



# Mass Strategic Health Group (MSHG) Board Meeting

**Tuesday, February 20th, 2024 at 1:00 PM**  
*Town of Medway Town Hall and by Virtual Participation*

## Meeting Minutes

### Board and Alternate Board Members in Attendance:

Rick LaFond, Board Chair	Town of Webster
Michael Boynton, Board Vice Chair	Town of Medway
Matthew Wojcik	Town of Douglas
Jamie Hellen	Town of Franklin
Lindsay Grasso	Town of Abington
Jamie Kelley	Town of Acushnet
James Ryan	Town of Salisbury
Joanne Frederick	Town of Oxford
Evan Brassard	Town of Grafton
Daniel Haynes	Tri-County RSD
Arthur Scott	CES
Adam Gaudette	Town of Northbridge
Steven Lamarche	Dudley Charlton RSD
Gary Suter	Spencer East Brookfield RSD

### Guests in Attendance:

Mary Lauria	Town of Grafton
Allison Potter	Town of Medway
Courtney Friedland	Town of Webster
Diane Rego Montanez	Town of Franklin
Tim Bell	Town of Webster
Lisa Gerulaitis	Spencer East Brookfield RSD
Justin Leduc	Town of Oxford
William Short	NFP
Ken Lombardi	NFP
Kevin Paicos	NFP
Eric Avrumson	NFP
Marianna Gil	Arthur J. Gallagher
Bob Jordan	Arthur J. Gallagher
John Scholl	Arthur J. Gallagher
Karen Quinlivan	Arthur J. Gallagher
Sheila Kaye	Arthur J. Gallagher
Richard Bienvenue	Treasurer



The meeting was called to order at 1:05 p.m.

**Delegate / Alternate Delegate Attendance**

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

**Meeting Minutes – February 6th, 2024 – Votes Possible**

Michael Boynton made a motion to approve the meeting minutes from February 6<sup>th</sup>, 2024.

Motion

Mr. Jamie Kelley seconded the motion.

Matt Wojcik said he would vote on the minutes from February 6<sup>th</sup> because they should be an accurate representation of what was said, but he had reservations regarding statements that were said at the last meeting. He asked that the vote be held and both sets of minutes from the prior and this meeting be approved at the same time. If he is trying to correct the record, he does not want any record of disparagement of an individual who did not have the opportunity to defend themself to be made public.

Mr Boynton asked what Mr. Wojcik was talking about specifically.

Mr. Wojcik said there were representations about the Kiessling relationship and stop loss contracts that his document research indicated different facts. He asked that the vote be delayed until later in the agenda.

Mr. Boynton said the minutes should reflect what was said in the meeting. If they do not, then they need to be corrected.

Mr. Wojcik said the comments, if not corrected by another set of minutes for a whole month, would allow anyone to circulate those prior comments for 30 days without comment.

Mr. Boynton withdrew his motion on the minutes. Mr. Kelley withdrew his second.

Jamie Kelley made a motion to approve the meeting minutes from February 6<sup>th</sup>, 2024 out of order at a later time.

Motion

Mr. Matthew Wojcik seconded the motion.

There was a roll call vote.

- Town of Abington – Yes
- Town of Acushnet – Yes
- CES – Yes
- Town of Douglas – Yes
- Dudley Charlton RSD – Abstain
- Town of Franklin – Yes
- Town of Grafton – Yes
- Town of Medway – No
- Town of Northbridge – no response
- Town of Oxford – Yes
- Town of Salisbury – Yes



Spencer East Brookfield RSD - Abstain  
Tri-County RSD – Yes  
Town of Webster – No

The motion passed by majority vote.

**ESI Biosimilar Discussion and Possible Vote**

John Scholl said that MSHG has a relationship with ESI with a stipulated formulary and rebates. The emerging biosimilar industry promises to replace more expensive drug therapies. There is a request for an amendment to the plan which introduces biosimilars to replace drugs on the formulary. They will not look at drugs that are not more than 25% below the current cost of a formulary drug. The drugs that are on the formulary are eligible for rebates and those are typically up to 25%. They are confident that the net cost less the rebate will be less than the biosimilar. A motion to adopt low WAC biosimilars would be recommended.

