

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

**Board Meeting**

Virtual Meeting/Remote Participation/Meeting Recorded

February 25, 2021

**Board Members Present:**

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

**Others Present:**

Catherine Van Dyne	Norton
Bruce Alexander	Seekonk
Maureen Valente	Treasurer
Pam Smith	Gallagher
Mike Breen	Blue Cross
Chris Nunnally	Gallagher
Taylor Whitcomb	Gallagher
Chris Defontes	Seekonk
Michelle Newcomb	Bartholomew & Company
Brian Jamros	Bartholomew & Company
Alex Bartholomew	Bartholomew & Company

Shawn Cadime called the meeting to order at 9:34 A.M.

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

**Minutes from January 28, 2021**

Mike Yunits made a motion to accept the minutes from the January 28, 2021 board meeting. The motion was seconded by Mike King. The motion passed unanimously.

**Bartholomew Investment Update**

Ms. Valente introduced the team from Bartholomew & Company and said they were going to answer some questions that the Board had from the previous Board meeting. Brian Jamros introduced his team Michelle Newcomb and Alex Bartholomew. Alex Bartholomew said there were questions Maureen brought to their attention and he is going to respond to them. Alex Bartholomew shared a presentation and gave the following update. Initial funding of \$7M in November and at the close of yesterday it was \$7.1M. The question was asked, how does

portfolio look compared to investment policy statement. Mr. Bartholomew said it is fully invested and 100% compliant. Mr. Bartholomew said it takes time to get fully invested, but as of February they are there. Mr. Bartholomew said they will target a 1% cash target of total portfolio which will ebb and flow throughout the year. The question of liquidity was asked and he responded that the portfolio is quite liquid. The question was also asked about the cash balance that should be maintained and he said that is completely subjective. If you need a million dollars they could have that in a day, anything larger they would need a little notice. Performance is good since inception up 1.6% in a short period of time is attractive.

Mr. Bartholomew continued to say future investment recommendations show tremendous amount of opportunities on the equity side for the future. Shawn Cadime said he had technical issues and had asked about liquidity since he couldn't hear that part of the presentation, he wanted to know what their recommendation is in the event SMHG needs the money. Mr. Bartholomew said there is a tremendous amount of liquidity in portfolio, and they are confident they can meet large liquidity if needed.

### **Treasurer's Report**

Ms. Valente said as of January 2021 income was a little over \$3M and expenses were \$2.9M for a total of income at about \$118K for the month. Ms. Valente said the year to date net income was almost \$4M.

### **Voluntary Benefits Update**

Taylor Whitcomb followed up on conversation from last meeting regarding 3 tier pricing. Mr. Whitcomb presented the Altus 3 tier pricing as requested and reviewed each Town for benefits and costs. Once everyone is merged to one plan rate guarantee would go through 2023. Also better renewal will be received through consortium level. Catherine Van Dyne asked if retirees would have same rates as individual rates presented, the answer was yes. Current participants can change coverage if they wanted to at enrollment. All eight Towns must participate to receive these rates. Taylor worked with Eyemed to match current Norton rates as well as plan design that Norton has in place. The Vision offering is at consortium level. Mr. Mike King asked about the contact lens allowance and if it is annual, the answer is yes. Ms. Jannell asked if they didn't offer vision plans in the past can she offer it to her retirees, the answer is yes. Mr. Cadime asked what the board wanted to do. The consensus was to review all the information and make a decision at the next meeting. Taylor will send out BOL records and presentation and speak to each Town to answer any questions that they may have.

### **Financial Report**

Ms. Smith said there are 7 months of claims data in and the surplus is almost \$2.1M, with a loss ratio of 89%. Ms. Smith there are currently six members at the 50% specific on the current stop loss policy with no one over the specific and there weren't any changes to the prior year policy, the total reimbursements received for the prior policy are about \$540K.

### **Enrollment Audit update**

Mr. Nunnally said the RFP was sent out to BNI, Amwins, Seagul, Arthur J Gallagher and Continuum. Mr. Nunnally said that most of the vendors have asked for an extension on the deadline. Mr. Nunnally had to explain that there are 8 different groups with different eligibility requirements so he is working out the details now with these vendors and answering their questions. Mr. Nunnally said that March 15 is new deadline and Chris will have price and scope of services at that time.

**New business**

Mr. Breen wanted to tell the group if anyone needs help with open enrollment that they are here to help and to reach out with anything they need.

Ms. Smith said that she received the SBC's from BCBS, they were reviewed for accuracy and they are on the website if anyone needs them.

Catherine asked if someone is enrolled in April or May would they be eligible for the rate Holiday. Chris Nunnally said yes, typically in the past it is done for everyone that is enrolled at that time.

The next meeting is scheduled for March 25th, 2021 at 9:30 A.M.

Catherine Van Dyne made a motion to adjourn the meeting at 10:35 A.M. Cheryl Gouviea seconded the motion. The motion passed unanimously.