

**MAYFLOWER MUNICIPAL HEALTH GROUP STEERING COMMITTEE**  
**MINUTES OF MEETING**  
**May 10, 2022**  
**Mayflower Municipal Health Group**  
**VIRTUAL ONLINE MEETING**

**Attendance Roll Call 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  
Lincoln Heineman, Town of Whitman  
John Sciara, Professional Fire Fighters of Mass  
Derek Sullivan, Town of Wareham

**Guests:**

Kevin Feeley, MMHG Attorney  
Thomas O'Brien, Treasurer MMHG  
Sheila Avery, MMHG  
Kelly Morse Perez, MMHG  
Danielle Chaplick, Gallagher Benefit Insurance Services  
Diane Laflash, Gallagher Benefit Insurance Services  
Helga DaRosa, Blue Cross Blue Shield of Massachusetts  
Michelle Labadini, Norfolk County  
Frank Basler, Plymouth County  
Matt Hanley, Plymouth County  
Kathleen McCarthy, Town of Pembroke  
Kory Lydon, Town of Rochester

Chairman Levy called the meeting to order at 9:13 a.m. He announced the meeting will be recorded and asked if there were any objections. Hearing and seeing none. He asked all participants to state their name before speaking and making motions for meeting minute purposes.

Avery completed a roll call of Steering Committee members and guests.

1. **Accept meeting minutes**

MOTION: Maresco made a motion to approve the March 3, 2022 meeting minutes.

SECOND: Ledoux

Lincoln Heineman noted he was at the March 3<sup>rd</sup> meeting and to remove the notation of joining at a later time. Avery said she will remove it.

Roll call vote: Levy=yes, Ledoux=yes, Buckley=yes, Maresco=yes, Leto=yes, Heineman=yes, Sciara=yes, Sullivan=yes  
motion passed unanimously

2. **Wellness/Benefit fair updates**

Avery stated we had our second annual virtual benefit/wellness fair and it was a success. She said we had 9 vendors present and it was a great overview of all our plan benefits and wellness initiatives. She stated the fair ended with a webinar on Resilience and it is available to view through May.

Avery gave an overview of second and third quarter wellness initiatives. She said we just ended our fruit and vegetable challenge and had 129 participants. She stated the Wellness newsletter was mailed to all members. She explained the Spring Walking challenge is running through May 22<sup>nd</sup>. She stated the BCBS A Healthy Me incentive has been extended through May. She said we have 31 scheduled live webinars, including some cooking classes, and 78 live virtual fitness classes. She stated we have a few live screenings and workplace events at various member units as the insurance carriers are ready to return to in person events.

3. **Gallagher's MMHG Funding Analysis- Claims paid through March, 2022**

Chaplick explained the report sent out for March, 2022 included reinsurance reimbursements received in April, 2022. She stated they did not have all of the claim information to have a complete April report. She said the report she will review today is for just the month of March.

Chaplick reviewed her report stating 4 plans are in a deficit and this is primarily due to high cost claimants. She reviewed the funding analysis presentation showing on the screen stating active plans are running at a 98% loss ratio with a surplus of \$1.2 million. She stated last year at this time we had a 97.2% loss ratio with a surplus of \$1.6 million. She said the Medex plan is running at a 105.7% loss ratio with a deficit of \$317,000. She said last year the Medex plan was running at 94.3% with a surplus of \$270,000.

Chaplick reviewed the FY22 stop loss stating we have 8 claimants over the \$300,000 deductible and 16 at 50% of the deductible. She said we have approximately \$1 million in claims over the deductible. She reviewed the FY21 stop loss and stated there are 14 members over the \$300,000 deductible and have received around \$1.5 million in reimbursements. She said April reimbursements total approximately \$201,000 so we have around \$225,000 pending.

4. **FY23 Stop loss insurance schedule**

Laflash reviewed the stop loss request for bids procedure stating the request went out on April 22<sup>nd</sup>. She said there are 7 vendors and are quotes are due May 20<sup>th</sup>. She said they will put together the summary of quotes and will be available at the next meeting.