Michael Boynton motioned to amend the ESI agreement to include the low WAC biosimilars.

Motion

Steven Lamarche seconded the motion.

Matthew Wojcik asked if there was any experience with this. Will it negatively impact employees currently taking certain biosimilars? Is there any industry information?

John Scholl said this is being implemented across the industry and would be similar to any other formulary change.

Mathew Wojcik said that cost savings are an important factor for the group, but is it mandatory for members to use biosimilars?

Marianna Gil said that if a member cannot take a certain medication and needs an alternative, a prescribing doctor could submit a formulary exception just like any other medication to the PBM.

There was a roll call vote.

Town of Abington – Yes  
Town of Acushnet – No  
CES – Yes  
Town of Douglas – No  
Dudley Charlton RSD – Yes  
Town of Franklin – Yes  
Town of Grafton – Yes  
Town of Medway – Yes  
Town of Northbridge – Yes  
Town of Oxford – Yes  
Town of Salisbury – Yes



Spencer East Brookfield RSD – Yes  
Tri-County RSD – Yes  
Town of Webster – Yes

The motion passed by majority vote.

**Consideration and possible vote to approve Narragansett RSD application to join MSHG**

Michael Boynton motioned acceptance of the Narragansett RSD application for admittance to MSHG.

Motion

Matthew Wojcik seconded the motion.

John Scholl pointed to a spreadsheet in the packet with the petition to join. An underwriting spreadsheet had updated experience through November. The original pricing was performed back in October in advance of when they were ready to decide where to move their coverage for 7/1. The updated numbers are consistent with what was done back in October. They appear to be a good group to add and do not have high-cost claims activity.

Richard Lafond said there is risk sharing for the group and asked if there was a recommendation from NFP in addition to Gallagher.

NFP indicated it was a good fit.

Steven Lamarche asked how this benefits MSHG and how it benefits Dudley Charlton.

Mr. Lafond said that the model is that each unit is essentially self-insured. The purchasing power is for stop loss as well as administrative fees and vendor fees. It is part of a growth process for the group and pushes towards the threshold.

Jamie Kelley asked if NFP represents Narragansett.

Kevin Paicos said they are not compensated by Narragansett but are undertaking a study for them. They were contracted as a result of the dissolution of their current JPG, Minuteman Nashoba Health Group.

Matt Wojcik asked if the addition includes the Aetna plans, and if so, it should be stipulated in the motion.

Mr. Lafond asked if there was an amendment to the motion to add the Aetna Retiree plan.

Mr. Boynton asked if there needed to be two motions adding groups going forward.

Mr. Lafond said he was unsure, but perhaps it should be stipulated for clarity.

Mr. Boynton amended his motion to include the Aetna Retiree Plan.

Mr. Wojcik seconded the motion.



Mr. Wojcik said that as the group gets towards volume thresholds it will lessen the pain, not necessarily decrease rates.

Mr. Tim Bell, Finance Director at Webster, suggested that future prospective members should be asked whether they want to become a full or limited member and what plans they want.

There was a roll call vote.

Town of Abington – Yes  
Town of Acushnet – Yes  
CES – Yes  
Town of Douglas – Yes  
Dudley Charlton RSD – Yes  
Town of Franklin – Yes  
Town of Grafton – Yes  
Town of Medway – Abstain  
Town of Northbridge – Yes  
Town of Oxford – Yes  
Town of Salisbury – Yes  
Spencer East Brookfield RSD – Yes  
Tri-County RSD – Yes  
Town of Webster – Yes

The motion passed by unanimous vote.

**Treasurers report:**

Richard Lafond said the Treasurer's report is an important part of the meeting as the group moves towards rate setting.

