

Minuteman Nashoba Health Group

Steering Committee Meeting

Monday, May 10, at 9:00 AM

By Remote Participation

Meeting Minutes

Committee Members Present:

Melisa Doig, Board Chair	Town of Groton
Kevin Johnston	Town of Ayer
Kerry Lafleur	Town of Concord
Debbie Nutter	Town of Pepperell
Marie Sobalvarro	Town of Harvard

Guests Present:

Ian Rhames, MNHG Treasurer	Concord Carlisle RSD
Bill Fraher, CPA	MNHG Auditor
Bill Hickey	Harvard Pilgrim Health Care
Julia Lebrun	Fallon Health
Patrick Flattery	Fallon Health
Lisa Despres	Tufts Health Plan
Rae Felts	Tufts Health Plan
Fred Winer	Tufts Health Plan
Chris Collins	CanRx
Joseph Anderson	Gallagher Benefit Services, Inc. (GBS)
Karen Quinlivan	Gallagher Benefit Services, Inc. (GBS)

Melisa Doig, MNHG Chair, called the meeting to order at 9:02 AM.

Ms. Doig reminded those present that the meeting was being recorded and asked if there were any objections. There were none. Roll call was taken with voting attendees listed as:

Melisa Doig, Board Chair	Town of Groton
Kevin Johnston, Board Vice Chair	Town of Ayer
Kerry Lafleur	Town of Concord
Marie Sobalvarro	Town of Harvard
Debbie Nutter	Town of Pepperell

Approval of the minutes of the April 13, 2021 meeting:

Marie Sobalvarro moved to approve the April 13, 2021 minutes as written.

Motion

Debbie Nutter seconded the motion. A roll call vote was taken.

Melisa Doig	yes
Kevin Johnston	yes
Kerry Lafleur	yes
Marie Sobalvarro	yes
Debbie Nutter	yes

The motion passed by unanimous vote.

FY20 Audit- exit interview with Bill Fraher, CPA:

Bill Fraher, CPA, reviewed the five year (2016-2020) trend summary of key financial indicators. . Cash and investments have increased \$2.7M from the prior year to \$10,036,706 M at the end of FY20. He said Net Assets have increased over the last three years to \$9.5M.. Claims decreased in FY20 due to Covid and participant contributions increased \$2.4M. IBNR was the lowest in 5 years. Net Assets as a percentage of health claims, claims administration and fixed premium expenses was 19.1% in FY20. He felt all in all, it was a good year.

The management letter included a significant deficiency that is included for all accounts regarding financial reporting controls. The nature of the group is such that it can't hire a separate person to review financial transactions. The two other comments are boiler plate comments. The first suggested documenting all policies and procedures in case of turnover. The second noted that for MNHG, they were allocated losses based on MMRA membership percentages. Actual paid claims were less than what was applied to the MMRA fund.

Kevin Johnston motioned to accept the FY20 audit as presented.

Motion

Marie Sobalvarro seconded the motion. A roll call vote was taken.

Melisa Doig	yes
Kevin Johnston	yes
Kerry Lafleur	no response
Marie Sobalvarro	yes
Debbie Nutter	yes

The motion passed by majority vote.

Proposal to change the plan year for active plans from 'June 1- May 31' to 'July 1 - June 30':

Joe Anderson said that in light of Fallon leaving the market, GBS wanted to explore whether Fallon could provide another month of coverage through the month of June next year. There are certain year end reporting issues for the MMRA that makes MNHG out of line with the other groups fiscal year reporting. With that in mind, Carol Cormier had inquired with the health plans previously if it could be done. The health plans confirmed that the information previously provided was still accurate. Fallon would have a 12 month year and then a one month renewal. Deductible will carry forward for the one month.

There was discussion.

Ian Rhames said that the groups previously liked the prior plan year because they could set rates early.

Marie Sobalvarro said that it would be infinitely easier to move to July 1st because of accounting for retirees on the active plans.

Ian Rhames said that from a Treasurer perspective, it would make things easier.

Melisa Doig asked if it was best to do it now or later.

Joseph Anderson said that Fallon could be done for end of FY22 adding one month and the other carriers could do it for the beginning of FY23, renewing for one month and then renewing for July 1 for another 12 months.

Bill Hickey said that Harvard Pilgrim would have no problem and the majority of groups have July renewals.

Kevin Johnston asked if there was any reason not to do it.

There was no apparent reason that is could not be done at the carrier level. Rates could be provided at the same time. Based on the size of the group and history, it is manageable. Every other joint purchase group gets their rates in January/February.

Kerry Lafleur passed on the concern from Concord that having a renewal at the same time as the fiscal year end, would add workload at a busy time of year.

Kevin Johnston motioned to change the plan year from the current 06/01 – 05/31 to 07/01 – 06/30 for Fallon in FY22 and Tufts and Harvard Pilgrim in FY23.

Motion

Marie Sobalvarro seconded the motion. A roll call vote was taken.

Melisa Doig	yes
Kevin Johnston	yes
Kerry Lafleur	no
Marie Sobalvarro	yes
Debbie Nutter	yes

The motion carried by majority vote.

Planning for future changes to health insurance marketplace including the loss of Fallon Health and merger of Harvard Pilgrim and Tufts:

Joseph Anderson pulled a report on the open enrollment activity for MNHG as of the prior week and found that there was only 20 migrations out of Fallon over the entire JPG. This avoided budgetary concerns that many would be moving to the higher cost plans. Fallon is confident that the resources will be available to support the business and continuity of the network through FY22. Evaluation is underway to look at all options to present to the group.

Melisa Doig asked if it would be wise to meet once a month going forward.

Joseph Anderson said it would be better to schedule something if updates are available and a meeting can always be cancelled. More frequent meetings would not be needed.

Marie Sobalvarro asked if the group could be guaranteed to be offered an additional carrier for FY23.

Joseph Anderson said that it is ultimately up to the Board. The word guarantee is not a wise word to use. All options are on the table.

Other Business:

There was no other business.

Debbie Nutter motioned to adjourn the meeting.

Motion

Marie Sobalvarro seconded the motion. There was a roll call vote.

Melisa Doig	yes
Kevin Johnston	yes
Marie Sobalvarro	yes
Debbie Nutter	yes
Kerry Lafleur	yes

The motion passed by unanimous vote.

Chair, Melisa Doig, adjourned the meeting at 9:49 AM.

*Prepared by Karen Quinlivan
Gallagher Benefit Services, Inc.*