Ledoux requested a five year trend to be incorporated on the next funding analysis slide show presentation. Chaplick said she will have it for the next meeting.

5. **FY21 Audit final**

Treasurer O'Brien thanked his team for going above and beyond in getting the audit done in spite of all the covid restrictions. He said our net position is \$38,435,960 at the end of FY21. He said our investment income is \$2,971,062. He said FY22 we are facing a challenging investment market but are pleased with FY21 investment income.

Heineman asked if there is a management letter.

Treasurer O'Brien said we did receive a management letter regarding investment policy/guideline consistency, developing a fraud policy, and developing a policy statement on risk. He said the Finance Committee had begun discussions on these items before covid and those discussion will resume at their next meeting. He stated there were two transactions mis posted due to transposed numbers and a 1099 that did not go out on time.

Ledoux said none of the audit comments in the management letter are a material weakness or significant deficiency. Treasurer O'Brien agreed.

MOTION: Maresco made a motion to approve the FY21 final audit with management letter comments.

SECOND: Ledoux

Roll call vote: Levy=yes, Ledoux=yes, Buckley=yes, Maresco=yes, Leto=yes, Heineman=yes, Sciarra=yes, Sullivan=yes  
motion passed unanimously

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

Treasurer O'Brien reviewed his operating statement and statement of net assets, dated March 31, 2022, showing on the presentation screen. He said our net loss is \$720,556.91 and stated our fund balance is \$37,715,401.50. He said we did put money at risk in setting rates for FY22. He said our investment performance is down due to the current market conditions. He said we are a better position versus what we expected and are in good financial shape.

Ledoux asked if the money we put at risk is included in the financial report. Treasurer O'Brien said the report doesn't include it and it is important to keep in mind we did put money at risk. Ledoux said it is not a true deficit as we expected to use reserves. Treasurer O'Brien said he can put the amount we put at risk on the quarterly report. Heineman suggested adding a note on the report.

MOTION: Maresco made a motion to approve the Treasurer's reports, dated March 31, 2022.

SECOND: Heineman

Roll call vote: Levy=yes, Ledoux=yes, Buckley=yes, Maresco=yes, Leto=yes, Heineman=yes, Sciarra=yes, Sullivan=yes  
motion passed unanimously

7. **Investments- de minimis rule**

Treasurer O'Brien said we have a small amount of investments in Russia. He said he had several conversations with the US Bank investment team and they are not recommending any

changes to our investments at this time as Russia has shut down access to their market. He said US Bank realizes it is our intent to not be invested in Russia. He reported US Bank informed him we have a small amount invested in an emerging market and selling it could adversely impact the portfolio. Treasurer O'Brien said he will bring this to the Finance Committee on June 9<sup>th</sup> and follow up with the Steering Committee at the next meeting.

Ledoux said he challenges the advisors on this as the emerging markets are down at this time. Treasurer O'Brien said he would let US Bank know his comments.

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

Steering Committee Meeting-June 22, 2022 at 9: 00 a.m.

General Board Meeting-June 22, 2022 at 10:00 a.m.

Virtual or in person to be determined.

9. **Any other Business**

none

10. **Adjourn**

Maresco motioned to adjourn the meeting at 9:54 a.m., seconded by Heineman and voted unanimously by roll call vote.

Roll call vote: Levy=yes, Ledoux=yes, Buckley=yes, Maresco=yes, Leto=yes,

Heineman=yes, Sciara=yes, Sullivan=yes

motion passed unanimously

Respectfully submitted,

Sheila Avery

**Reference Documents for this Meeting:**

MMHG Gallagher Funding Analysis-claims paid through March 31, 2022

MMHG Statement of Net Assets and Operating Statement, dated March 31, 2022

Gallagher's presentation on funding analysis

FY21 Audit