Rich Bienvenue reviewed the financial statement as of December 31, 2023. The balance sheet showed the comparison to the last three prior years. The income statement is also broken out by each member. Cumulative equity is also determined. There are significant accruals that can also effect these numbers. IBNR is the estimated liability for claims that have been incurred but not reported. It is estimated at 12% of the prior 12 months of claims. The funding target of 10% of annualized claims for each unit is used to determine equity. Gallagher's communication has improved significantly over the last quarter in resolving any outstanding questions. Plan deposits are on file with HPI and they take out money to pay claims. Reinsurance payments or adjustments can affect a balance. Premium receivables are back on track. Gallagher is going through a billing reconciliation from July through January. Any corrections will be reflected for the period they are applicable. Rebate receivable is a significant number for the group collected through the third quarter. Report Includes an estimate for the fourth quarter based on historical amounts. That amount will be updated to reflect the actual amount when received. Reinsurance receivables do not match the amount that Gallagher is reporting and are included as cash receipts after 12/31. Some amounts are yet to be recorded by HPI. Reconciliation is pending



with Gallagher. As of 12/31, the accounts payable amount also includes invoices to Veris for 11/23 and 12/23 that have been held back due to a suspected overpayment issue. It has been resolved with Gallagher's review and will be resolved with the vendor. By the time the next warrant is issued it should be resolved and sorted out. There is still a debit amount due to the group for an amount due back to the group from Express Scripts for the Kiessling issue. The amount is forthcoming. He also recommended being conservative in using pharmacy rebates when setting rates.

Mr. Bienvenue said that the group's management has become quite complex with the addition of more members, and a higher level of management is required. It really requires an additional person as the group grows. To that end, Mr. Bienvenue has notified the Board Chair that his participation will end as of 06/30/2024. He will be willing to help with the transition in the short term as others are brought on.

Michael Boynton said that perhaps there is a member community that could be drawn from to do that type of work.

Mr. Bienvenue said that might be a good check and balance, but it might be beyond what any one Treasurer's office could do for the group. There definitely needs to be two people, with one in a supervisory role and one performing checks and balances.

Matthew Wojcik said he would like to retain a relationship with Mr. Bienvenue and have local support from the group to perform checks and balances and support. He said that he continues to have reservations regarding pharmacy rebates. Before the group expanded beyond the original three members, all pharmacy rebates as of the year's closing date were to be attributed to those three members. When the unassigned balance is discussed being distributed he is uncomfortable using an estimate. The board held a binding vote for the first three years of the rebate program that the rebate would be based on claims.

Richard Lafond said that later in the agenda, there will be a discussion pertaining to rates based upon that. Mr. Bienvenue said that with the growth continuing the way it is, he can't continue in the role of Treasurer. He also pointed to the monthly municipal warrant that was displayed to give the members a clear picture of the bills paid on the monthly warrant for February 2024.

Kevin Paicos said that the Municipal Modernization Act says that a group can appoint a single entity to approve bills on the condition that it is brought to the attention of the entire Board. It is a formal amendment that could be approved and he could work through the logistics with the Board.

Mr. Lafond said that in terms of formulating rates for individual communities next year, the use of an aggregate formula for Rx rebates may not be fair. Member units need to cover prior year deficits, which must be incorporated into next year's rate. There has to be a factor that communities have to get to for the equity requirement in the participation agreement. He asked if the rates are taking those factors into consideration.

John Scholl said that Bob Jordan did not set the rates knowing the surplus or deficit for individual member units. The rating was based on experience.



Matthew Wojcik said that the JPG agreement is very flexible and does not aim to punish a group for having a bad year. A deficit can be worked on at a multi-year level. It allows the board to have a gradual workout plan. One of the original concerns when forming the group was one member unit having bad experience and then everybody ends up paying for that through their rate for their unified product. Then, members can get frustrated with the group subsidizing poor experience, and some members may start to leave. The agreement assured the prevention of a running deficit and surplus that is too large for too long. The band of 8-12% of claims on hand was established for fund balance as well as accounts receivable no longer than 90 days without commission. Rate setting has to take into consideration maintaining a healthy fund balance within the individual town.

