



Southeastern Massachusetts Health Group (SMHG) Board Meeting

Thursday, January 18th, 2024
Virtual Meeting/Remote Participation/Meeting Recorded

Meeting Minutes

Board Members in Attendance:

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

Guests in Attendance:

Marianna Gil	Arthur J. Gallagher
Pam Smith	Arthur J. Gallagher
Jennifer Argo	Seekonk
Chris Defontes	Seekonk
Paula Linhares	Norton
Rich Bienvenue	Treasurer
Michael Breen	BCBS
Michelle Newcomb	Bartholomew & Co.
Charles Patterson	Bartholomew & Co.
Taylor Whitcomb	Arthur J. Gallagher
Stella Farias	Westport

Mr. Cadime began the meeting at 9:33 a.m. and requested a roll call to be taken. Ms. Smith did roll call. Towns present were Norton, SCEC, Seekonk, Rehoboth, Westport, and Raynham. Dighton joined at 9:50 a.m.

Minutes from December 21st, 2023

Mr. Yunits made a motion to accept the minutes from the December 21st, 2023 Board meeting. The motion was seconded by Mr. Hartnett. The motion passed unanimously.

Motion

Investment Update

Ms. Newcomb reviewed the investment portfolio through December 31, 2023. Ms. Newcomb said as of December 31, 2023 there is about an \$11.3M balance in the account. Ms. Newcomb said considering the volatility in the market the Group has done well and outperformed in some areas. Mr. Patterson discussed the



possibility of the Group's desire to move to the prudent investor list instead of the current legal list they are currently tied to. In their opinion, they think that due to the wording in Ch. 32B Section 3A, they cannot move to the prudent investor list at this time. Mr. Patterson said they should seek legal advice on this as well. Mr. Cadime asked if it is reasonable to say that they are not achieving the maximum amount of money due to the limitations in the investor list they are restricted to. Mr. Patterson said yes, the potential to increase the return on investments would be greater if they were not so restricted. The portfolio had a 5.15% return in 2023, and compared to the Dow Jones Industrial average of 16.18% is a large difference from the potential increase they could have had. There were no further questions.

Treasurer's Report

Mr. Hartnett asked if there is any idea of what the health insurance renewal will look like. Ms. Gil said we received the BCBS renewal yesterday and the underwriters are looking at it now. Gallagher is telling groups to budget for 7-10% to be conservative. Mr. Cadime asked if preliminary numbers could be sent for the Group to review before the next meeting. Ms. Gil will send this once it is available.

Financial Report

Mr. Bienvenue said that the transition has gone well. He has a good system in place at this time, which will help with the end-of-year reporting with the Auditors. Mr. Bienvenue reviewed the report through November 30th, 2023 and noted that the report shows a loss of about \$449K for the year and the overall equity is at \$12.3M. Mr. Bienvenue said there is still about \$1.67M due for premiums. Mr. Bienvenue also said IBNR is a little lower than it has historically been. Mr. Bienvenue has been trying to work on Plainville's possible amount due. The calculation is based on two parts: the first is the amount they owe the Group and the second is the amount due to them. At this time, they are due about 9% minus anything they would owe. At this time, they are due about \$1.1M less any runoff paid in July; once he has this number, he can complete the calculation. Mr. Bienvenue said according to the language in the Joint Purchase Agreement it says "When a member properly terminates they shall be entitled to their proportional share of trust fund surplus if the last two years average per member per cost of claims paid for the participant does not exceed the last two years average cost per member cost of claims paid for the rest of the group". This is a prerequisite for them to receive anything at all. As soon as Mr. Bienvenue has the reporting Gallagher has requested from BCBS, he will be able to conclude his calculations.

Dental Update

Ms. Smith introduced Taylor Whitcomb and said Taylor has a dental update for the Group. Mr. Whitcomb said he met with Altus to discuss some possible plan designs to offer to the retirees. The first option would be to loop the retirees into your current dental plan, which would be the most seamless transition. Another option is to offer the Massachusetts Municipal Retiree plan, which pools all retirees together. This plan is not as robust and would have a higher premium. Whichever the Group chooses, it does not have to include all Towns, as each Town can choose whether or not to join. There was some discussion on this topic - no decision was made.



CanaRx Update

Ms. Gil said the flyers for the CanaRx promotion have been produced, including the fifty-dollar gift card the group adopted for anyone who utilizes this benefit. Ms. Gil said the possible savings to the group would be significant if we could increase utilization, and this campaign will hopefully help with utilization.

Health Analysis Update

Ms. Smith said that due to the timing of the meeting, we do not have the December report available. This item will be tabled until the next meeting.

New Business

Ms. Gil said she has two items to discuss. First, we are working on splitting the ACA files for each Town and hope to have this out to the secure link in the coming days. Ms. Gil also wanted to tell the group that Pam Smith and Emmillie Roach are resigning from Gallagher and this will be Ms. Smith's last meeting. The Group thanked Ms. Smith for all her work with them. Ms. Gil said a team is being put into place with individuals who have municipal experience to replace Pam and Emmilie, and further information will be coming soon.

Mr. Yunits made a motion to adjourn the meeting at 10:38 a.m. Mr. Cadime seconded the motion. The motion was passed unanimously.

Motion

The next meeting will be held on February 21st, 2023 at 9:30 a.m.