<p align="center">**SOUTHEASTERN MASSACHUSETTS HEALTH GROUP**</p>

<p align="center">**Board Meeting Minutes**</p>

<p align="center">Virtual Meeting/Remote Participation/Meeting Recorded</p>

December 15, 2022

Board Members Present:

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

Others Present:

Rob Lynch	Lynch, Marini & Assoc.
Maureen Valente	Treasurer
Pam Smith	Gallagher
Chris Nunnally	Gallagher
Mike Breen	BCBS
Chris Defontes	Seekonk
Jen Argo	Seekonk
Paul Reynolds	Dighton
Sue Brayton	Westport

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

Minutes from October 20, 2022
Mr. Yunits made a motion to accept the minutes from the October 20, 2022 Board meeting. The motion was seconded by Mr. Cadime. The motion passed unanimously.

Audit Report
Ms. Valente introduced Rob Lynch, he represents the firm that does our audit for us every year. Mr. Lynch reviewed the summary he prepared for the group. Mr. Lynch said the financial statements are based on the accrual basis of accounting. Mr. Lynch said the group continues to be in good financial shape and as of June 30th, 2022 they have a $17.6M net position, last year it was $14.9M so the group is up $2.7M overall. The IBNR has remained consistent at $2.2M. Mr. Lynch said there were not any material weaknesses found, his only comment is to evaluate on an annual basis the policies and procedure to be sure they are in accordance with the Investment policies. This is a brief overview and he asked if there were any questions, Mr. Yunits asked if he had an opinion on what she be kept in reserves, Mr. Lynch said in his opinion

the reserves they have are pretty high. The target is set at 15% and currently the reserves are much higher than the target.

Direct Enrollment
Mr. Nunnally said we are in our second month of electronic enrollment now and he wanted to know if there was any feedback at this time on the process and how it's going. Mr. Nunnally asked for patience as we go through the process of replacing a system that has been in place for decades. A brief discussion followed.

Lower Cost Plan Bargaining
Mr. Nunnally had a brief conversation with our attorney and said the most conservative approach is to negotiate a lower cost plan with the Towns, if contracts are up or anyone has an active IAC this would be a good time to approach these negotiations, from there we could build a lower cost plan with BCBS.
Paul Reynolds asked about adding a plus one plan. Mr. Nunnally said it is something we could show at renewal. Mr. Nunnally said that when a plus one is added it always increases the family rates and could increase the individual rate, we can illustrate this before renewal for everyone to see. Mr. Yunits said he knows from experience that it's not good for family plans when you try to add single plus one, the family rates usually increase around 15%.

Treasurer's Report
Ms. Valente said net income for November is $890K and this is due to it being a true up quarter, this amount gets applied to the next payment due. Ms. Valente reviewed the report, there were no questions. Ms.Valente said we do need to have updates to the Board on Fund balance and investment fund policy periodically. Ms. Valente there has been a change of business practices between Gallagher and herself, this required the purchase of a printer and has shifted work to her but she thinks this is a more secure change. Chris Nunnally said Gallagher will cover the cost of the printer. Mr. Yunits asked if she thinks a rate Holiday would be sensible. Mr. Valente said they could do two Rate increases of they would like, there are adequate funds available and we should get the money back to employees and taxpayers. A brief discussion took place regarding a rate Holiday, this topic will be on the agenda for the next meeting. Ms. Valente will send out information regarding this after the meeting.

Treasurer's Salary
Mr. Cadime said he spoke with Ms. Valente and she had requested additional compensation due to the new requirements with investments as well as Gallagher's change. Ms. Valente's contract was signed in 2017 and does not include any COLA adjustments. Ms. Brayton made a motion for the Chair and Vice Chair to have a discussion with Ms. Valente regarding her salary. The motion was seconded by Mr. Yunits. The motion passed unanimously. Mr. Cadime will bring back any recommendations on this to the Board.

Financial Report
Mr. Nunnally presented the Health funding analysis, claims are paid through October 2022. Mr. Nunnally said loss ratio is at 89% with a $1.2M surplus, this is up quite a bit from last month. The group is continuing to run well, Medex is an 85% loss ratio with a $123K surplus. The current stop loss policy does not have any claimants over or below the specific with is great news and they are no pending reimbursements due.

Blue Cross Rx update
Mike Breen introduced Dan Shanahan to review the Rx pricing and guarantee report. Mr. Shanahan reviewed the reconciliation report to the group, total surplus is at $378K. Chris

Nunnally asked about the changeover to PBM and if this contract will carry over. Mr. Shanahan said this will carry over to the new PBM.

New Business
Mr. Nunnally said that we have several new members to the group and we were hoping to give a brief presentation explaining self-funding and how it works for the JPG. Ms. Smith will send out some dates to get a consensus and schedule after that.

Mike Yunits asked if the group should think about going out to bid or looking at other options from insurance carriers. Mr. Nunnally said if they are looking for July 1, this would need to be done right away. Mr. Cadime supports that as well as Mr. Mullen. Ms. Smith will add this item to the next agenda.

Mr. Yunits made a motion to adjourn the meeting at 10:20 A.M. Mr. Cadime seconded the motion. The motion was passed unanimously.

The next meeting will be on January 5th, 2023 at 9:30 A.M.