

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Board Meeting

Virtual Meeting/Remote Participation/Meeting Recorded

June 25, 2020

Board Members Present:

Michael Yunits
Mary Hathaway
Sheena Martin
Michael King

Norton
Dighton
SCEC
Raynham

Others Present:

Chris Defontes
Tim King
Maureen Valente
Catherine Van Dyne
Pam Smith
Mike Breen

Seekonk (alternate)
Westport (alternate)
Treasurer
Norton
Gallagher
Blue Cross

Tim King called the meeting to order at 9:32 A.M.

Mr. King requested roll call to be taken. Towns present were Dighton, Norton, Raynham, Seekonk, SCEC and Westport. Plainville and Rehoboth were not present.

Minutes from May 28, 2020

Mike Yunits made a motion to accept the minutes from the May 28, 2020 board meeting. The motion was seconded by Chris Defontes. The motion passed unanimously.

Treasurer's Report

Ms. Valente said that the financial assets increased almost \$800K for a total of \$14M. This increase is primarily due to a decreased payment to Blue Cross, costs have been lower than projected. Since July 1, 2019 assets have increased by \$3.5M. Ms. Valente said that everyone had paid by the 10th of the month which she appreciates. Mr. King asked if we can expect to see a spike in claims. Mr. Breen responded to this saying that they do expect and uptick in claims to happen due to the fact that any routine surgeries that were postponed will be rescheduled. Blue Cross is monitoring this to see if and when any increases occur.

Investment Update

Ms. Valente said she had sent out a draft version of the investment policy as well as the request for statement of interest that she will be sending out to Investment firms. Ms. Valente said she would like feedback from the group on the documents. After some discussion it was decided to change the wording on Section 3B to have Board Chair approval. Ms. Smith recommends meeting with the selected firm twice a year. Mr. King asked if the investments will be U.S.

Government securities, Ms. Valente said she will make a note and confirm this. Mike Yunits made a motion to approve investment policy with slight modifications. Mike King seconded the motion. The motion passed unanimously.

Mike King made a motion to authorize the Treasurer to send out the RFI on behalf of The Southeastern Massachusetts Health Group. Mike Yunits seconded the motion. The motion passed unanimously. Ms. Valente said that Leo Peloquin has also reviewed the documents for her. She will be sending this out to five firms and if anyone has a firm they would like included to reach out to Maureen.

Financial Report

Ms. Smith said there are 11 months of claims data in and the surplus increased a million dollars from the prior month and there is now a \$4.9M surplus with a loss ratio of 83.4%. There is \$32K pending in stop loss reimbursement for the current policy. Mr. King asked about possibly doing a premium holiday or something equivalent. Ms. Smith said at this time she would not recommend doing anything until we see how things play out due to the pandemic. There is a lot of uncertainty right now and she would rather the group wait to do something like this.

Level monthly

Mr. Breen said based on the renewal there was a 6.4% increase which changed the deposit from \$2.3M to \$2.4M for July 1, 2020. Based on the current climate if this isn't comfortable for the group Mike can go back to the underwriters to review this. Ms. Smith said she would like to discuss this again after the next settle up.

New business

Ms. Smith said she had a few items for new business. First item is the PCORI fee which is due July 1, the total the group owes is \$11,806. Ms. Smith sent the calculations along with the submission form to Ms. Valente this morning so this can be processed. Ms. Smith informed the group that Brad Brightman is no longer with the Town of Westport. Mr. King said he will be the Board representative and the Treasurer of Westport will be the alternate. Mr. King will have the letter from the BOS at the next meeting. Ms. Smith wanted to the group to know that they will be receiving an email from Pinnacle Care within a week or so and to be on the lookout for it.

The next meeting is scheduled for August 20, 2020 at 9:30 A.M.

Mike Yunits made a motion to adjourn the meeting at 10:03 A.M. Mary Hathaway seconded the motion. The motion passed unanimously.