

SOUTHEASTERN MASSACHUSETTS HEALTH GROUP

Board Meeting Minutes

Virtual Meeting/Remote Participation/Meeting Recorded

February 16, 2023

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:

Maureen Valente	Treasurer
Pam Smith	Gallagher
Chris Nunnally	Gallagher
Mike Breen	BCBS
Chris Defontes	Seekonk
Lisa Cabral	Seekonk
Jen Argo	Seekonk
Paul Reynolds	Dighton
Sue Brayton	Westport
Paula Linhares	Norton

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 December 15, 2022

Mr. Yunits made a motion to accept the minutes from the December 15, 2022 Board meeting. The motion was seconded by Mike Mullen. The motion passed unanimously.

Minutes from January 5, 2023

Mr. Yunits made a motion to accept the minutes from the January 5, 2023 Board meeting. The motion was seconded by Mike Mullen. The motion passed unanimously.

Investment Policy Update

Ms. Valente said she spoke with the groups counsel regarding using the legal list statutes for investing funds. She is still researching this with them and will update everyone as soon as she has more information on this. There was some further discussion on this by the Board. Ms. Valente also reminded the Board that funds will be required to payout Plainville at the end of the year.

Treasurer's Report

Ms. Valente presented the Treasurer's report through January 2023, the group is ahead \$846K for the year. A reminder that member contributions will be zero for March and April due to the Rate Holiday. Ms. Valente said the group has \$20M in assets with \$2.2M reserved for runout which leaves \$18.5M in assets. There is about \$11.7M invested with Bartholomew. Mr. Mullen asked whether or not the Towns should send out a notice to employees regarding the rate Holiday. Mr. Cadime said that Seekonk does send out a notice and they will share it with everyone.

BCBS Health renewal

Mike Breen presented the renewal for FY24, the group has 1,638 subscribers enrolled on Active plans. There is a 2% increase on expected claims and a 1.5% administrative fee increase, the group has 100% creditability for their claims so nothing else is being factored in to the calculations. The level monthly will increase to \$2,797,800 effective 7/1/23.

FY24 Rate Setting

Mr. Nunnally presented a few different rate scenarios to the Board, the first one was for a 0% increase which would have an estimated annual surplus of \$543K. The second scenario was for a 2% increase which would have an estimated \$1.2M surplus. After some discussion the board decided to approve a 1% increase which would have an estimated annual surplus of \$800K. Mr. Yunits made a motion to approve a 1% rate increase for the rates effective 7/1/23. The motion was seconded by Mr. Mullen, roll call was taken and all were in favor of a 1% increase.

BCBS Update

Mr. Nunnally said he has been speaking to Mike Breen and others at BCBS to continue to move towards pharmacy improvements as far as costs go and also talking about some value add on options. They are not ready to present anything at this time but it is being worked on for the next meeting.

Financial Report

Ms. Smith presented the health analysis to the group, she said she emailed the full report to everyone and will review high level to them today. The claims are continuing to run very well with all plans running at a surplus except the Network Blue Deductible plan which is running at a slight deficit. The funding ratio is 93% with a \$1.1M surplus, there are no stop loss reimbursements due. There are four new members who have hit the 50% specific for stop loss, this is the first time this year we are seeing claimants.

New Business

Mr. Yunits asked if BCBS will offer any increases to their offerings like gym memberships etc. since they have been the same for many years. Mike Breen said that is something they can look at, he does have some groups that go as high as \$350 in reimbursements it would depend on what the Board would want. Mr. Breen said he will run a wellness report to see how many are utilizing these benefits and will present at the next meeting.

Ms. Valente mentioned that the Town of Plainville will be leaving effective June 30, 2023 and their payout will be the first under the new policy she would like to discuss this at the next meeting.

Mr. Nunnally asked the Board if Plainville doesn't find a more suitable option would they be allowed to come back, is there a policy in place for this or would it be a Board decision. Mr.

Cadime said they did try to reach out to the Town to see why they decided to leave, they seemed to feel like there were better options elsewhere.

Mr. Reynolds asked about the possibility of offering an employee plus one plan. Mr. Cadime said we have discussed this in the past but it hasn't been something the group has been willing to offer, especially since there would be a need to negotiate with the Unions as well to make any change. Mr. Nunnally said the doing this always drives the family rates up an estimated 16% to 18%, we can show what these rates would look like if the group is interested. After some discussion they would like to entertain this and see what possible rates would look like.

Mr. Mullen made a motion to adjourn the meeting at 10:18 A.M. Mr. Yunits seconded the motion. The motion was passed unanimously.

The next meeting will be on March 16th, 2023 at 9:30 A.M.