

**MAYFLOWER MUNICIPAL HEALTH GROUP STEERING COMMITTEE
MINUTES OF MEETING
June 22, 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
Lincoln Heineman, Town of Whitman
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
Matt Hanley, Plymouth County
Mike Hurley, Point 32 Health
Paul Lazar, Point 32 Health
Denise Doyle, Stop Loss Insurance Brokers Inc.

Chairman Levy called the meeting to order at 9:09 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: Ledoux made a motion to approve the May 10, 2022 meeting minutes.

SECOND: Sullivan

Roll call vote: Levy=yes, Ledoux=yes, Buckley=yes, Maresco=yes, Heineman=yes,
Sullivan=yes

motion passed unanimously

2. **MMHG FY23 Wellness program funding request-vote**

Avery stated MMHG had a great wellness year despite no in person programs due to the pandemic. She reviewed the following statistics and stated she will have a full report at the General Board meeting.

FY22: 7 challenges with 954 participants from 24 member units

140 webinars

382 live fitness classes

35 Savory Living program participants

173 Learn to Live unique users

She said the Steering Committee voted to allocate \$50,000 to the FY22 wellness program. She stated we've been able to utilize these funds as well as the \$35,000 we receive from the insurance carriers. She explained we do so much with the money and our members appreciate the wellness programs as they do have an impact on their lives. She said we are looking forward to FY23 with virtual offerings and in person events. She requested \$50,000 to be allocated for the FY23 MMHG Wellness Program

MOTION: Maresco made a motion to allocate \$50,000 for the FY23 MMHG Wellness Program.

SECOND: Ledoux

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

Sullivan=yes

motion passed unanimously

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

Treasurer O'Brien reviewed his operating statement and statement of net assets, dated May 31, 2022, showing on the presentation screen. He said our other revenue is down due to investment performance as a result of current market conditions. He said our net loss is \$1,549,740.33 and reminded the Committee this is below what we projected as we put \$3,938,932 at risk for FY22. He stated our fund balance is \$36,886,218.08 and we are in great fiscal shape.

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

SECOND: Sullivan

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

Sullivan=yes

motion passed unanimously

4. **Treasurer's report from Finance Committee**

Treasurer O'Brien said the Finance Committee met on June 9, 2022 and US Bank representative, Dennis Mullins, gave a presentation on the investment portfolio. He said our investment portfolio is very conservative with 40% equity and 60% fixed and expects to return between 2%-4%. He stated the Finance Committee voted to change the percentages to 30% equity and 70% fixed due to the volatility in the market. He said US Bank supported the decision. He also reported the Finance Committee understands the Steering Committee's concerns in regards to Russian investments and took a vote to fully divest by September 30, 2022.

5. **Stop Loss program review and recommendations/ FY23 Stop loss insurance bid summary- vote**

Laflash stated they sent out the RFQ in April for the stop loss insurance. She reviewed her handout including the history of the stop loss insurance, loss ratios, and deductible amounts. She said the industry standard for the deductible is over \$325,000 and we need to look at increasing MMHG deductible which is currently \$300,000. She said MMHG has increased claims and the top diagnosis is cancer. She said the market is tough right now with carriers not providing quotes in order to limit losses. She said MMHG did receive two quotes as outlined on her handout. She stated at our current specific deductible of \$300,000 we are looking at 35.5%-86.6% increase. She recommending increasing our current specific deductible amount of \$300,000, that has been in place for 9 years, to \$325,000 specific deductible. She stated they are recommending the Blue Cross Blue Shield quote with the \$325,000 specific deductible with a 21.9% increase in cost/risk. She stated they have discussed this with Treasurer O'Brien and Avery regarding their recommendation.

Ledoux asked Avery for her opinion and Avery agreed we should increase the deductible to \$325,000.

MOTION: Maresco made a motion to increase the FY23 stop loss insurance deductible from \$300,000 to \$325,000.

SECOND: Ledoux

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

Sullivan=yes

motion passed unanimously

MOTION: Maresco made a motion to award the FY23 stop loss insurance to Blue Cross Blue Shield with a deductible of \$325,000 and total estimated cost of \$2,584,756.

SECOND: Ledoux

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

Sullivan=yes

motion passed unanimously

Laflash reminded the Committee we need a broker to track the claims since Blue Cross Blue Shield sent their quote direct to MMHG.

Avery stated we had Stop Loss Insurance Brokers track claims, provide reports, and send reimbursements to us for FY22 and it has worked out well.

MOTION: Levy made a motion to assign Stop Loss Insurance Brokers as MMHG's FY23 broker for stop loss.

SECOND: Heineman

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

Sullivan=yes

motion passed unanimously

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

Steering Committee Meeting-August 17, 2022 at 9: 00 a.m.
Virtual or in person to be determined.

7. **Any other Business**

Lazar announced Bill Hickey is unofficially retired and introduced our new account executive, Michael Hurley. He gave a review of Michael's qualifications and lengthy years of service with Harvard Pilgrim.

8. **Adjourn**

Maresco motioned to adjourn the meeting at 9:42 a.m., seconded by Levy and voted unanimously by roll call vote.

Roll call vote: Levy=yes, Ledoux=yes, Buckley=yes, Maresco=yes, Heineman=yes, Sullivan=yes

Respectfully submitted,

Sheila Avery

Reference Documents for this Meeting:

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

Gallagher's Stop Loss analysis report FY23