



MASSACHUSETTS Strategic Health Group

Abington DCRSD Grafton Northbridge Salisbury
Acushnet Douglas Medway Oxford Tri County
CES Franklin Merrimac SEBRSD Webster

Massachusetts Strategic Health Group

Board Meeting

Tuesday, December 17, 2024 at 8:30 AM

Medway Town Hall

155 Village Street, Medway, MA 02053

Meeting Minutes

Members of the Board of Directors, or their designees met to interview three firms that replied to MSHG's RFP for Insurance Management Services.

Representing each member:

Richard LaFond
Jamie Kelley
Arthur Scott
Steven LaMarche
Karen Bratt
Adam Gaudette
Daniel Haynes
Adrienne Linnell
Gary Suter
Mary Lauria
Jeanne Lovett
Mathew Wojcik
Justin Leduc
Cheryl Houle
Adam Lamontagne

Webster
Acushnet
CES
Dudley-Charlton RSD
Franklin
Northbridge
Tri-County RSD
Valley Trust
Spencer-East Brookfield RSD
Grafton
Douglas (departed early)
Douglas (arrived late)
Oxford
Medway
Templeton

Not represented:

Abington
Narragansett RSD
Mendon Upton RSD

8:30 - The Board met with representatives of Gallagher led by Area Senior Vice President John Scholl. Scholl introduced his team and their respective qualification including Marianna Gil,



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Patrick Flattery, Lucy MacCallum and Bob Jordon. Scholl stated that, due to their current work with MSHG and resources locally and nationally, they are uniquely suited to provide the services needed by the group. Members of the team discussed their corporate structure, experience in Massachusetts and stop loss expertise. Scholl acknowledged that stop-loss selection process should begin sooner than it has been in order to be more accurate when setting renewal rates. Scholl stated that they are also correcting the rate setting process that has been flawed in past years. Questions asked by Members included:

Kelley:

Q: How can you assure that there won't be more turnover on the team?

A: Scholl replied the current team has been with Gallagher for several years and that is not going to change.

Q: What are your expectations for handling groups that may wish to join MSHG?

A: Scholl recommended a halt of expanding the group for the coming fiscal year, but that they have developed a format for new applicants that will be more thorough and transparent than future efforts.

LaMarche:

Q: Is the uniqueness of MSHG organization a success?

A: Scholl replied that the each member can be hit hard by running independently, however they are developing a model to include pooling of stop loss to help protect each member in any given year. Jordon added that a given member may have a difficult year or two but it's important that the consortium be in surplus at all times.

Q: Bratt: What would you do differently as an entity?

A: Scholl: We would have had a formal process for presenting applications of prospective new members to the Board. The former process was informal prior to the current team.

Wojcik:

Q: How can we improve rate setting?

A: Jordon replied that the process for confirming stop loss has been slow and risk sharing should be shared at a banded level for stop loss purposes.

Q: How can we ensure rates are adequate?

A: Scholl replied that the goal will be to get members financially in line over the next 2 or maybe 3 years

9:45 – The Board met with representatives of Lockton led by Boston President Pat Haradan. Haradan introduced his account team and their respective qualifications including Craig Dandrow, Matt McCarthy, Matt Carville, Morigan Zeigler and Steven Chen. Haradan explained they are a global company but family owned with a proactive service model. He explained Lockton's stop-loss protocol to determine if there are better programs available. Lockton understands that they would represent the entire group, and if any member is determined to seek other health insurance options, they would refer that member to a competitor. Getting the



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group to where it needs to be without some members benefit unduly from others, individual contributions should be equitable. Questions from Members included:

Kelley:

Q: How do you “hand hold” staff and employees?

A: Hanrahan stated they take direction from the group whether to deal directly with employees/retirees or through the Member. They will work with groups or directly with employees/retirees if preferred and set up a call center if desired.

Wojcik:

Q: How many municipalities/JPA’s do you manage in MA?

A: Hanrahan replied just Mayflower Municipal Health Group

Q: Would you contact a stop loss carrier directly to pay directly?

A: Hanrahan replied that this is often done, and they have access to a program that allows for prompt pay while waiting for stop loss payments. This is essentially alone and is a cost on the stop loss policy. This is a “Monty Carlo” plan that allows for claims to be billed when the stop loss payment is already line up. The Lockton team is very engaged and stop loss reimbursement is monitored daily.

11:00 – The Board met with representatives of HUB led by Timothy Marini, President of HUB New England. Marini stated that the Client Service Team consisted of Marc Criscitelli, Mim Minichiello, Joseph Russo, Mark Guajardo, Kathy Breton and Joseph Betancourt. Marini stated that administration and stop loss were part of the equation but ultimately claims is the key. He discussed HUB’s expertise with CH. 32B and that they have met with PEC, IAC and other employee groups. Also, that they represented a JPA of four regional school districts called Mass Bay Health Group and provided broker and/or insurance advisory services to other municipalities. Presenters focused on RBP and FED LOGIC programs as well as Quantify Specialty Care. Stated that health care inflation has been rising 8% to 9% annually so MSHG members that have been below that are doing well. Questions asked by Members included:

Wojcik:

Q: We have a problem of receiving stop loss reimbursements in a timely manner. How does HUB deal with that?

A: Replied that they have a 30 year record of getting stop loss back very swiftly. Do not recall when a single stop loss reimbursement was significantly late.

Kelley:

Q: How do you help a small town interact with employees and retirees?

A: Replied that they have been doing so for very many years and would work with members to determine what works best for each.

Meeting adjourned at 12:00 noon.