

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Steering Committee Meeting

Mansfield Town Hall
Mansfield MA

Meeting Minutes

December 5, 2016

Steering Committee Members Present:

Chris DeFontes	Town of Seekonk
Brad Brightman	Town of Westport
Michael Gallagher	Town of North Attleboro
Bill Ross	Town of Mansfield
Cheryl Gouveia	Town of Rehoboth
Randy Buckner	Town of Raynham

Others Present:

Shawn Cadime	Town of Seekonk
Pam Smith	GBS
Kate Sharry	GBS
Paul Mulkern	Group Counsel
Tim King	Town of Westport
Patricia Firing	Town of Mansfield

Bill Ross began the meeting at 10:32 a.m.

General Business

Ms. Gouveia made a motion to accept the minutes of the Committee's November 19, 2016 meeting. Mr. Gallagher seconded the motion and the motion passed by unanimous vote.

Mr. Ross said that two interviews were conducted for the Treasurer position. After a brief discussion, the issue was tabled until the next meeting.

Ms. Smith reviewed the financial report which includes four months of claims. She said the loss ratio is at 90.4% which is down from 92.6% the previous month. Ms. Smith said claims are continuing to trend in a favorable direction. She also said there are fewer large claims than last year at a similar date.

Mr. Yunits asked if the Group should have a policy regarding a minimum trust fund balance. In answer to a question, Mr. Mulkern noted that there is no provision currently in the joint purchase agreement that deals with that issue. Mr. Mulkern noted that the Board has, on occasion, discussed such a policy but has never reached a consensus on the issue. Ms. Sharry said that GBS would provide Mr. Mulkern with the policies that other joint purchase groups have adopted.

Ms. Sharry discussed the proposal to reduce the number of plans that the Group is offering. She noted that GBS had sent emails to all of the towns/collaborative explaining the proposal (to eliminate the grandfathered plans).

Mr. King asked if his town would be required to negotiate the proposed change with the town's unions. Mr. Mulkern responded that while any change to plan design would normally carry a bargaining obligation, Sections 21 - 23 offered an exception. He explained that, utilizing that process, a town could change design features of its plans up to the dollar amount of the same features in the GIC's benchmark plan.

Ms. Sharry said that GBS would prepare an analysis of the differences between the grandfathered and non-grandfathered plans and an estimate of the savings that could be realized if the towns/collaborative moved from the grandfathered plans to the Value plan or the Deductible plan.

Mr. Gallagher made a motion that the Steering Committee recommend that the Board eliminate the grandfathered plans, effective at the end of the 2016 - 2017 plan year and that the Group thereafter offer only the Value and Deductible (Benchmark) plans as well as a High Deductible plan with a Health Savings Account (HSA). The motion was seconded by Mr. Buckner and passed by unanimous vote. Mr. Mulkern noted that the Board would have to decide what version(s) of the Deductible plan it would offer. He noted that the plan currently offered by the Group was based upon the design of the GIC benchmark plan that was offered by the GIC several years ago. He pointed out that the GIC had subsequently modified its benchmark plan by, among other things, increasing the dollar amount of the deductible and certain co-payments. He explained that the Group might wish to modify the plan design of its Deductible plan by increasing its deductible and co-pays to the amounts in the current GIC benchmark. He said that, if the Board made that adjustment, the towns that currently offer the Deductible plan would need to utilize the Section 21 - 22 process to increase the deductible and co-pays to the new level. He stated, however, that Norton would have difficulty accessing the Section 21 - 22 process this year. He noted that Norton had used the Section 21 - 23 process last year to move to the Deductible plan. As part of its agreement with its Public Employment Committee, the Town had agreed that it would not again access the Section 21 - 23 process for at least three years.

Ms. Sharry said that GBS would offer at the next meeting options for a new Deductible plan as well as for a High Deductible plan with an HSA.

Mr. Breen briefly reviewed an analytic report dealing with the Group's claims that Blue Cross had produced. Mr. Ross asked to have the report placed on the agenda for the next meeting so that Committee members could raise with Mr. Breen any questions that they might have after reviewing the report.

Other Business

The next Board meeting was scheduled for December 20th at 2:00 p.m. in Mansfield.

At 12:01 p.m. Ms. Gouveia made a motion to adjourn. The motion was seconded by Mr. Gallagher and passed by unanimous vote.