Richard Lafond said unauthorized borrowing from one another is not a good thing and rates have to reflect a deficit for the current year to work toward equity. Dudley Charlton had a tough year on claims, but they have equity, so they are not borrowing from other towns. Underwriting needs to account for working towards getting even.

Matthew Wojcik said that what was contemplated was the individual members coming to the Board with notification of what they could do with the goal of being fully funded by the end of two years. Town meetings are soon and some communities need to appropriate money now.

Richard Bienvenue said that perhaps groups coming in that took surplus from somewhere else could contribute as a buy-in.

Steven Lamarche asked if the Treasurer's report needs to be approved and if they are talking about the \$2.5 million unallocated balance.

Richard Bienvenue said the \$ 2.5 million unassigned is the Rx rebates. The cumulative is a \$6.8 million balance to potentially offset rates.

Matthew Wojcik said that some time ago, those Rx rebates were set as attributable to groups based on size, drugs they use, and claims.

Johns Scholl said the underwriter looked at it prospectively and allocated 20% of claims as a figure. If this is approved and the budget process is completed, the actual claims and rebates can be calculated for each group. There were no thoughts of allocating out the \$6.8 million to date.

Richard Lafond asked if there was enough information to do that for FY25.

Marianna Gil said that Bob Jordan used 20% of the most recent 12 months of pharmacy claims as an estimate of what pharmacy rebates might be. The most recent Q3 rebates received were by entity, and the 20% was below what every group had incurred.

Rich Bienvenue said that when Rx rebates are received, he will need to know who they are attributable to.

Marianna Gil said there is a six-month lag between when the claims are incurred and when the rebate is received.





Matthew Wojcik said rates are based on the last 24 months of experience, so if the rebates are not net out, there is a problem going forward.

Steven Lamarche said that \$6.98 million has been building year after year with no concern for distributing.

Mr. Lafond said the 20% was discussed at the last meeting and voted on.

Mathew Wojcik said that cash flow is a consideration. There is between \$2 and 3 million in float each month to pay bills while the group waits for stop loss reimbursement. Part of the benefit of being in the group is that it helps to prevent additional pressure on each unit.

Richard Lafond said that rates have to be on the next agenda, and he will work with those who may want to contribute to the discussion.

Steven Lamarche said he would like to put something on the agenda to help Rich Bienvenue as Treasurer.

Jamie Kelley said he asked for several things to be added to the agenda and has a prior commitment, so he asked to move up the item for MSHG contract services for FY2025.

Mr. Lafond said there was a previous discussion on initiating a contract with Gallagher or putting out an RFP for FY 2025. It is late at this date and the better approach may be to work towards FY2026.

Mr. Kelley said the last agreement was signed by MSHG in 2019 and not countersigned by Gallagher. It has a good scope of services for the group as of back then, but the group has matured since then. The consultant agreement should be archived and used for reference, but there should be a new consulting agreement. It would be an ideal time to go out for an RFP.

Jamie Kelley motioned that the Gallagher consulting services agreement be terminated effective June 30, 2024 and further that an open competition with RFP be issued to establish a preferred vendor and consulting agreement be negotiated by April 30, 2024 for an effective date of July 1, 2024. The process should have no less than 3 and no more than 5 finalists for consideration by the Board.

Motion

Mathew Wojcik seconded the motion.

Adam Gaudette from Northbridge said that the timeliness of this is a problem. Units are already going to town meetings and this was brought up at the last meeting. There was no consensus as to what would be put in a draft RFP. A committee can be formed for FY2026 and a committee can come back over the next six months to prepare an RFP. There is no time for issuance, response, and potential transition by June 30<sup>th</sup> of this year. The timeline is too aggressive. Asked Gallagher to put together a renewal agreement for FY2025 and simultaneously for MSHG to work on an RFP for FY2026.

