

**MAYFLOWER MUNICIPAL HEALTH GROUP STEERING COMMITTEE
MINUTES OF MEETING
June 6, 2024, 9:00a.m.
Mayflower Municipal Health Group
65 Cordage Park Circle,
Suite 110, Plymouth, MA. 02360**

Attendance Steering Committee members:

Michael W. Levy, Town of Bridgewater
Ray Ledoux, Brockton Area Transit (BAT)
Michael Buckley, Town of Hull
Jason Leto, Mass Teachers Association
Kevin Powell, Retiree
John Sciara, Professional Fire Fighters of Mass
Derek Sullivan, Town of Wareham
Mary Beth Carter, Town of Whitman

Guests:

Marianna Gil, Gallagher Benefit Insurance Services
Thomas J. O'Brien, Treasurer MMHG
Kevin Feeley, MMHG Attorney
Sheila Avery, MMHG
Mike Hurley, Point 32 Health
Helga DaRosa, BCBSMA
Bob Jordan, Gallagher Benefit Insurance Services
Stephen Fay, BCBSMA
Matthew Hanley, MMHG
Kathleen Simmons, MTA
Michelle Labadini, Norfolk County
Denise Doyle, HUB Intl NE
James Reidy, PFFM

Chairman Levy called the meeting to order at 9:01a.m. He announced the meeting will be recorded for meeting minute purposes.

1. **Accept meeting minutes**

MOTION: Ledoux made a motion to accept the March 7, 2024 meeting minutes.

SECOND: Buckley

VOTE: motion passed unanimously

2. **MMHG FY25 Wellness program funding requests- vote**

Avery reviewed her presentation showing FY24 program totals and funding. She stated the program had 131 live webinars, 540 exercise/mindfulness classes, and 12 online challenges. She reviewed the wellness grant participation and stated it was the highest total we've had since inception. She reviewed the FY24 wellness budget and stated the group had total funding of

\$90,000. She stated this has been the best year for wellness initiatives and thanked the Steering Committee, Wellness Committee, General Board, Treasurer, Steering Chairman, Wellness Chair, Kelly Morse Perez, and the insurance carriers.

Avery stated MMHG is committed to a greater investment in mental health for FY25. She requested \$50,000 for the FY25 MMHG Wellness program.

MOTION: Carter made a motion to allocate \$50,000 for the FY25 wellness budget.

SECOND: Ledoux

VOTE: motion passed unanimously

3. **Treasurer's Report**

Treasurer O'Brien reviewed his financial reports including the FY24 Operating Statement and Statement of Net Assets, dated 4/30/24. He said we have net revenue of \$601,806.40 through April and he expects claims will increase for May. He said we have very low administrative expenses for the group and thanked his staff for their work. He stated net assets are \$31,844,571.97 as of April 30, 2024.

Treasurer O'Brien reminded the Committee his report won't match Gallagher's funding analysis as his report includes all revenues and expenses.

Powell asked what our fund balance was last year at this time and Treasurer O'Brien stated it was around \$32,000,000.

MOTION: Ledoux made a motion to accept the April 30, 2024 Treasurer's Operating Statement and Statement of Net Assets as presented by the Treasurer.

SECOND: Sullivan

VOTE: motion passed unanimously

4. **Gallagher's MMHG FY24 Funding Analysis/updates**

Gil distributed and reviewed reports from Harvard Pilgrim and Blue Cross showing MMHG members' utilization/primary care with Steward Health Care. She discussed the concerns with Steward filing for bankruptcy including the shortage of primary care physicians and capacity crunch at emergency rooms across the state. She said our claims are increasing as members scramble to get the services they need knowing Steward is in a crisis. She stated Steward could be sold or if that doesn't work the state could take them by eminent domain. She said the Steering Committee will be notified of any developments.

Gil reviewed her funding analysis with claims data through April 30, 2024. She stated active plans are running at 100.5% including the BCBS RX rebate. She stated the Medex II plan is at 106.1% loss ratio. She stated MMHG is in a good position and better versus projections. She reviewed the FY23 and FY24 stop loss data.

Ledoux asked about insured lives and Avery said we have around 12,500-13,000 health insurance members.

