

Minutes of the Health Insurance Trustee Meeting  
November 22, 2011  
8:00 a.m.  
Principal's Conference Room - JH

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

Also Present: Pat Haras, Ruth Cvitkovich, Peter Savage, Marc Lewis, and Marie Altieri

The meeting was called to order at 8:07 by Chairman Evans.

**Approval of Minutes:** Approval of the minutes was tabled until Mr. Petersen joined the meeting.

**Review FY11 Audit Report:** The draft report presented by CPA Bill Fraher was received and reviewed by the trustees. Operating revenues during the period of the audit were increased 6.7% and health claims and administration charges increased only 1.9%. Net assets increased from \$2,961,128 to \$3,615,040, an increase of 22.1%. On the motion of John Murray, seconded by Mike Gowing, it was VOTED to accept the FY11 audit report. Mr. Evans will draft the Management Discussion and Analysis (MD&A) portion of the report.

Mr. Petersen joined the meeting at approximately 8:15 a.m., and suggested that the MD&A portion of the report be presented by December 13 for publication in the Acton Annual Town Report.

**Approval of Minutes:** On Mr. Murray's motion, seconded by Mr. Gowing, it was voted to approve the minutes of the October 20 meeting as presented. Four trustees voted in favor of this motion (Evans, Murray, Gowing, and Summers) and one member (Petersen) was opposed. Mr. Petersen stated that he remembers arguing that it was not the role of the Trustees to determine what process the boards might use to modify plan design. Mr. Petersen recalls that his motion was that the trustees recommend that the town and school boards initiate discussions of plan design modifications with their employees. Mr. Petersen recommended that the Trustees adopt the practice of having the secretary read the motion from the Secretary's notes before voting motions in the future.

**Financial Update:** Peter Savage presented the partial Cash Flow Summary Review reporting activity thru December (actual claims are through October). He reported that the Master Health Plus and Medex information was not available for the report, and an update will be forwarded when this information is received. He noted that there is \$365K due from reinsurance, and that he expects the year to date to be less than \$300K in the negative. There was discussion on migration from the various plans and the effect on the amount of claims. Mr. Savage will request reports from Blue Cross and Harvard Pilgrim on the migration from plans, and will see if a report can be generated that would show the percentage of subscribers who would be subject to full deductibles. Marie Altieri suggested that reports be based on copays, deductibles and pharmacy expenses.

**Discuss Status of Board of Selectmen and Regional School Committee on Chapter 69:** Mr. Gowing reported that the Selectmen will make a decision on this topic at a later date. He stated that the Selectmen are forming a working group to review plan design options. Mr. Murray stated he believed the discussion concerning Chapter 69 was in violation of the Open Meeting Law. Mr. Murray then distributed a page from Andersen & Krieger's First Annual Review of the Open Meeting Law. Page 9 of Attorney General Decisions contained a review of a Nantucket case (OML 2011-21). While the AG did not find a violation, she reminded the BoS of Nantucket "that they should postpone action on controversial topics until they can be properly noticed". Mr. Murray stated that the adoption of Chapter 69 in Acton was controversial and asked that the role of the HIT be discussed at a future meeting, where the topic was properly posted. Mr. Petersen stated that a working group needs to be created to get to modified plan design. Mr. Savage stated that the HIT operates differently than any other trust he has worked with. He stated that normally the trust comes up with the plan, and that this HIT is more like a fiduciary holding company. He also stated that the intent of Chapter 69 is to save dollars by either joining the GIC or coming up with a GIC-like plan. Mr. Gowing stated that the working group would get to reasonable options, and the suggestions of the working group would be reviewed.

On Mr. Murray's motion, seconded by Mr. Petersen, it was agreed to hold a special meeting on Wednesday, November 30, to discuss the following items: 1) Status of Board of Selectmen and School Committee re Chapter 69, 2) HIT role in Selectmen and Regional School Committee informal process, 3) Merits of recommending joining the Minuteman Nashoba Health Group, 4) HIT interest in presenting comments to Regional School Committee's Dec 1 meeting, 5) Review updated financial reports from Cook & Co. Notice of this special meeting will be forwarded to the Town Clerk today.

Marc Lewis re-entered the meeting to discuss an email he received from the Town Manager regarding schedule for working group meetings. He is concerned that a meeting may not be held until January. Mr. Gowing stated that working group meetings will be held as quickly as possible.

**Next Meeting:** The next meeting will be held on November 30, 2011 at 8 a.m. in the Junior High Conference Room.

The meeting was adjourned at 9:00 a.m.

Respectfully submitted,

Sharon Summers, Secretary