

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Board Meeting Mansfield Town Hall Mansfield, MA

February 2, 2017

Board Members Present:

William Ross	Town of Mansfield
Michael Yunits	Town of Norton
Mary Hathaway	Town of Dighton
Randy Buckner	Town of Raynham
Cheryl Gouveia	Town of Rehoboth
Brad Brightman	Town of Westport
Wendy Cochrane	Town of Berkley
Jennifer Thompson	Town of Plainville
Chris Defontes	Town of Seekonk

Others Present:

Jackie Boudreau	Town of Mansfield
Pam Smith	GBS
Kate Sharry	GBS
Mike Breen	Blue Cross Blue Shield
Paul Mulkern	Group Counsel
Cathy Calicchia	Town of N. Attleboro / alternate
Debbie Scott	Town of Mansfield
Patti Firing	Town of Mansfield
Tim King	Town of Westport
Alan Cotinho	Town of Berkley

Mike Yunits began the meeting at 2:02 p.m.

General Business

Ms. Sharry provided the Board with revised 2017 - 2018 working rates for its consideration. She pointed out that at its last meeting the Board had recinded it's vote to eliminate the "grandfathered" plans but had encouraged the towns/collaborative that were offering those plans to utilize the Section 21- 23 process to make plan design changes.

Ms. Sharry pointed out that, as no one knew whether some or all of the towns/collaborative that offered the "grandfathered" plans would move their subscribers to the Deductible plan or the Value plan, it was very difficult to offer proposed rates.

Ms. Sharry offered two (2) options that included the following percentage increases to the Group’s plans:

	Option 1	Option 2
BCE GF Blue Care Elect	30.0%	25.0%
Blue Care Elect Value	20.0%	20.0%
Blue Care Elect Deductible	15.0%	15.0%
Blue Care Elect QHD/hsa		
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Network Blue GF	30.0%	25.0%
Network Blue Value GF	30.0%	25.0%
Network Blue Value	9.0%	10.0%
Network Blue Deductible	6.0%	9.0%
Network Blue QHD/hsa		
Option 1 and Option 2 each included the following dollar rates for the new High Deductible w/HSA plans:		
	Individual	Family
Blue Care Elect QHD/hsa	\$950.00	\$2,500.00
Network Blue QHD/hsa	\$525.00	\$1,397.00

She explained that Option 1 assumes that some or all of the towns/collaborative that offer the “grandfathered” plans would continue to offer only those plans. However, she said that, if all of the towns/collaborative ultimately move their subscribers to the Deductible plan, Option 1 could result in underfunding for the plan year. Option 2 anticipated that there would be substantial movement away from the “grandfathered” plans.

Mr. Yunits said that he would be happy to assist any of the members with “grandfathered” plans to utilize the Sections 21 - 23 process.

In answer to a question, Mr. Mulkern indicated that the mitigation required by Sections 21- 23 is based upon the amount of “savings” that a governmental unit would realize by making the plan design

changes. He noted that the amount of “savings” (and, therefore, the amount of mitigation required) would be greater if Option 1 was chosen by the Board.

Mr. Ross asked about offering a two-person plan option in addition to the current Individual and Family plans. Mr. Mulkern explained that if a two-person option was introduced the proponents of that option would, presumably, expect that the rates for that option would be lower than their current rates. However, introducing a new two-person option would not change in any way the amount of claims that would be incurred for the year. Thus, the only way to afford a new two-person rate would be to increase the rates for the Individual and/or Family plans. He also pointed out that this change would have to be negotiated with a member unit’s bargaining units.

Mr. Buckner recommended that the Group adopt Option 1. Ms. Sharry reiterated her concern that if all or most of the “grandfathered” towns/district ultimately move their subscribers to the Deductible plan, Option 1 will not provide sufficient funds to cover the Group’s claims. Mr. Mulkern urged that the Group not accept Option 1 due to that same concern.

Mr. Buckner made a motion that the Board accept the Option 1 rates, effective July 1, 2017. Mr. Ross seconded the motion.

Westport voted no
Dighton voted yes
Seekonk voted yes
Raynham voted yes
N. Attleboro voted yes
Mansfield voted yes
Norton voted yes
Plainville voted yes
Dighton voted yes
Berkley voted yes
SCEC – absent

The motion passed.

Other Business

Mr. Ross made a motion to adjourn the meeting at 2:53 p.m. Ms. Calicchia seconded the motion and it passed by unanimous vote.