

**Minutes of the Acton Health Insurance Trust Meeting
July 21, 2011
Superintendent's Conference Room – JH**

The meeting was called to order at 8 a.m. by Acting Chairman Murray.

Approval of Minutes: The minutes of the June 16, 2011 meeting were unanimously approved as written.

Financial Update: Peter Savage presented the August 2011 report stating a projected loss of \$53,491 for FY12 at this early stage of cash flow. Peter cautioned that this report represents June 2011 paid claims, and does not reflect claims based on new enrollment. In active plans, the trust was down 19 individual and 12 family. There were 12 new Medex enrollees. Peter estimated that the enrollment changes would generate approximately \$600K less in claims. This is mostly due to the 50/50 contribution rate change in MHP and Blue Care Elect plans, which previously were 85/15. Peter will forward a listing of pending reinsurance claims to the trustees for the next meeting. The Blue Cross level monthly payment remains the same for FY12 - \$807,100; Harvard Pilgrim's level monthly is increasing to \$375,000 from \$360,000 per month.

Treasury Update: Tim Harrison presented the June 30, 2011 Balance Sheet and Income Statement. The net income for FY11 is \$490,475.73. Total revenue for the year was \$15,094,429.02; total expenses, \$14,603,953.29. The trustees asked Tim to prepare a proposal for laddering \$2M in CDs, from 30 days to 18 months, for review at the next meeting. Trustees requested a three-year summary of employee and employer contributions be prepared and forwarded to them.

Rate and Benefit Comparison: On John Petersen's motion, seconded by Mike Dowling, it was unanimously voted to remove the task of community comparison from Peter Savage. Trustees requested a memo from Peter analyzing the FY12 enrollment changes and the impact of revenue and expenses by plan.

Review and discuss new health insurance legislation: John Murray reported that the legislation (Chapter 69 of the Acts of 2011) is five days old. The Acton Finance Committee has presented information and a timetable for implementation of this legislation. The Finance Committee is recommending that the health insurance trustees investigate and analyze cost sharing plan designs. Peter Savage indicated that Blue Cross has a plan that is very similar to GIC plans, and that they should also be considered. The trustees asked Peter to contact Blue Cross and Harvard Pilgrim and have them present plan information that would match the GIC plans.

After much discussion of the new legislation and its many facets, Mike Dowling made a motion that the trustees, if requested by the Board of Selectmen and Regional School Committee, would accept the task of investigating and analyzing data for plan design and costs among the current Acton Health Insurance Trust, Minuteman Nashoba, and GIC plans. This motion was seconded by John Petersen, and unanimously voted by the trustees.

John Murray reported that Segal Corporation has been asked to prepare a scope of work and a quotation for this work. Payment for these professional services is to be made from the trust. The document will be forwarded to trustees as soon as received from Segal. It is expected that a special meeting will be needed to review the document.

FY12 Calendar: The proposed calendar was reviewed. Quarterly meetings with Tim Harrison will be scheduled for January, April, July and October of each year.

Next Meeting: The next meeting of the trustees will be held on August 18, 2011 at 8 a.m. in the Supt Conference Room. It is expected that a special meeting will need to be held prior to this meeting.

The meeting was adjourned at 9:50 a.m.

Respectfully submitted,

Sharon Summers
Secretary