



Mass Strategic Health Group (MSHG) Board Meeting

Thursday, February 16th, 2023 at 1:00 PM
Town of Medway Town Hall and by Virtual Participation
Meeting Minutes

Board and Alternate Board Members in Attendance:

Matthew Wojcik, Board Chair	Town of Douglas
MaryEllen Cerbone	Dudley Charlton Regional School District
Rick LaFond	Town of Webster
Jamie Hellen	Town of Franklin
Joanne Fredrick	Town of Oxford
Michael Boynton	Town of Medway
Adam Gaudete	Town of Northbridge

Guests in Attendance:

MaryEllen Cerbone	Dudley Charlton Regional School District
Tim Bell	Town of Webster
Courtney Friedland	Town of Webster
Alison Potter	Town of Medway
Jessica Sinclair	Town of Medway
Richard Bienvenue	MSHG Treasurer
Rusti Short	NFP Brokerage
Cheryl Vaidya	Town of Douglas
Jeanne Lovett	Town of Douglas
John Webber	Health Plans Inc.
Marianna Gil	Arthur J. Gallagher
Anthony Lively	Arthur J. Gallagher
Chris Nunnally	Arthur J. Gallagher
Emmilie Roach	Arthur J. Gallagher

The meeting was called to order at 1:05 PM.

Delegate / Alternate Delegate Attendance

There was a roll call of attendees participating via Microsoft Teams.

Review and possible vote to accept meeting minutes – January 19, 2023

Mr. Boynton made a motion to accept the meeting minutes with one amendment from January 19, 2023. Mr. LaFond seconded the motion. There was a roll call vote. The motion passed unanimously.

Motion



Member signatures on existing Participation Agreement. The Subcommittee on the Participation Agreement recommends that all members complete the legal process of joining MSHG by having their authorized representative sign the existing Participation Agreement – Vote(s) possible.

Mr. Nunnally asked all members of MSHG to sign the participation agreement moving forward with any edits. Mr. Nunnally explained that as we develop a surplus, we may want to offer a joint product and a plan design everyone wants to sign on to. Mr. Wojcik said we are a self-insured group with a third-party administrator, and we have the knowledge of gathering pharmacy rebates that come back from the pharmaceutical industry for their position in our formulary. Mr. Wojcik said we have to have a participation agreement to acknowledge that we may have some claim to funds created in a joint pool but without a mechanism for taking that money out or how.

Authorization to research and interview possible legal counsel for the Board, with a recommendation for final selection to the full Board at its next scheduled meeting. The Subcommittee on the Participation Agreement recommends retention of counsel answering only to the Board for purposes of reviewing the new draft agreement and the structure of the MSHG – Vote(s) possible.

Mr. Wojcik said the subcommittee recommends the full board have preliminary conversations with legal counsels on the Joint Purchase Agreement. Mr. Wojcik noted this is not a negative reflection on Gallagher, but the legal relationship should be between an attorney and the client in the form of an engagement letter with undivided loyalty. Mr. Wojcik said he spoke with Kevin Feeley, who understands the subject matter well and would like to interview him. The board discussed.

Mr. Boynton made a motion to authorize a subcommittee. Mr. LaFond seconded the motion. There was a roll call vote. The motion passed unanimously.

Motion

Mr. Boynton made a motion for the subcommittee to seek a request for proposal for one or more legal counsel without necessarily authorizing the full board. Mr. LaFond seconded the motion. There was a roll call vote. The motion passed unanimously.

Motion

Mr. Jamie Hellen joined the meeting at 1:10 PM.

Presentation of Gallagher Report

Mr. Nunnally presented the Gallagher financial report through January 2023. Mr. Nunnally said we have seven months of data for all groups with an overall loss ratio of 86.9% after rebates. Mr. Nunnally said the newest rebate check is over \$500,000, which we can anticipate every quarter moving forward. Mr. Nunnally explained as we look at paid claims to set rates, we show these reports to compare the revenue brought in.

Mr. Nunnally said from a stop loss perspective the group has paid out \$1.4 million in stop loss. Mr. Nunnally noted he does not anticipate some members on the stop loss report to be reoccurring. Therefore, when the stop loss carrier looks at the book and experience, the renewal could be discounted because they do not see some high claims continuing. Mr. Nunnally said that Gallagher would bring different ideas about how to fund stop loss. Mr. Nunnally said several members who have hit stop loss would be migrated in the Medicare migration, which will help considerably.



Review of Renewal Packet

Mr. Nunnally reviewed the care management programs and what the group is doing to control costs. Mr. Nunnally provided reports from each vendor on utilization and cost. Mr. Nunnally explained Health Plans Inc. presented a robust program to the board last year that would help utilization into all of the programs. Mr. Nunnally noted that Health Plans Inc. could do a second presentation to the board at an upcoming meeting. The board asked for a sheet to briefly describe and explain what these programs do for employees.

Mr. Nunnally showed the color scheme and logo palate for the MSHG website. The board discussed. Mr. Boynton made a motion to accept option number four with a blended gold color and MSHG written across. Mr. Hellen seconded the motion. There was a roll call vote. The motion passed unanimously.

Motion

Mr. Nunnally said he had initial conversations with the town managers about renewals. Mr. Nunnally said the underwriter put an 8% trend figure on the numbers to double the trend tracker. Mr. Nunnally said Gallagher has the largest municipal book in the state, so Gallagher’s underwriter looks at where all groups are coming in. Mr. Nunnally said he would continue to have conversations with each group on rates and there can be a vote at an upcoming meeting.

Mr. Nunnally said we have almost completed the Medicare migration in all groups. Mr. Nunnally explained that historically, a fair number of members did not pay into Medicare and therefore are not eligible for Medicare benefits. Mr. Nunnally said these members stay on the active plan and bring high claim costs. Mr. Nunnally said using Retiree First, we move these members to a Medicare plan to avoid claims and gain savings as an entity, as they outweigh the penalty cost.

Discussion Regarding Focus Group

Mr. Nunnally said the Gallagher marketing team recommended a focus group of new and old members, a benefits administrator, and an IAC member to get a broad sense of how people interpret the health plan now and how they want to interpret their health plan moving forward. Mr. Nunnally said the marketing team wants to capture all necessary information when building the website and benefit guides. Mr. Nunnally said he hopes to have the focus group move quickly, so the benefit booklets can be available on the website soon.

Review and Discussion of DOI Abortion Bulletin – Vote Possible

Mr. Wojcik moved the MSHG, as a matter of policy, to follow all bulletins issued by the Division of Insurance for member-facing benefits. Mr. LaFond seconded the motion. There was a roll call vote. The motion passed unanimously.

Motion



Gallagher

Insurance | Risk Management | Consulting

Open Session for Topics Not Reasonable Anticipated 48 Hours In Advance Of the Meeting

There were no topics not reasonably anticipated within 48 hours in advance.

Mr. Wojcik made a motion to adjourn the meeting at 2:56 PM. Mr. LaFond seconded the motion. There was a roll call vote. The motion passed unanimously.

Motion

Next Meeting

The next meeting was scheduled for March 16th, 2023 at the Health Plans Inc. headquarters at 1 PM.

*Submitted by,
Emmilie Roach
Gallagher Benefit Services*