5. **FY25 Stop loss RFQ results – vote**

Gil explained to the Committee that every year we go out to bid for MMHG stop loss insurance. She reviewed her FY25 stop loss RFQ handout showing the history of MMHG's deductible and performance. She reviewed the existing BCBS coverage and the proposed options available for FY25. She stated BCBS provides a 2.5% administrative fee discount when they have the stop loss insurance. She said according to BCBS's current contract, if they are not awarded the contract, they can increase the admin expense by 5%. She stated Gallagher incorporated the maximum exposure into their analysis of the received quotes. She reviewed the best and final quotes as received by submission date. She said they did receive two references for Liberty Mutual as they are new to MMHG but have existing business with stop loss insurance. She explained the references indicated a positive experience with Liberty Mutual.

DaRosa stated BCBS's initial proposal included the 3 deceased members that very recently passed away. She explained the underwriters were able to exclude the deceased members and they did submit a revised proposal. Gil cautioned the group as no other vendor was allowed to submit a second proposal and we have to be fair to the other bidders. Gil stated we can't allow one bidder to revise their quote so they did not include it in their summary.

Attorney Feeley opined that we would have to ask all bidders for new quotes if we want to consider BCBS's second proposal.

There was a brief discussion on asking bidders for new quotes with no action taken.

Avery asked HUB if Liberty Mutual pays their inpatient hospital claims on a prorated basis when crossing fiscal years or do they submit the entire claim under the previous fiscal year. Doyle stated Liberty Mutual pays inpatient hospital claims on a prorated basis verses first day of inpatient. Doyle said BCBS may have changed this but she is not sure.

Powell asked about the increases with the HUB/Liberty Mutual quote. Doyle said Liberty Mutual came in with a 5% increase and that is pretty good for the marketplace. Doyle stated there is also a 30% rate cap for FY26 stop loss insurance included in the quote.

MOTION: Powell made a motion to award the FY25 stop loss insurance contract to Liberty Mutual and HUB as broker with a specific deductible of \$325,000 and total estimated cost/risk of \$2,971,881.

SECOND: Sciara

VOTE: motion passed, 8 in favor, 1 abstained (Ledoux)

6. **MMHG Insurance Management consultant services – possible vote**

Chairman Levy stated we received two quotes for the insurance management consulting services and need more time to review. He said we will need to set another meeting before the end of the month.

MOTION: Ledoux made a motion to postpone action on the MMHG Insurance Management consultant services until the next meeting.

SECOND: Sciara

VOTE: motion passed unanimously

7. **Discussion of Executive Director position- possible vote**

Chairman Levy stated we are looking to add an Executive Director position for MMHG. He stated it is time as we grow and change. He passed out the draft job description for the position.

Treasurer O'Brien stated the MMHG employees are Plymouth County employees and noted the Committee is voting on the position as the Commissioners approve the job description.

Chairman Levy said we would like to add the position at this time.

Sciara asked if this is a position outside of the union and Levy stated it is not a union position.

Chairman Levy stated we are doing more and more work and want to have the staff in place to grow.

Treasurer O'Brien stated they included the position in their budget in response to the increased needs as expressed by the Steering Committee.

Ledoux asked if MMHG is a separate entity and attorney Feeley said we are not a separate entity. Attorney Feeley stated, according to the joint purchase agreement, MMHG Steering Committee is allowed to employ for essential admin staff but is subject to Plymouth County.

MOTION: Sciara made a motion to acknowledge the creation of a non-union MMHG Executive Director position.

SECOND: Sullivan

VOTE: motion passed unanimously

8. **Next meeting**

Chairman Levy said the next Steering Committee meeting will be held at the MMHG offices, and is scheduled for June 24, 2023, 9:00am.

9. **Any other business**

Chairman Levy recognized and thanked John Sciara and Michael Buckley for their service on the Mayflower Municipal Health Group Steering Committee.

10. **Adjourn**

Sciara motioned to adjourn the meeting at 9:50 a.m., seconded by Ledoux and voted unanimously.

Respectfully submitted,
Sheila Avery

Reference Documents for this Meeting:

Treasurer's FY24 financial reports (April 30, 2024)

Gallagher's FY24 Stop loss RFQ results

Gallagher's FY24 Funding analysis summary (April 30, 2024)

MMHG Wellness FY24 update/FY25budget

MMHG Executive Director

BCBS Steward Health Group utilization

HP Steward Health Group utilization