

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Board Meeting Minutes

Virtual Meeting/Remote Participation/Meeting Recorded

September 21, 2023

Board Members Present:

Sheena Martin	SCEC
Mike Yunits	Norton
Shawn Cadime	Seekonk
Jim Hartnett	Westport
Kelly Usher	Raynham
Mike Mullen	Dighton
Lisa Dias Cabral	Rehoboth

Others Present:

Pam Smith	Gallagher
Chris Nunnally	Gallagher
Rich Bienvenue	Treasurer
Lisa Cabral	Seekonk
Jen Argo	Seekonk
Sue Brayton	Westport
Paula Linhares	Norton
Sue Brayton	Westport
Mike Breen	BCBS
Lauren Soroka	BCBS
Jessica Garcia	BCBS

Mr. Cadime began the meeting at 9:32 a.m. and requested roll call to be taken. Ms. Smith did roll call, Towns present were Norton, SCEC, Seekonk, Westport, Rehoboth and Raynham. Dighton joined a little late.

Minutes from August 17, 2023

Mr. Yunits made a motion to accept the minutes from the August 17, 2023 Board meeting. The motion was seconded by Ms. Usher. The motion passed unanimously.

Audit Engagement Letter

Mr. Cadime thanked Mr. Bienvenue for reaching out to Roselli, Clark and Associates and getting them to agree to taking SMHG on at such a late time in the year and reassuring them that we would be ready to proceed with the audit. Mr. Bienvenue said that last time we met the Board had authorized Mr. Bienvenue to try and secure a one year agreement with the Auditors, after speaking with Roselli and Clark they are looking for a three year commitment.

Mr. Bienvenue said they are proposing the following fees, for FY23 \$17K, FY24 \$17.5K and FY25 \$18K. Mr. Bienvenue said he is comfortable with the proposed fees, he will need authorization from the Board to move forward. Mr. Yunits made a motion to authorize Mr. Bienvenue to move forward with the 3 year contract as proposed. Mr. Cadime seconded the motion. Ms. Smith did roll call. Norton yes, Raynham yes, Rehoboth yes, Seekonk yes, Southcoast yes, Westport yes. The motion passed. Mr. Cadime will send the engagement letter to Roselli and Clark.

Treasurer's Update

Mr. Bienvenue presented the Treasurer's report for the Fiscal 23 Year End. Mr. Bienvenue said the former records have been converted and are now available online for the Board to access as well as stored on the cloud. Mr. Bienvenue said everyone is paying current and timely right now. Mr. Bienvenue reviewed the balance sheet and income statement and said the group has a healthy fund balance. Mr. Bienvenue has been reviewing the Joint Purchase Agreement and will begin working to see what Plainville's reimbursement will be, he will be speaking further with Chris and Shawn on this as well.

Financial Update

Ms. Smith sent the detailed report to the board prior to today's meeting and will recap the highlights. Ms. Smith reviewed the Fiscal year 2024 report, the overall loss ratio is at 107% with a deficit of \$210K, and the medex loss ratio is 89% with a surplus of \$22K. Ms. Smith said there is nothing to report for the FY24 stop loss policy since there aren't any claimants to date.

Senior Renewal

Mr. Nunnally presented the senior renewal along with three different options for the group to review. Mr. Nunnally said the medical claims projections from BCBS were increased by 4.7% the PDP increase was 6.8% and the BCBS admin fee was increased by 2% for an overall carrier projection of \$385.40 which is a 5.5% increase over current carrier projections. Option 1 is a break even rate which reduces your rate from \$390.35 to \$385.40 which is a \$0 surplus. Option 2 is to keep your rate of \$390.35 which gives you an estimated \$60K surplus and Option 3 is a 1% increase which gives you a surplus of an estimated \$106K. The Managed Blue for seniors plan is fully insured so there are not any rate options, the renewal from BCBS came in at a 6.8% increase which gives you a rate of \$398.22 effective January 1, 2024. Mr. Nunnally presented a comparison of the senior plans, there was some discussion following the senior plan offerings.

Senior RFP

Mr. Nunnally reviewed the options on the table and said he has a quote from BCBS and Aetna, they are both medicare advantage plans which are a richer plan offering than what is in place today. The BCBS Blue Freedom rate is \$342.00 with an annual estimated savings of \$654K and the Aetna rate proposed is \$315.00 with an annual estimated savings of about \$1M. There was some discussion on the offerings and it was decided that we will have both Carriers, BCBS and Aetna attend a meeting as soon as possible to give a full presentation to the Board. The meeting will be scheduled for October 3, 2023 at 9:30 a.m.

BCBS Wellness

Ms. Smith told the Board she met with Laura and Jessica Maldonado Garcia to discuss the launch of the new platform and they had a few items they needed decisions on regarding nonmembers. Ms. Smith thought it would be best to bring before the Board and let them decide for themselves. Ms. Soroka explained that if the Board wants to continue with the option to offer wellness to nonmembers there is some additional work that would need be done regarding the eligibility files. They would need one person to be able to upload a file monthly for the whole group. Ms. Garcia explained the process and what would be needed to move forward. After some discussion it was decided it may be best to have the Towns that want to offer this to nonmembers reach out to BCBS directly to discuss the details.

New Business

None

Mr. Yunits made a motion to adjourn the meeting at 10:30 A.M. Mr. Cadime seconded the motion. The motion was passed unanimously.

The next meeting will be on October 19th, 2023 at 9:30 A.M.