

MAYFLOWER MUNICIPAL HEALTH GROUP STEERING COMMITTEE
MINUTES OF MEETING
April 6, 2023, 10:30a.m.
Mayflower Municipal Health Group
65 Cordage Park Circle,
Suite 110, Plymouth, MA. 02360

Attendance Steering Committee members:

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

Guests:

Thomas O'Brien, Treasurer MMHG
Kevin Feeley, MMHG Attorney
Sheila Avery, MMHG
Marianna Gil, Gallagher Benefit Insurance Services
Diane Laflash, Gallagher Benefit Insurance Services
Mike Hurley, Point 32 Health
Helga DaRosa, BCBSMA
Lucy MacCallum, Gallagher Benefit Insurance Services
Mark Von Vogt, Gallagher Benefit Insurance Services
James Reidy, Professional Fire Fighters of Mass.
Michelle Labadini, Norfolk County
Matthew Hanley, Plymouth County

Chairman Levy called the meeting to order at 10:30 a.m. He announced the meeting will be recorded for meeting minute purposes.

1. **Accept meeting minutes**

MOTION: Buckley made a motion to approve the March 8, 2023 meeting minutes.

SECOND: Powell

VOTE: Motion passed. 5 in favor, 2 abstained (Ledoux, Leto)

2. **Treasurer's report**

Treasurer O'Brien reminded the Committee his report is the accounting report of our cash at a snapshot in time. He stated his report contains all revenue and expenses of the group. He said the Gallagher funding analysis only lists our health insurance plan's revenue and expenses.

Treasurer O'Brien reviewed his financial reports, dated February 28, 2023. He stated the Operating Statement shows we are down \$986,435.52 and reminded the Committee we voted to put \$6.6 million at risk for FY23. He reviewed the Statement of Net Assets and said the fund balance is \$32,110,744.53. He said we are in good financial shape.

There was a discussion regarding US Bank email communications.

MOTION: Sciara made a motion to accept the February 28, 2023 financial reports as presented by the Treasurer.

SECOND: Buckley

VOTE: motion passed unanimously

3. **COVID PHE Expiration effective 5/12/2023**

Gil reviewed her presentation handout. She said the covid vaccines will remain at a \$0-member cost share as it is covered under the ACA. She said the covid antiviral treatments and at home test kits will have member cost share unless MMHG votes to keep the no cost share in place.

There was a brief discussion with the following action taken.

MOTION: Ledoux made a motion to keep the same \$0-member cost sharing for covid at home antiviral treatments and over the counter covid tests, for all active plans, until December 31, 2023.

SECOND: Sullivan

VOTE: motion passed unanimously

Gil stated she will update the information and prepare member communication to be emailed to Avery.

4. **IRS Employer Shared Responsibility Payment (ESRP)**

Gil reviewed the information in her ESRP presentation. She stated the Affordable Care Act requires applicable large employers to offer affordable, minimum value coverage to substantially all full-time employees or to pay penalties.

Gil said MMHG offers minimum value coverage in all of their health plan offerings. She stated some MMHG member units may not be inputting line 16 safe-harbor codes on their 1095s and would automatically receive a penalty. She said we can work with member units to correct any 1099s submitted without inputting the line 16 safe-harbor code. She stated Gallagher is available to help member units and to reach out with any questions.

Treasurer O'Brien said employers can check off the appropriate box but the employee still files to receive a credit. He stated employers can rebut this and get penalty relief.

Gil explained what an affordable plan constitutes as shown in her handout. She stated some of the member unit's coverage may not be affordable according to the employer share. She said its on an individual basis, based on hourly wage, and if the member filed for a credit.

Ledoux asked what plan can satisfy the affordable plan. Gil said MMHG can offer a separate plan with higher deductibles or in most cases the member unit can offer the high deductible HSA plans.

Leto asked if we have a lot of situations coming up about the ESRP. Avery stated we have a situation now that is being worked out. She stated it is definitely something we need to be mindful of as the plans' premiums continually increase.

Treasurer O'Brien asked if it was correct that member units offering the high deductible health plans should not be penalized. Gil said yes, in most cases it will solve the issue and Gallagher is prepared to help member units through the process.

Avery said we are having a benefit administrators' meeting and this is on the agenda.

Sullivan said we need to look at our plan offerings to make sure we offer a plan that meets the affordability threshold to avoid penalties in the future.

5. **Gallagher's MMHG Funding Analysis**

Laflash reviewed the funding analysis presentation handout with paid claims through February, 2023. She stated our active plan funding ratio is 103.5% with a \$2.2 million deficit. She said MMHG put \$6.6 million estimated risk to the trust fund for FY23. She reviewed the retiree plan, Medex II, and stated it has a funding ratio of 99.5% and a \$27,000 surplus. She reviewed the stop loss information for the current and prior policy periods.

Leto requested to have the stop loss premium reflected on the reports and Laflash agreed.

6. **MMHG Vision plan RFI results/Vote-MMHG Vision plan/rates**

Gil reviewed the current Blue 20/20 vision plan and stated rates were guaranteed for the past four years. She said we did receive the renewal and decided to request plans and rates from other carriers.

Gil reviewed the vendor responses received with current plan design and alternate plan design. She reviewed Altus, EyeMed, and Blue 20/20 rates, networks, and differences in plan design. She stated all vendors provided a four-year rate guarantee.

Gil said they received a few different follow up options. She said they went back to ask for contact lens/frames allowance to increase from \$130 to \$175. Gil said they would recommend going to EyeMed with the allowance increase to \$175 or with increase exam frequency to every year and a \$155 increase on contact lens/frames allowance. She said EyeMed is also offering \$1,000 towards marketing materials.

There was a brief discussion with the following action taken.

MOTION: Sullivan made a motion to award the vision plan contract to EyeMed at a 5% reduction over current FY23 rates and to increase the contact lens/frame allowance from \$130 to \$175.

SECOND: Leto

VOTE: motion passed unanimously

7. **Next meeting-Steering**

Chairman Levy said the next Steering Committee meeting is scheduled for May 25, 2023, 9:00a.m., at the MMHG offices.

8. **Any other Business**

none.

9. **Adjourn**

Ledoux motioned to adjourn the meeting at 11:38 a.m., seconded by Sullivan and voted unanimously.

Respectfully submitted,
Sheila Avery

Reference Documents for this Meeting:

Treasurer's FY23 financial reports (February 28, 2023)

Gallagher's Steering Committee meeting presentation, dated April 6, 2023