

Health Insurance Trust Meeting – Minutes

Thursday, March 23, 2023– 8:15 am

Member Attendees:

Steve Noone, Margaret Dennehy, Himaja Nagireddy, Theresa O’Leary, Andrew Schwartz

Non-Member Attendees:

Lena Jarostchuk, Sue Shillue, Melissa Andrew

1) Call to Order;

- Meeting was called to order at 8:24 am by the Chair

2) Approval of Minutes;

- Minutes from February 23, 2023 were unanimously approved.

3) Cash Flow – Sue Shillue, Cook and Company

- Sue presented the year to date cash flow with claims through February. Variance shows a deficiency of \$965,000. The last three months have not been a good trend.
- Currently, 13 people are over the 50% stop loss. Last year, stop loss limit was less, but adjusted for comparison, we had six claimants and for just those people claims are over \$800,000 higher this year. Laser is just about the same as last year.
- Across the board we are seeing increases in claims. A lot is attributed to the COVID bounce back. People getting elective surgeries and routine care they postponed during the pandemic.
- Sue mentioned other groups’ increases: Nashoba Health Group = 13.75%, West Suburban = 10%, GIC average is around 6% but the most subscribed plan is going away and those subscribers will be seeing a 9.5 to 10% increase. MIIA has a rate range and their high rate is 10.5%.
- Steven Noone asked about reinsurance. We only have three claimants who have reached the stop-loss deductible at this point. Total is \$93,000 this fiscal year. This is good and bad. We are getting reimbursements, but it means we have spent a lot of money on those claims.
- A lot of money has gone out this year and though it is not looking good, the 8% rate has already been voted on. We will hopefully get some savings with our new BCBS rebate model.
- The undesignated fund balance on June 30th was \$3,160,000.
- Sue noted that the HSA plans are driving the deficit and recommended that next year we should look at those HSA rates. They may have to increase more relative to the other plans.
- Marie Altieri noted that all budgets have been voted on and April 1st is Open Enrollment, so it is probably too late for changes now. Negotiations in the future may need to address plan design, contribution to HSAs, copay amounts, etc.

- Sue Shillue absolutely agrees. Based on last couple of years, it is time to start negotiating, looking at benefit design options, etc. to save money. Marie Altieri will set up a meeting between the Superintendent and Town Manager discuss these matters. Sue will join if she continues in her role.
- It was noted that along with the HIT, the School Committee will be turning over several seats in the near future
- Sue updated the situation with stop loss quotes. Cook and Co. is now part of the Hilb Group. They have an entire unit for stop loss. She will have more markets to go to and hopefully there will be more entities willing to bid.
- There was a motion to approve the request for quote for stop-loss insurance for next year. The motion passed unanimously.

4) Contract Renewals

- We have had two responses to the request for advisory services. Presentations were scheduled for April 13th at 2:00 pm. Zoom capability should be included.
- Steve Noone discussed the Treasury Services replacement, and the respective customer services representatives that work for Tim Harrison and Sue Shillue. There is a possibility that the Treasury billing representative may be willing to continue her role.
- Marie Altieri noted that so much transition is going on in both Town and School and it may not be a good time to change these roles as well. There have been cuts and changes in both HR and Finance and we need some consistency. Steve Noone informed the Trust that Sue indicated that even if she was not awarded her contract, we could maintain the contract for services. It was agreed that the Trust should maintain the relationship with the two representatives if possible.
- Marie Altieri added that Dave Verdolino would like the Trust to talk about reimbursement to the town and schools for staff time directly related to the Trust. Margaret Dennehy noted that more recently, more and more of her time is used on Trust matters and Lena is also spending about 5 hours per month.
- Steve Noone feels this is a reasonable request, and asked Margaret to estimate her time. Dave and Marie will send an estimate to the Trust. Steve will talk to Sue Shillue and Margaret will talk to Wendy about staying on.

5) Discussion of Policies – Reserves & Investment

- No new discussion

6) Meeting was adjourned at 9:14 am. Next meeting will be on Thursday, April 27, 2023.

Handouts:

Meeting Agenda

Draft HIT Minutes for February 23, 2023

Acton HIT February 2023 Cash Flow – Cook & Co.

Acton Reinsurance RFQ 2023