Michael Boynton spoke against the motion. Much of the conversation over the last several meetings has been about establishing structure. Who is going to do the whole process? It has to be done legally through Goods and Services or Central Register. If there was somebody else still sitting on the other side of the table the





conversation would not be had right now. It is also way too late to do it at this point. Let the current Gallagher staff develop a relationship and see what they are capable of. No thought or discussion has been offered on who would do an RFP at this point.

James Ryan said that he agrees with Adam Gaudette. It is late in the game. What if they don't get three responses? He would be nervous if the group went forward.

Mr. Wojcik said he seconded the motion and is sensitive to Mr. Gaudette's comments. The group should work with Leo Peloquin to draft a contract. The problem with the one that the group has now is that it came from the vendor. There were a number of provisions that make him dislike the contract. It is the Board's money to manage and they should be writing the contract. A one-year contract would make him uncomfortable. He would like to vote on who he gets to work with. People have left and people have joined and the intellectual capital brought to the table is a huge part of what makes the group run. The group should at least vote yes if it wants to keep a vendor contract with the people assigned to the group. He has a point of view as to who he wants to represent the group outside. He wants it to be people who are knowledgeable about who the group is, what it is doing, and how it works. He insisted that there always be a board member present at a finalist meeting. The group is there because at one point, one individual persuaded the members. The impact that one individual can have selling the concepts of the group to a general audience is a nontrivial investment. He is staying with his second, but if the prime mover wants to amend the motion, he would second it.

Jamie Kelley amended his motion to say June 30, 2025 and April 30, 2025.

Michael Boynton said he recommended pulling the motion and revisiting. What if there are only two bidders?

Mr. Kelley further amended to remove no less than three and leave no more than 5 respondents.

Steven Lamarch said that the motion should be pulled. That would give more time to ensure the RFP is complete and accurate.

Adam Gaudette concurred and said he would motion for a one-year contract with Gallagher after the current motion is voted.

Jamie Hellen from Franklin asked why the group is terminating contracts with anybody. Usually, you go out to bid and see if the vendor changes. That is language that bothers him in the motion. He is in favor of going out to procurement in 2026 as the sound thing to do. He agrees with all the comments with regards to budget and rate setting season. The rest of the year should be used to see where the competition is.

Matthew Wojcik responded that the current contract is an evergreen agreement. If it is not addressed, it renews perpetually until the board takes some action.

Michael Boynton said they are stating we are terminating the agreement, yet a subsequent motion may be that we need to go out and renegotiate with Gallagher or direct Leo Peloquin to draft a contract in the group's best interest. So, how can the group vote to terminate a contract that may not be in existence in its current form in



three months? Also, what kind of messaging are we sending to Gallagher that we are effectively terminating you and best of luck on the next go around.

Jamie Kelley said that the current contract needs to be terminated.

Richard Lafond said he would ask Leo Peloquin since this appears to be a legal question and ask the vice chair to sit in on that call.

Mr. Kelley asked for the opinion in writing.

Mr. Lafond asked for the motion to be restated.

Jamie Kelley motioned that the Gallagher consulting services agreement be terminated effective June 30, 2025, and further that an open competition RFP process be managed to establish a preferred vendor and successor consulting agreement for July 1, 2025.

Motion

Mathew Wojcik seconded the motion.

Jamie Hellen said he would like to hear what the other Board members think. It does not seem right and the sentiment does not feel like it is trying to get a more positive bidding position. It may have the opposite effect.

James Ryan said that he agrees and are overcomplicating things. Gallagher knows it will have to compete for the business of MSHG in the future.

There was a roll call vote.

- Town of Abington – Yes
- Town of Acushnet – Yes
- CES – Yes
- Town of Douglas – Yes
- Dudley Charlton RSD – No
- Town of Franklin – No
- Town of Grafton – No
- Town of Medway – No
- Town of Northbridge – No
- Town of Oxford – Yes
- Town of Salisbury – No
- Spencer East Brookfield RSD – No
- Tri-County RSD – No
- Town of Webster – No

The motion did not pass. There were nine no votes and five yes votes.



