

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Board Meeting

Webex

April 23, 2020

Board Members Present:

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| Michel Yunits | Norton |
| Cheryl Gouveia | Rehoboth |
| Shawn Cadime | Seekonk |
| Janet Jannell | Plainville |
| Mary Hathaway | Dighton |
| Sheena Martin | SCEC |
| Michael King | Raynham |
| Brad Brightman | Westport |

Others Present:

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| Pam Smith | Gallagher |
| Chris Nunnally | Gallagher |
| Maureen Valente | Treasurer |
| Tim King | Westport |
| Catherine Van Dyne | Norton |
| Chris Defontes | Seekonk |

Shawn Cadime called the meeting to order at 2:05 P.M.

Mr. Cadime requested roll call be taken. Towns present were Rehoboth, Plainville, Seekonk, Norton, Raynham, SCEC, Dighton and Westport.

Minutes from January 23, 2020

Michael King made a motion to accept the minutes from January 23, 2020 board meeting. The motion was seconded by Cheryl Gouveia. The motion passed unanimously.

Minutes from February 25, 2020

Cheryl Gouveia made a motion to accept the minutes from the February 25, 2020 board meeting. The motion was seconded by Janet Jannell. The motion passed unanimously.

Treasurer's Report

Ms. Valente reviewed the report and said the balance at the end of March is \$13.5M and the group is continuing to run well. Ms. Valente also asked the Board to let her know if anyone thinks they may have trouble making their payments due to Covid 19. If anyone is having cash flow issues they are asked to reach out to Shawn and Maureen and let them know if they need extra time.

Financial Report

Ms. Smith presented the Health insurance report with claims data through March. She said the group is running at an 86.5% loss ratio with a surplus of roughly \$3.3M. Ms. Smith said all plans are running in positive numbers and there is now one high cost claimant over the 50% specific at this time with a reimbursement due. There is no activity on the prior policy.

Stop Loss

Mr. Nunnally presented a block pricing quote to the group which guarantees a rate hold for this year and a 50% rate cap for next year as well as a no new laser in perpetuity guarantee. Ms. Smith said she budgeted a 15% increase for stop loss this year which is a projected increase of about \$115K. Mr. Nunnally explained that with the selection process carriers must be A rated or better, they must have financial stability and must have previously worked with the Massachusetts Municipal Market. Carriers must agree to mirror current plan documents and must include at 50% rate cap on renewal, no new lasers in perpetuity as well as agreeing to pay within 60 days of receiving documentation.

Mr. Cadime asked what risk there would be to the group. Mr. Nunnally said there is no additional risk since everyone has their own exposure, it is not combined with others.

There is an added level of care with this quote also, Pinnacle Care will provide assistance with member engagement as well. If this is something the group would like to pursue we will have Pinnacle Care present to the group at the next meeting.

Michael King made a motion to accept the Block pricing quote for FY21 with a 0% increase as presented. Catherine Van Dyne seconded the motion. The motion passed unanimously with no objections.

Carveout Update

This item is tabled until later in the year due to the ongoing circumstances with Covid 19.

Voluntary Benefits

This item is tabled until Fall. The group would like to continue with the voluntary benefits with an effective date of January 1, 2021.

Covid 19 Update

Mr. Nunnally discussed the impact that Covid 19 will have on claims in the future. Initially we expect there to be a drop in claims due to non necessary procedures being cancelled followed by an increase later in the year. We will send out a Covid 19 Impact model to everyone showing the anticipated increases or decreases.

New Business

None

Cheryl Gouviea made a motion to adjourn the meeting and Mary Hathaway seconded the motion. The motion passed.

The meeting was adjourned at 2:50 PM.

The next meeting is on May 28, 2020 at 9:00 A.M.

*Prepared by Pam Smith
Gallagher Benefit Services, Inc.*