

**MAYFLOWER MUNICIPAL HEALTH GROUP
MINUTES OF GENERAL MEETING**

April 2, 2014, 9:00 A.M.

**Halifax Country Club
100 Country Club Lane
Halifax, Massachusetts**

Attendees:

Rick LaFond, Town of Abington
Michael Levy, Chairman of General Board -Town of Bridgewater
Michael Dutton, Town of Bridgewater
Diane Leroux, Bristol County
Linda Sacchetti, Brockton Area Transit Authority
Charles Seelig, Town of Halifax
Troy Clarkson, Town of Hanover
Jeanne Sullivan, Town of Hanson
Ted Alexiades, Town of Hingham
Michael Buckley, Town of Hull
Robert Fennessy, Jr., Town of Kingston
Ken Stevens, Town of Kingston
Rocco Longo, Town of Marshfield
Dan Matthews, Norfolk County
Michael Laliberte, North River Collaborative
Jim Boudreau, Town of Norwell
Darleen Sullivan, Town of Norwell
Mary McCoy, Onset Fire District
Henry Burbine, Massachusetts Teacher's Association
Ed Thorne, Town of Pembroke
Kathleen McCarthy, Town of Pembroke
William Farmer, Plymouth County Retirement Association
Beth Dorman, Plymouth County Retirement Association
John Henry, Town of Plympton
Cindy Mello, Town of Rochester
Richard LaCamera, Town of Rochester
Allan Chiocca, Town of Rockland
Eric Hart, Town of Rockland
Patricia Vinchesi, Town of Scituate
Pamela Avitabile, Town of Scituate
John Tuffy, Silver Lake Regional School District
Rick Reino, South Shore Educational Collaborative
Maureen Shirkus, South Shore Emergency Communication Center
Kevin Donovan, South Shore Tri-Town Development Corp.
James Wilson, South Shore Tri-Town Development Corp.
Erik Rousseau, Southeastern Regional Transit Authority
Thomas Hickey, South Shore Vocational Technical HS
Richard England, Wareham Fire District
Wendy Lemieux, Wareham Fire District
Daniel Callahan, Abington-Rockland Joint Water Works
John Duggan, Town of West Bridgewater
Frank Lynam, Town of Whitman
Mary Beth Carter, Town of Whitman
Mary Jo Lipson, Whitman- Hanson Regional School District
Kevin Powell, Plymouth County Retiree
Thomas O'Brien, MMHG Treasurer

Sheila Avery, MMHG
Kelly Morse Perez, MMHG
Jack Sharry, Group Benefits Strategies
Joseph McCarthy, Group Benefits Strategies
John McNamara, Dartmouth Fire District No. 3
Jeffrey Welch, Plymouth County
Jennifer Devasto, Town of Whitman
Anthony Marino, Town of Hanover
Jennifer Grasso, Town of Pembroke
Eileen White, Town of Hull
Mary Merritt, Town of Norwell
Joseph Bartulis, GBS Attorney

The meeting was called to order by the Chairman at 9:25 a.m. with a quorum present.

1. **Health Insurance Portability & Accountability Act (HIPAA) presentation**

Sharry introduced Joe Bartulis to speak about HIPAA and explained that today's presentation would be emailed to all MMHG Board Representatives and Alternates. He also explained that Bartulis is available to answer questions.

Bartulis gave a review of HIPAA stating that it was created to protect personal identifiable information. He explained that there are new regulations for HIPAA including expanded requirements for Business Associate Agreements (BAA).

Bartulis explained business associates receive, create or give access to personal identifiable medical information. He said that subcontractors are now covered entities under the definition of HIPAA and held to the same standards.

Bartulis reviewed the history of HIPAA, definition of personal identifiable medical information and penalties.

Mello asked if training is necessary for some employees and Bartulis said he would recommend it.

Reino stated he receives reports regarding workers comp and asked who the business associate would be. Bartulis stated that the member unit would need a business associate agreement with the company providing workers comp services.

2. **Accept Meeting Minutes**

MOTION: Lynam made a motion to accept the June 13, 2013 meeting minutes.