Mr. Adam Gaudette motioned that the Board forms a sub-committee to start working on a draft RFP to bring back to the Board for discussion in advance for the purpose of going out to bid for FY2026.

Michael Boynton seconded the motion.

- Town of Abington – Yes
- Town of Acushnet – Yes
- CES – Yes
- Town of Douglas – Yes
- Dudley Charlton RSD – Yes
- Town of Franklin – Yes
- Town of Grafton – Yes
- Town of Medway – Yes
- Town of Northbridge – Yes
- Town of Oxford – Yes
- Town of Salisbury – Yes
- Spencer East Brookfield RSD – Yes
- Tri-County RSD – Yes
- Town of Webster –Yes

The motion passed by unanimous vote.

Mr. Gaudette motioned for the Chair and Vice Chair to work with legal counsel for MSHG to draft a renewal contract with Gallagher for FY2025, which would include all scope of services provided to MSHG and ask Gallagher to provide all costs associated with those services, commissions, etc. as well as incorporating any arrangement with NFP for the group and any costs as well.

Motion

Marianna Gil pointed out that the NFP relationship is between them and an individual entity, not through Gallagher. It is listed on the HPI Schedule A.

Mr. Gaudette said that there were previous questions regarding the broker relationship, and some explanations were provided, but there is perhaps still a need for clarification on what that looks like on paper. He would amend his motion to only have Gallagher do it and perhaps NFP as a second agreement to be explored.

Michael Boynton said he would second an amended motion without the NFP portion.

Mr. Gaudette withdrew his motion and submitted a new motion for the Chair and Vice Chair to work with legal counsel for MSHG to draft a renewal contract with Gallagher for FY2025, which would include all scope of services provided to MSHG and ask Gallagher to provide all costs associated with those services, commissions, etc.

Motion

Michael Boynton seconded the motion.



James Ryan said that it sounded like NFP and Gallagher were joining into a relationship together to manage the group but now it doesn't sound like what Mr. Gaudette was saying.

Mr. Gaudette said that there seems to be some services that NFP as an advisor can provide and perhaps that could be clarified in a renewal agreement.

Marianna Gil said she could provide schedule A for all parties.

Jamie Kelley said that in a previous municipality, there was a wall between the broker and the insurance advisor. If the group could instruct Mr. Peloquin to include such a concept in whatever he prepares for the group. Whoever is the broker should include a disclosure about not being an advisor and the reverse for the advisor.

Michael Boynton said that years ago, the Town of Medway had NFP. They were fully insured and NFP worked on behalf of the Town. At some point they went to Cook and Co. They were compensated through insurance costs to do consulting. When Medway joined MSHG, it was determined that the association was no longer needed and they now go through services from Gallagher as consultant of record. There are communities that are still using NFP. The only relationship that exists is that NFP's fees are able to be passed through on the rates as part of the Schedule A. As such, the Town of Medway would not support including NFP in some type of formal arrangement with MSHG.

Mr. Kelley said his proposal is the opposite.

Steven Lamarche said there already isn't a relationship with NFP and nothing needs to be done in that regard. The contract is with Gallagher.

Matthew Wojcik echoed that every group in MSHG is autonomous. His only concern is clearly defining who represents MSHG.

There was a roll call vote.

- Town of Abington – Yes
- Town of Acushnet – Yes
- CES – Yes
- Town of Douglas – Yes
- Dudley Charlton RSD – Yes
- Town of Franklin – Yes
- Town of Grafton – Yes
- Town of Medway – Yes
- Town of Northbridge – Yes
- Town of Oxford – Yes
- Town of Salisbury – Yes
- Spencer East Brookfield RSD – Yes
- Tri-County RSD – Yes
- Town of Webster – Yes



The motion passed by unanimous vote.

