

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Board Meeting

Virtual Meeting/Remote Participation/Meeting Recorded

October 22, 2020

Board Members Present:

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

Others Present:

Chris Defontes	Seekonk (alternate)
Bruce Alexander	Seekonk
Maureen Valente	Treasurer
Catherine Van Dyne	Norton
Pam Smith	Gallagher
Mike Breen	Blue Cross
Chris Nunnally	Gallagher
Sue Brayton	Westport
Taylor Whitcomb	Gallagher

Shawn Cadime called the meeting to order at 9:36 A.M.

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

Minutes from September 17, 2020

Mike Yunits made a motion to accept the minutes from the September 17, 2020 board meeting. The motion was seconded by Janet Jannell. The motion passed unanimously.

Investment Management Selection

Ms. Valente said the only additional information she had to discuss was the email she received from Bartholomew regarding the pricing change which he sent out to everyone. Ms. Valente did not receive any further questions for the Investors from anyone. Mr. Cadime asked if anyone had anything they wanted to add before a vote is take to decide on a firm. Ms. Defontes said that she has worked with Bartholomew in the Town of Seekonk and she has been very happy with their services. Mike Yunits made a motion to elect Bartholomew Mike King seconded the motion and also asked if a community withdraws form the group would that affect rates/fees.

Ms. Valente said it is possible but it wouldn't be a substantial change and also if a group joins then that would also positively affect group, it goes both ways.

Ms. Valente also mentioned that the group may want to hold back on investing some at this time with so many unknown factors right now, she recommended maybe investing \$7 million instead of \$10 million. Ms. Defontes said the group has always taken a conservative approach and been very careful with money. Mr. Cadime agreed that it would be better to start with \$7 million. Janet Jannell made a motion to invest \$7 million now and consider adding more a little later. Mike King seconded the motion. The motion passed unanimously. Ms. Valente said she would like to see two Board members volunteer to assist her at the beginning of this process since it is new. Chris Defontes from Seekonk and Mike King from Raynham offered to help out for a while.

Treasurer's Report

Ms. Valente said that the financial assets at the end of the month are \$16.6M. Income for September was \$202K and the expenses were \$2.8M.

Voluntary Benefits

Taylor Whitcomb updated the group on the voluntary benefits and where we had left off in the decision making process at the last meeting. Mt. Whitcomb said that the group initially wanted a 7/1/20 start date for these benefits, due to Covid and delays the group decided to try to enroll the group with a 1/1/21 start date. Mr. Whitcomb recommended that with the environment we are entering and with the 5 of 8 towns up for renewal it would be better to do all of them at one time instead of having 2 open enrollments. Many of carriers may not be able to provide the support they need which will lead to more work administrative responsibilities for everyone.

We will finalize this up in winter and get ready to enroll everyone with a 7/1/21 start date. The group was in agreement with waiting until July to enroll. Gallagher will present the final offerings in December and this will give everyone plenty of time to roll this out with their other health offerings. Ms. Smith said she will make sure this item is on the agenda for December.

Senior Renewal

Chris Nunnally presented the senior renewal to the group, currently the Medex rate is \$386.49 and the Managed Blue for Seniors is \$353.69. BCBS projection came in at an 8.7% increase, Chris thinks this is a conservative number considering there was a 4.7% pandemic factor figured into that. Mr. Nunnally said that the PDP piece saw a slight decrease this year, he also said that BCBS increased their CPC 2% across their book of business this year. Mr. Nunnally presented three options. Option 1 is a rate hold with an estimated annual surplus of \$80K, option 2 is a 1% increase with an estimated annual surplus of \$124K and option 3 is a 2% increase with an estimated surplus of \$168K. Mr. Nunnally said this is a positive renewal and plan is rated well. Managed Blue for Seniors is fully insured and this renewal came in at a 2.9% increase. Mr. Cadime asked if there were any further questions on this, there were none. Mr. Yunits made a motion for Option 2 with a rate of \$390.35. Janet Jannell seconded the motion. The motion was passed unanimously.

Mike Breen addressed the group and said if anyone would like a senior meeting scheduled to reach out to BCBS and they can set up a call in number for members, Mr. Breen said they are available for member's questions if anyone needs help.

Financial Report

Ms. Smith said there are 3 months of claims data in and the surplus is \$1.6M which is up \$1.1M from last month with a loss ratio of 81%, claims are continuing run steadily. Ms. Smith said part of the reason for such a large increase in surplus is due to stop loss reimbursements that were received, the amount received was almost \$426K, there is one member that has showed up on the current stop loss policy and they are at 50% of the specific.

New business

The next meeting is scheduled for November 19, 2020 at 9:30 A.M.

Mike Yunits made a motion to adjourn the meeting at 10:12 A.M. Cheryl Gouviea seconded the motion. The motion passed unanimously.