SECOND: Alexiades

VOTE: Unanimous, motion passed

3. **New member unit petition- Dartmouth Fire District No. 3 (DFD3)**

Sharry said that DFD3 petitioned to join MMHG on November 9, 2013. He explained that they are a young group and there is no claims experience available due to the size of the group. He reviewed the information on the handout and stated they can pay the proportionate share of reserve up front. He said he has reviewed the information for the group and recommends acceptance into the MMHG. He stated the Steering Committee unanimously voted to recommend to the General Board, that DFD3 be accepted as part of the MMHG.

Seelig asked why there is no claims information available and Sharry explained it was due to the size of the group.

Duggan asked how much they would have to contribute and O'Brien explained around \$3500 per subscriber and the final figure would be based on net assets as of March 31, 2014.

Vinchesi stated she would feel more comfortable knowing what the pay in was before she votes. She asked why the Town of Dartmouth wasn't accepting them and why we are offering them acceptance with legacy plans. She also asked about Dartmouth Fire Districts 1 & 2 and if we would be seeing them petition soon and if the executive board committee vote was unanimous. Levy said the vote by the Steering Committee was unanimous and introduced McNamara from the DFD3.

McNamara explained that Town of Dartmouth told DFD3 that they are a separate entity and needed to find their own insurance. He said that DFD3 is the only district that has full time firefighters eligible for insurance benefits.

Sharry stated that we currently allow new members access to all plans.

Vinchesi asked why DFD3 sought to join MMHG and McNamara said it they went out searching for new coverage after they were informed they were no longer going to be covered on the town's insurance.

VOTE: Donovan made a motion to accept Dartmouth Fire District No. 3 as part of the Mayflower Municipal Health Group, effective July 1, 2014.

SECOND: Alexiades

VOTE: 30 affirmative, 2 negative, motion passed (see below)

TOWN OF ABINGTON	YES
TOWN OF BRIDGEWATER	YES
BRISTOL COUNTY	YES
BROCKTON AREA TRANSIT AUTHORITY	YES
TOWN OF HALIFAX	YES
TOWN OF HANOVER	YES
TOWN OF HANSON	YES
TOWN OF HINGHAM	YES
TOWN OF HULL	YES
TOWN OF KINGSTON	YES
TOWN OF MARSHFIELD	YES
NORFOLK COUNTY	YES
NORTH RIVER COLLABORATIVE	YES
TOWN OF NORWELL	YES
ONSET FIRE DISTRICT	YES
TOWN OF PEMBROKE	YES
PLYMOUTH COUNTY RETIREMENT ASSOCIATION	YES
TOWN OF PLYMPTON	YES
TOWN OF ROCHESTER	YES
TOWN OF ROCKLAND	NO
TOWN OF SCITUATE	NO

SILVER LAKE REGNL SCHOOL DIST	YES
SOUTH SHORE EDUCATIONAL COLLABORATIVE	YES
SOUTH SHORE EMERGENCY CC	YES
SOUTH SHORE TRI-TOWN DEV.CORP.	YES
SOUTHEASTERN REGIONAL TRANSIT AUTHORITY	YES
SOUTH SHORE VOCATIONAL TECHNICAL	YES
WAREHAM FIRE DISTRICT	YES
ABINGTON/ROCKLAND JOINT WATERWORKS	YES
TOWN OF WEST BRIDGEWATER	YES
TOWN OF WHITMAN	YES
WHITMAN-HANSON RGNL SCHOOL DIST	YES
	30 AFFIRMATIVE 2 NEGATIVE TOTAL=32
	MOTION PASSED

4. **Fiscal Year 2015 Rates**

Sharry said this is the third year in a row that he is recommending a health insurance rate hold. He stated that each year we put at risk a dollar amount but we have not had to use it and doesn't feel we will use any this year. He explained the rate setting procedure including reviewing 2 years of claims data, carrier renewal documents and carrier suggested funding rates. He said he compared the carrier suggested rates to our current funding, offset by anticipated revenue, to come up with a potential exposure to the trust fund of \$6.4 million. He feels comfortable with this and is recommending no increase in the rates. He made his recommendation to the Steering Committee and they voted to recommend no increase in the health insurance rates.

Chairman Levy stated the Finance Committee voted to recommend a rate hold for the health insurance rates.

Seelig stated he will not be voting in favor of this, not necessarily because he doesn't agree with this, but more about the lack of information. He feels there should be more back up information. He said he did receive some information but wanted to see information on fund balance and reserve policy.

Vinchesi asked if the executive committee was going to address the group about if the member units that made plan design changes are subsidizing other units.

