

Minutes of the Health Insurance Trustee Meeting

December 19, 2013

8:00 a.m.

Superintendent's Conference Room
R.J. Grey Junior High

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Members Present: Bob Evans, Sharon Summers, Steve Barrett, Mike Gowing, and Kim McOsker

Also Present: Marie Altieri, Peter Savage, Marianne Fleckner, Don Aicardi, and Ruth Cvitkovich at 8:40 a.m.

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

Approval of Minutes: The minutes of the November 21, 2013 meeting were approved as submitted.

Cash Flow Report: Peter Savage presented the November 2013 cash flow summary report showing a projected deficit for the year of \$312,435. He noted that \$67,000 is due the trust in reinsurance reimbursements. Bob Evans asked Peter to reconcile the December report with Tim Harrison's December report to resolve differences. Peter Savage stated a 7% increase in rates for FY15 should be breakeven for next year. He based this projection on trends over a seventeen month period. The trustees asked for additional information on projected rates for the January meeting. Bob Evans noted the reserve ratio needs to be considered when rates are set.

The trustees asked for high claims experience from the Boxborough Treasurer. The Boxborough school employees will be enrolling in the Acton Health Insurance Trust on July 1, 2014.

Health Insurance Trust Annual Report: The trustees reviewed the report presented by Bob Evans. On Sharon Summers' motion, seconded by Mike Gowing, it was unanimously VOTED to accept the report as written and forward to the Town of Acton for inclusion in the Annual Town Report.

Update on Medex 2 and 3: Marianne Fleckner noted she and Marie Altieri had met and agreed to wait a year to look at EGWP. She reported the Town's attorney ruled that a conversation must be held with active employees. She stated the Town Manager made an agreement with retirees to hold changes to plans for three years (which would be FY'16). Marianne noted there is a Middleboro case in appeals on this issue, and that additional information should be known by next year. There was discussion on presentations to retirees on EGWP by Blue Cross. Both Marianne and Marie feel that EGWP would provide savings to retirees, and should be considered in the future. Mr. Gowing suggested that retirees may come forward and request the change be made

earlier than FY16. The trustees agreed to wait it for the HR departments to talk with employees about EGWP.

Comparison of Rates: Peter Savage presented a schedule of FY'14 rates by various communities. Mr Gowing asked that the entity enrollment information be added to the document. Mrs. Summers asked if the MIIA rates could be added to the schedule. Bob Evans asked trustees to review the information and forward questions to Peter Savage.

Health Insurance Rep: Marie and Marianne agreed that the process should remain as is – with a Cook and Co. representative for one day a week at each town and school offices.

Premium Refund for Deceased Employee: Mr. Barrett asked that this item be removed from the agenda. Mr. Evans asked what the process is. Mrs. Summers explained that if insurance is cancelled prior to the 15th of the month, the entire month is refunded, and if health insurance is cancelled after the 15th, there is no refund for that month. This process is used by both town and schools. The refund must be approved by the HIT Coordinator and forwarded to Borgatti-Harrison for payment. School and town appropriated amounts are adjusted on subsequent payments to the trust.

Next Meeting Date: The next meeting of the trustees is scheduled for January 30, 2014 at 8 a.m. Superintendent's Conference Room at the Junior High.

The meeting was adjourned at 8:55 a.m.

Respectfully submitted,

Sharon Summers, Trustee/Secretary