under \$1.3 million.
- HSA plans are running at a higher deficit. Sue suggested taking a look at further tightening the difference in cost for the high deductible plans next year.
- Abacus costs are included. We have not yet received rebates from this program; those will catch up
- Last year through April, 9 people were at 50% of stop loss limit. The total was 9.9 million. This year we have 17 people for a total of 2.8 million in claims. (Does not include Harvard Pilgrim)
- Laser through April is \$569,000. Last year it was \$605,000. When anyone else hits \$175,000 we are reimbursed for the excess. For Laser, we do not get anything until the claims are over \$730,000. Stop loss at \$175,000 for everyone except this one person. Last year claims were 774,000 for the laser. Prior year they were 717,000.
- Andrew Schwartz asked for a HPHC update. Sue said that HPHC is bringing up their systems a little bit at a time. They are offering free credit monitoring to members and reaching out individually to any person affected. HPHC is managing the communication with members.

**4) Update on RFQ for Stop Loss**

- Every year we need to renew the stop-loss. Sue went over the current rates and data. Annual Maximum liability is 1.9 million. The renewal with BCBS would be a premium rise of 7%.

- Sue reviewed quotes from Liberty Mutual (Hub), RMTS Gerber (Gallagher) and provided a list of companies who declined to quote or did not submit a proposal. BCBS then came back with a revised quote. They would go with no increase to keep the business.
- FY21 saw reduced claims that continued into FY22. The bounce back didn't happen until now. The unknown going forward is how this will affect stop-loss going forward. Actuaries are good at predicting overall claims but large claims due to severe and significant illnesses or very expensive drugs are harder to predict.
- Marianne Fleckner asked if this plan is an aggregate or individual. Sue Shillue responded that it is individual: per person, per contract year.
- Discussion focused on the choice between BCBS and Liberty Mutual. Members generally agreed that with all the changes right now it may be wise to stick with what we know.
- Margaret Dennehy moved to accept the quote for stop-loss insurance from Blue Cross Blue Shield for FY24. The motion was seconded by Andrew Schwartz. The motion was unanimously approved.

5) Tim Harrison- Treasurer's Report

- The loss to date through March 31<sup>st</sup> is \$1,565,000 is loss to date. There are significant cash flow problems. The district gets the money to them in time, using wire transfer, but the Town of Acton is not getting their checks in on time. We may have to take some money out of MMDT.
- Good news is that interest earned has been much better this year. Tim has convinced Santander has agreed to adjust the interest rate up to 3.65 percent. Also, Santandar is no longer accepting paper checks. They now have a check scanner. Tim is also objecting to the monthly fee that Santandar is charging.
- Tim would like the Town to look at getting cash to them in a more timely manner. The school wires the money. Tim would like the Town to look into paying in the same way.
- Sue Shillue signed off. Sue was thanked for her work and members noted it had been a pleasure and a privilege to work with her. Sue wished Margaret and Marie a happy retirement.

6) Discussion and Vote on Consulting Services Contract

- A motion was made to authorize the chairperson to start sign the contract with Gallagher for consulting services. The motion passed unanimously.

7) Discussion of Service Representative Functions

- Keeping our current weekly consulting services provider was discussed by the board. A motion was made to authorize the chair of the HIT to negotiate a contract for a services representative for an amount not to exceed \$35,000 for a period of one year. The motion passed unanimously.

8) Election of Officers.

- The HIT discussed the need to elect a Chairperson and a Clerk for this coming year.

- Margaret Dennehy nominated Steve Noone for Chairperson and Andrew Schwartz for Clerk. The motion passed unanimously.

9) Adjourn

- Steve Noon will contact the members with the date of the next meeting. Meeting was adjourned at 9:37 am.

Handouts:

Meeting Agenda

Acton Reinsurance Quotes FY2024

Acton Trust – Consulting Agreement 2023

Draft HIT Minutes for April 27, 2023

Acton HIT April 2023 Cash Flow – Cook & Co

Treasurer Report 04/23