Levy explained that the Steering Committee set up 3 sub committees to look at plans and direction of MMHG.

Treasurer O'Brien explained the Finance Committee had the current fund balance, rates, and financial audit. He stated that the group has \$33 million in assets as of June 30, 2013 and could potential use up to \$6.4 million, if needed, to have no increase for FY15.

Lynam said that the Steering Committee had lengthy discussions regarding the fund balance. He explained that the three subcommittees that are being set up will focus on these areas and look at them carefully. He said that they will do a better job with communication. He stated this recommendation is the result of several meetings, several active discussions and disagreements and is based on the most current information available.

Longo asked if the group has stop loss insurance and Sharry explained that we do have stop loss with a specific deductible of \$300,000.

Alexiades spoke about insurance inflation and explained we are in a good three year cycle with \$33 million in reserve. He stated that the Steering Committee had robust conversations on what to do with the money in reserve. He stated that they discussed the fact of rate stability for the long term as well. He apologized and said in the future the information Sharry distributes will be sent to all members prior to the rate setting meeting.

Boudreau stated the Steering Committee vote for a rate hold was 8 in favor and 1 opposed and he was the 1 opposed. He explained that he felt \$9 million was putting too much reserve at risk. He said we would need \$9 million in the following year to get back to zero without taking into account any future rate increase and felt it was too aggressive. He explained that he agreed with Vinchesi about the legacy plans and it will be looked at by the Steering Committee.

Sharry said that if he thought that MMHG was putting \$9.9 million at risk he would not be recommending a rate hold. He explained that this is offset by anticipated revenue of \$3.4 and putting \$6.4 million at risk.

Vinchesi asked for clarification that there is nothing preventing MMHG from voting a rate increase during the year if claims increase during the 1st or 2nd quarter and Levy agreed.

Matthews stated that his member unit sends representatives to the Steering Committee meetings and has received the back-up documentation which is available to all units. He suggested the Steering Committee send out a pdf of the information to all units. He is in favor of the rate hold and that all member units should recognize at some point the legacy plan rates will have to increase.

MOTION: Matthews made a motion to accept the Steering and Finance Committee recommendation for a rate hold on the health insurance rates.

SECOND: Lynam

VOTE: motion passed, 25 affirmative, 4 negative, 3 abstained (see below)

TOWN OF ABINGTON	YES
TOWN OF BRIDGEWATER	YES
BRISTOL COUNTY	YES
BROCKTON AREA TRANSIT AUTHORITY	YES
TOWN OF HALIFAX	NO
TOWN OF HANOVER	YES
TOWN OF HANSON	NO
TOWN OF HINGHAM	YES
TOWN OF HULL	YES

TOWN OF KINGSTON	YES
TOWN OF MARSHFIELD	ABSTAINED
NORFOLK COUNTY	YES
NORTH RIVER COLLABORATIVE	YES
TOWN OF NORWELL	NO
ONSET FIRE DISTRICT	YES
TOWN OF PEMBROKE	YES
PLYMOUTH COUNTY RETIREMENT ASSOCIATION	YES
TOWN OF PLYMPTON	ABSTAINED
TOWN OF ROCHESTER	YES
TOWN OF ROCKLAND	NO
TOWN OF SCITUATE	PRESENT
SILVER LAKE REGNL SCHOOL DIST	YES
SOUTH SHORE EDUCATIONAL COLLABORATIVE	YES
SOUTH SHORE EMERGENCY CC	YES
SOUTH SHORE TRI-TOWN DEV.CORP.	YES
SOUTHEASTERN REGIONAL TRANSIT AUTHORITY	YES
SOUTH SHORE VOCATIONAL TECHNICAL	YES
WAREHAM FIRE DISTRICT	YES
ABINGTON/ROCKLAND JOINT WATERWORKS	YES
TOWN OF WEST BRIDGEWATER	YES
TOWN OF WHITMAN	YES
WHITMAN-HANSON RGNL SCHOOL DIST	YES
	25 AFFIRMATIVE 4 NEGATIVE 3 ABSTAINED TOTAL = 32
	MOTION PASSED

Boudreau motioned to adjourn at 9.55a.m., seconded by Lynam and voted unanimously.

Respectfully submitted,

Sheila Avery

Reference documents for this meeting:

- 1) Dartmouth Fire District No. 3 Summary