**HPI Amendment Process:**

Marianna Gil reminded everyone a benefits description is provided by HPI. Public sector units do not have to comply with ERISA, so there is no SPD. However, if there are any amendments, such as plan design changes or Federal mandates, HPI global changes, etc., an amendment will need to be executed. It will be added to the benefit description minus the signature page and the benefit description will be reissued. Every community minus one because they were missing a signing partner has executed all outstanding amendments and all should have received their latest benefit description. If they have not, please let Gallagher know and they can resend it.

Matthew Wojcik asked for an agenda item to include an explanation of the pre-authorization amendment.

Ms. Gil asked for a reference for the next meeting.

**Gallagher Explanation of the Sigma Police and Firefighter Screening Program Implementation:**

Marianna Gil said that Sigma does line-of-duty police and fire screenings due to potential risks to those roles. They are happy to expand it to other areas, but that is their primary focus. They were voted on during a prior MSHG meeting but without an indication of how the services would be funded. It has become clear that they would need to bill the individual community for services because they cannot go through the health plan. A number of communities have high deductible health plans, which means it would not be a no-cost service as it has to apply to the deductible. The service was advertised as a no-cost service to members. Not all communities participating in MSHG have line-of-duty employees, so Gallagher questioned if it was appropriate to have MSHG pay for services that cannot be afforded to all. They are happy to have a discussion.

James Ryan said that this is not how the program was advertised in October of last year. They have already advertised this to employees. Gallagher and HPI told the group that this would be billed to the group. Now he has to tell the line of duty workers this is unavailable or go to the Town Manager to pay for something that is not budgeted.

Matthew Wojcik said that is is a major point of discussion at the firehouse and months later, the screenings have not been scheduled. He believes that it is part of the individually rated prerogatives as units. The schools shouldn't be affected at all because the costs should be scored to the individual income statements. For those that have a surplus, they should get moving.

James Ryan asked why this was advertised as free and why Anthony Lively told him this was free through the trust.

Marianna Gil said Gallagher is not saying no, it is up to the Board. They are relaying the facts.

Matthew Wojcik said not every test that Sigma will provide is considered preventive under the ACA definition. The group does not want to jeopardize the tax status of the high-deductible plan arrangement. If this is what has to be done, the group should do it.



Marianna Gil said that the issue is that each test is not individually billed. Sigma, as a provider, is billing their fee, so it does not flow as a preventative service. There is no way to change that mechanism because it is dictated by the federal government.

Kevin Paicos said that there are always components of wellness programs that are paid by unallocated monies from the trust. When this particular product was introduced, there was no clarity on whether this would be a trust-paid program or by the individual entities. At the time it was presumed it would be the trust since there would be no claims impact. The point of a wellness program is to prevent claims, and it is for the benefit of the trust. Cardiac claims are typically large claims and those claims are shared in totality by the trust and stop loss. A change halfway through the fiscal year of asking member units to pay for it out of individual budgets would be unfair and inconsistent with the group's policy. He and Mr. Ryan have an email from a Gallagher executive stating that this would be at no cost. The unions are very excited about it and it would be an epic disaster if this program could not move forward.

Michael Boynton asked that the item be placed on the next agenda with the cost factor included so that the Board can take a vote.

**Next Meeting**

The next meeting was scheduled for March 19th at 1 p.m.

Michael Boynton made a motion to adjourn the meeting.

Motion

Matthew Wojcik seconded the motion.

- Town of Abington – Yes
- Town of Acushnet – no response
- CES – Yes
- Town of Douglas – Yes
- Dudley Charlton RSD – Yes
- Town of Franklin – Yes
- Town of Grafton – Yes
- Town of Medway – Yes
- Town of Northbridge – Yes
- Town of Oxford – Yes
- Town of Salisbury – Yes
- Spencer East Brookfield RSD – Yes
- Tri-County RSD – Yes
- Town of Webster –Yes

Chair, Richard Lafond adjourned the meeting at 3:41 PM.

*Submitted by  
Karen Quinlivan,  
Gallagher Benefit Services*