

**MAYFLOWER MUNICIPAL HEALTH GROUP STEERING COMMITTEE**  
**MINUTES OF MEETING**  
**October 12, 2022**  
**Mayflower Municipal Health Group**  
**65 Cordage Park Circle,**  
**Suite 110, Plymouth, MA. 02360**

**Attendance Steering Committee members:**

Michael Levy, Town of Bridgewater  
Ray Ledoux, Brockton Area Transit  
Michael Buckley, Town of Hull  
Michael Maresco, Town of Marshfield  
Jason Leto, Mass Teachers Association  
Kevin Powell, retiree  
John Sciara, Professional Fire Fighters of Massachusetts

**Guests:**

Thomas O'Brien, Treasurer MMHG  
Sheila Avery, MMHG  
Danielle Chaplick, Gallagher Benefit Insurance Services  
Diane Laflash, Gallagher Benefit Insurance Services  
Helga DaRosa, BCBSMA  
Matt Hanley, Plymouth County  
Mike Hurley, Point 32 Health  
Bob Knowles, BCBSMA  
Frank Basler, Plymouth County

Chairman Levy called the meeting to order at 9:05 a.m. He announced the meeting will be recorded for meeting minute purposes.

1. **Accept meeting minutes**

MOTION: Maresco made a motion to approve the June 22, 2022 meeting minutes.

SECOND: Ledoux

VOTE: motion passed unanimously

2. **MMHG FY23 Wellness report**

Avery reviewed the MMHG Wellness program through September and gave the following statistics.

FY23 1<sup>st</sup> quarter:

43 live webinars with 29 registered participants for the meal planning webinar  
106 virtual exercises classes  
173 participants in the Financial Wellness Challenge from 24 member units  
7 Wellness grants  
2 postcard mailings (Savory Living, A Healthy Me)

She said we have our fall walking challenge underway now. She stated we have 16 webinars scheduled for October including one for first responders and one for teachers. She said Zumba classes will also be extended. She stated we have the Learn to Live postcard mailing, wellness newsletter, as well as the grant of the quarter coming up. She said she will have more statistics and information at next week's Board meeting.

3. **Treasurer's report and update**

Treasurer O'Brien said his financial report will always differ versus Gallagher's funding analysis as his report includes all activity including investments. He said Gallagher's reports show a deficit based on claim activity which is correct however we are at a surplus through August. He said we put \$6.6 million at risk for FY23 when setting the rates. He reviewed his August 31, 2022 Operating Statement stating we have net revenue of \$677,810.82.

Treasurer O'Brien reviewed the August 31, 2022 Statement of Net Assets and said the fund balance is \$35,374,990.87. He said we are tracking very well at this point. He stated we do expect to have a deficit this year as anticipated. He concluded by stating we are in the process of having the FY22 audit completed and it is going well.

Ledoux said he doesn't look at this as a deficit as we put money at risk and we voted to draw down the reserve. Treasurer O'Brien agreed and said we need to make sure our member units are aware of the draw down of reserves.

MOTION: Maresco made a motion to accept the August 31, 2022 financial report as presented by the Treasurer.

SECOND: Ledoux

VOTE: motion passed unanimously

4. **Gallagher's MMHG Funding Analysis- August, 2022**

Chaplick reviewed her presentation on the Funding Analysis. She stated that most groups are seeing a surge in claims as services are being reinstated from covid. She said the active plans are running at a 109.2% loss ratio with a deficit of \$1.4 million. She said last year at this time we had a 96.8% loss ratio with a surplus of \$474,000.

Ledoux asked if they are looking at the increase in claim activity versus the inflationary impact of claims. Chaplick stated trends are going up for cost of claims and they are seeing an uptick in services but do expect services to level out.

Chaplick stated the senior plan is running at 95.3% loss ratio with a \$58,197 surplus. She also reviewed the stop loss summary pages for FY21 and FY22.

5. **CY23 Senior plan renewal options-vote**

Laflash reviewed Gallagher's 2023 senior plan renewal summary. She stated the renewals were received later this year versus previous years. She said we have Medex 2 which is self funded and the Blue Medicare RX which is a fully insured plan. She said we put over \$138,000 at risk

for CY21 and only used around \$11,000. She noted the Managed Blue for Seniors plan is a closed plan with only two subscribers. She reviewed the past five years of rates and funding for the senior plan. She stated CY22 we are seeing just under \$400,000 in reserve fund use which is a little higher versus projections.

Laflash said we are looking at a 2.9% increase/\$389 total premium per month with a status quo renewal for the Medex2 with PDP. She reviewed the other options showing on the presentation. She also asked BCBS for a fully insured Medex2 with PDP rate and it was \$390.55 per month. She stated they asked other carriers for quotes and Tufts came in with a \$412.19 per month plan. She said Aetna and UHC declined to quote and Always Health Plan rates weren't available yet. She said we do have the BCBS Medicare Advantage plan called Medicare Freedom RX PPO to consider and the cost is \$324 per month. She stated BCBS presented the Medicare Advantage plan last year with a rate of \$357 per month which was too expensive to consider. She stated it can only be offered as an additional option to the Medex2 with PDP. She introduced Helga DaRosa from BCBS to give an overview of the new plan option.

