

Minutes of the Health Insurance Trustee Meeting  
September 29, 2011  
8:00 a.m.  
Acton Town Hall Room 204 (revised location)

Members Present: Bob Evans, Mike Gowing, John Petersen, Tess Summers, John Murray

Also Present: Peter Savage, Pat Haras, Ruth Cvitkovich, Marie Altieri, Don Aicardi, Dayle MacGillivray, and Denise Kelly

The meeting was called to order at 8:00 by Chairman Evans.

**Approval of Minutes:** On the motion of Mike Gowing, seconded by John Petersen, the minutes of the August 25 meeting were approved as written.

**Financial Update:** Peter Savage presented the Cash Flow Summary Review reporting activity thru October. The report states a larger than projected deficit for FY12. The original projection was a deficit of \$214,000, and the revised projection shows a deficit of \$565,000. Mr. Savage noted that the enrollment numbers are final, and he expects the deficit to be less as additional months are processed.

**Enrollment Audit:** Mr. Savage reported that a full enrollment audit will be federally mandated every two years. He noted that Cook and Company offers a service to perform this audit and estimated the cost at approximately \$4,000-\$5,000. The trustees asked Mr. Savage to write a memo on the cost and forward the regulation, when it becomes effective.

**Meeting with Blue Cross:** Representative Tanya Chakmakian met with the trustees to discuss plans that are comparable to the GIC's Tufts Navigator Plan. She reported information from Q1 of FY12 that projects an 8.4% increase in the HMOs, 8.2% increase in PPO, 11% decrease in Master Health Plan, and 3.25% increase in Medex. She noted that this is not relative to the Acton Health Insurance Trust, but to the overall products offered by Blue Cross. Tanya noted that the BC HMO does not tier physicians like the Tufts program does, but there are option products that do tier networks, primary care physicians and hospitals. Tanya also noted that Express Scripts and Walgreens are having contractual discussions on pharmacy coverage that may not be resolved by the January deadline. She indicated that no disruptions would occur to members and if negotiations break down, Blue Cross will notify employees of options. Tanya also noted that there will be testing of the federal mental health parity law.

**Meeting with Harvard Pilgrim:** Mr. Evans reported that the HP representative was out of town, and unable to attend this meeting.

**Distribution of Agenda:** There was discussion on how the agenda is distributed. It was stated that the Board should not be sending the agenda, and that it should go through a shell. There was a suggestion that a union shell be created for union members to access agendas. This item will be discussed at the next meeting when additional information is available.

**Update on Segal Study and Review of Draft Report:** Mrs. Summers recused herself from this discussion until approval of financial disclosure is received from the regional school committee per MGL Chapter 268A, Section 19. This is necessary because Mrs. Summers participates in the health insurance benefits. Ms. Summers remained at the table, but did not participate in the discussion.

The draft report from Segal in regards to the implementation of Chapter 69 of the Acts of 2011 was discussed. Segal representatives participated by phone.

The report can be divided into three sections:

1. The Maximum Savings Section as defined by Chapter 69
2. The three strawman alternatives
3. The expected savings if the Town (Municipal plus APS) and the ABRSD were to join GIC.

Section 1 was discussed and minor changes were recommended. Example changes were to add a total column to the 5-year projection table and place each exhibit on a total basis, including Medicare eligible retirees.

The review of Section 2 and 3 contained significant rewrites and Segal was asked to rewrite these Sections and bring them back for further review.

Mr. Petersen moved that Chairman Evans be authorized to finalize the report upon its resubmission. Mr. Gowing Seconded Unanimous vote with Ms. Summers recusal.

The date of resubmission by Segal was discussed. Mr. Petersen suggested that the report be resubmitted in two weeks time. Mr. Murray objected, stating that such a date was not consistent with implementing Chapter 69 for FY 13.

Mr. Murray moved (1) the report be divided into two parts. Report 1 – Chapter 69 legally required material and all other sections; (2) and the legally required section be deemed final upon Chairman Evans' review. Mr. Gowing Seconded.

Mr. Petersen inquired as to when the Trustees were to review the legally required section. Mr. Murray stated that he felt it could be accomplished by Segal and Chairman Evans within 48 hours. Chairman Evans and Segal agreed to a 48 hour timetable.

Chairman Evans called for a vote and the vote was 2 in favor, 1 against, 1 abstention (Evans) and 1 recusal (Summers)

Mr. Petersen then inquired why Ms. Summers could not participate and Mr. Murray was able to participate. Mr. Murray stated that the BoS granted him a Section 19 Ethics

Disclosure and Ms. Summers was informed by A-B Counsel not to participate until she had filed a like Section 19 disclosure statement

Mr. Petersen then asked that it be noted in the minutes that Mr. Murray and Ms. Summers were not treated equally. Mr. Murray then asked that the minutes reflect that the School Department was notified of the Ethics Opinion provided to Administration and Finance on the day he received it and he followed up with two additional emails notifying the School Department.

**Mr. Murray took minutes during this portion of the meeting.**

**Next Meeting:** The next meeting will be held on October 20, 2011 at 8 a.m. in the Junior High Conference Room.

The meeting was adjourned at 9:47 a.m.

Respectfully submitted,

Sharon Summers, Secretary