

Minutes of the Health Insurance Trustee Meeting
April 26, 2012
8:00 a.m.
JH/CO Conference Room

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

Also Present: Peter Savage, Tim Harrison, Ruth Cvitkovich, Chris Prehl, John Petersen and Marie Altieri.

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

Approval of Minutes: The minutes of the February 24, 2012 meeting were approved as written.

Treasury Report: Mr. Harrison presented the February and March Income Statements and Balance Sheets. As of March 31, 2012, the income statement shows net income deficit of \$225K. Mr. Harrison noted that, for comparative purposes, the Cook report does not include Medicare reimbursement and ERRP funds that are reported in his financial statements.

Cash Flow Report: Mr. Savage presented the monthly cash flow by summary and detail by carrier. These reports state a revised deficit of \$782K to date. Mr. Savage and Mr. Harrison agreed on a projected loss for the year of \$500K. This takes into account the \$149K outstanding in stop loss, Medicare reimbursements, and ERRP funds. This is in line with the projections made by the trustees for FY12. Mr. Savage reported that there will be no additional funding for ERRP. Mr. Murray noted there are OPEB possibilities with the Medicare reimbursement.

Review of Contract Status: Ms. Summers reported on the status of contracts with Cook and Company for 1) in-house service rep, 2) advisory/consultant, 3) retiree drug subsidy; the status of contracts for the annual audit, and for treasury services. The trustees agreed to forward the discussion on the Cook and Company contract to the next month pending additional information from John Murray and Marie Altieri on service recommendations.

Mr. Harrison stated that the contract for treasury services would remain at \$19,320 for the next three years. The trustees VOTED on Mr. Murray's motion, seconded by Mr. Gowing to renew the treasury contract with Borgatti Harrison through June 30, 2015.

The trustees agreed to request bids for the annual audit as the current contract with CPA Bill Fraher expired on June 30, 2011. Ms. Summers to seek bids from Mr. Fraher and other CPA firms.

Mr. Savage presented the RFP for Stop Loss Insurance and asked if the various corridors should be included. On the motion of Mr. Murray, seconded by Ms. Summers, it was VOTED to include the corridors in the RFP. Mr. Savage noted that five people have exceeded the current \$110K specific level, and that the original estimate was for

three people. Mr. Savage does not anticipate more than a 10% change in the projected stop loss premium.

FY13 Health Plans: There was discussion on the role of the trust to make changes to the negotiated settlements of the Acton Selectmen's Working Group. It was decided that the additional negotiations with carriers on specific items (outpatient copays for Blue Care Elect, chiropractic care, fitness, OT/PT, weight loss programs, and mental health coverage) were acceptable to the trustees. These recommendations were approved by school and town personnel departments. On Mr. Murray's motion, seconded by Mr. Gowing, it was VOTED to accept the plan design changes presented by Mr. Murray. A copy of those changes is included with these minutes. Mr. Savage will contact Harvard Pilgrim to see if the weight loss program can be added to their plan. (Mr. Savage reported after the meeting that Harvard Pilgrim cannot add the weight loss program to their plan.)

Next Meeting Date: The next meeting was scheduled for May 24 at 8 a.m. at the JH Central Office Conference Room.

The meeting was adjourned at 09:08 a.m.

Respectfully submitted,

Sharon Summers, Secretary

A list of Approved Changes follows:

Office Visit	\$20
Specialist Office Visit	\$35 (except MHP)
ER	\$100
In Hospital	\$200
Day Surgery	\$100
Hi Tech Imaging	\$100
RX Retail	\$10/\$25/\$40
Rx Mail	\$20/\$50/\$80
Skilled Nursing \$ Rehab	No co-pay -- Rationale is a
continuation of a hospital stay where a \$200 co-pay has been made.	
OT/PT	\$35 with a maximum of 60 visits
per year.	

BC/BS Chiropractor

\$35

HPHC Chiropractor
per year

\$35 with a maximum of 20 visits

Fitness
year

\$200 per **subscriber unit** per

Mental Health:

Acute residential treatment

All other

(Intensive outpatient,

Partial hospitalization,

Day treatment and Out-Patient Services)

All Applicable office co-pay