DaRosa stated the Medicare Freedom RX PPO plan is a nationwide plan and the prescription drug benefit is imbedded. She said the rate is \$324 per month and coverage is available for in an out of network services. She said there is no cost share with the plan except for the hearing/vision services which have an out of network cost share of \$45 per visit. She stated the prescription drug copays are the same as the PDP. She said there is one ID card with this plan as it includes prescription drugs.

Ledoux asked about specific providers and how to go to a different provider versus what your doctor recommends. DaRosa stated members can see any doctor they prefer in or out of network.

Ledoux asked about the cost of plan and if any long term rate guarantee is available. Knowles stated the rate is a community rate based on all of BCBS book of business and all Massachusetts municipalities have the same rate. Knowles said they don't anticipate a lot of new enrollees as members tend to stick with what they have.

Treasurer O'Brien asked Knowles if there is any reason not to transfer to the new Medicare Advantage plan. Knowles said there isn't any reason not to switch. Knowles said Medicare is primary under the Medex2 plan versus the Medicare Advantage where BCBS is assuming the risk.

Powell asked Knowles if they getting a better rate versus Medicare and Knowles said yes.

Laflash reviewed the comparison of Medex2 with PDP versus the BCBS Medicare Advantage PPO plans.

Ledoux asked how the plan works with Medicare. Knowles stated Medicare gives BCBS a certain amount of money to manage the plan and BCBS assumes the risk.

Avery asked Chaplick and Laflash how offering this fully insured plan will affect our risk pool now and in the future as we are self insured. Chaplick said we cant predict the risk and how this will affect the rate in the future. Chaplick said we will watch the claims closely.

Avery asked about our plans being self insured and future considerations of offering fully insured plans. Chaplick said she is use to seeing a mix of self insured and fully insured plans being offered within a group and it would be monitored.

Chairman Levy asked if a member switches to the Medicare Advantage plan do they still have to be enrolled in Medicare. Knowles said members still have to have Medicare A&B to be enrolled on the new plan.

Leto asked how the Medicare Freedom RX PPO rate came down for FY2022. Knowles said they analyzed the plan and enrollment and they decided to offer it as an additional offering and not a replacement for the Medex 2 with PDP. Ledoux said he thinks most members with health concerns will stay with the Medex 2 with PDP.

Powell said it will be hard for members to comprehend this new plan because it has a lower rate with more benefits.

Chaplick stated she feels this new plan is attractive to members with new benefits such as dental, hearing and wig coverage.

Ledoux asked about the timing for next year in terms of getting the information. Chaplick said it is late as it depends on when Medicare sets their rates and reimbursements. Chaplick said we can start earlier next year for education and comparisons but we will not have the rate until October.

Laflash said we were delayed this year as they were running disruption reports in the prescription drugs. She said a lot of the prescriptions will be covered at tier 1 on the new plan.

Avery asked how many other joint purchase groups are offering the new Medicare Advantage plan. Laflash said they have 5 other groups looking at this new plan and MMHG is the first to have their meeting.

MOTION: Powell made a motion to recommend to the General Board, offering BCBS Medicare Advantage plan “Medicare FreedomRX PPO” beginning January 1, 2023, provided that BCBS provide education to all member units.

SECOND: Maresco

VOTE: motion passed unanimously

DaRosa stated they will have a Brainshark presentation, one on one telephone help, live presentations and any other resources needed.

There was a brief discussion with the following action taken.

MOTION: Maresco made a motion to set the Medex2 with PDP rate of \$382.00 per month with an estimated risk to the trust fund of \$259,947 for calendar year 2023. (option C on the handout)

SECOND: Powell

VOTE: motion passed unanimously

6. **Next meeting- Steering/General**

Steering Committee Meeting-October 19, 2022 at 9: 00 a.m.

General Board Meeting – October 19, 2022 at 10:00 a.m.

The meetings will be in person at the Lakeside Villa.

7. **Any other Business**

Chaplick said Gallagher does have a municipal national report for copays etc. She said it is hard to compare costs in Plymouth versus Boston as costs are higher. Ledoux said he would like to see the data earlier to review.

8. **Adjourn**

Maresco motioned to adjourn the meeting at 10:15 a.m., seconded by Ledoux and voted unanimously.

Respectfully submitted,

Sheila Avery

**Reference Documents for this Meeting:**

Treasurer's draft financial reports (August 31, 2022)

Gallagher' s funding analysis presentation (August 31, 2022)

Gallagher's CY23 senior renewal overview with comparison

Medicare FreedomRX PPO summary of benefits