

Hampshire County Group Insurance Trust

88 King St, Northampton, MA 01060 | 413-584-1300

Committee: Executive Committee EC

Date: June 17, 2026 @ 9:00 am

Meeting Format: Virtual

Meeting Location: Join Teams Meeting:
<https://teams.microsoft.com/meet/271063535591086?p=Zq9mGjYEAgiATwrtBi>

Meeting ID: 271 063 535 591 086
Passcode: vB3zL3H3

OneTap Mobile [+1 804-905-9967,,443307704#](tel:+18049059967443307704) US

Certain meetings normally held at the Municipal Offices are being held remotely, with adequate, alternative means of public access and, where required, public participation provided, in accordance with House Bill Number 62 of the 194th General Court, which extended the Governor’s March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, M.G.L. c.30A § 20, until June 30, 2027.

Executive Committee Members

Chair: Shelley Poreda (Frontier Regional)

5000+ Residents: Joanne Cleveland (Belchertown)

-5000 Residents: Paula Harrison (Colrain)

School Districts: Stacy Stewart (Gateway Regional)

At Large: Andrew Levine (Hatfield) | Paul McLatchy III (Ashfield)
Emily Russo, Vice Chair (Easthampton) | Donna Whiteley (South Hadley)
Vacant

Agenda

- Call to Order
- Review and Approve Minutes of May 28, 2026
- Financial Statement/Warrant Approval

Old Business (VOTES may be taken)

- Treasurer Update
- Audit Update
- Stop Loss Procurement
- FY27 Budget
- FY27 Meeting Schedule
- Medicare Eligibility & Enrollment Policy
- Dependent Proof Document Policy
- Appeal Request Policy

New Business (VOTES may be taken)

- Operations Update
- Annual Enrollment Transactions
- Schedule BenAdmin System Demo

Other Business (VOTES may be taken)

- Adjournment

Executive session pursuant to MGLc. 30A, § 21(a)(2), to conduct strategy sessions in preparation for negotiations with nonunion personnel or to conduct collective bargaining sessions or contract negotiations with nonunion personnel.

** The listing of matters includes those reasonably anticipated by the Chair which may be discussed at the meeting. Not all items listed may be discussed, and other items not listed may be brought up for discussion to the extent permitted by law.*

Meeting Schedule: May & June 2026

Meeting	Date	Time	Format
Insurance Advisory Committee	May 27, 2026	10:00 a.m.	ZOOM
Executive Committee	May 28, 2026	9:00 a.m.	ZOOM
Executive Committee	June 17, 2026	9:00 a.m.	TEAMS
Insurance Advisory Committee	June 24, 2026	10:00 a.m.	TEAMS

Hampshire County Group Insurance Trust

**HAMPSHIRE COUNTY GROUP INSURANCE TRUST
88 KING STREET
NORTHAMPTON, MA 01060**

TO: All Trust Member Units

RE: Minutes of May 28, 2026
Executive Committee Meeting
Via Zoom Teleconference

MEMBERS PRESENT:

Shelley Poreda	Joanne Cleveland	Stacy Stewart
Donna Whiteley	Emily Russo	Andrew Levine
Paul McLatchy III	Paula Harrison	

OTHERS PRESENT:

Cynthia Graves	Karen Karowski	Michele Komosa
Danielle Chaplick	Marianna Gil	Sue Shillue

CALL TO ORDER

Certain meetings normally held at the Municipal Offices are being held remotely, with adequate, alternative means of public access and, where required, public participation provided, in accordance with House Bill Number 62 of the 194th General Court, which extended the Governor's March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, M.G.L. c.30A s. 20, until June 30, 2027.

Chairperson Shelley Poreda called the meeting to order at 9:01 a.m. with a quorum present.

APPROVAL OF MINUTES

On a motion by Adam Levine, seconded by Stacy Stewart, the minutes of May 20, 2026, were approved by unanimous consent.

FINANCIAL UPDATE

There was no new financial information to be discussed since the last meeting or warrants to be approved.

OLD BUSINESS

TREASURER -Two candidates were selected for interviews, but one subsequently withdrew. Resumes will be reviewed again, and an interview with the remaining candidate is scheduled for June 3.

UNITS LEAVING THE TRUST/PROCESS – Discussion was held regarding claims vs. deposits for the units leaving. It was also noted that several of those units have also withdrawn from the Trust vision and dental plans for the current year rather than continuing to June 30, 2027. Paula Harrison raised a question regarding potential policy changes for future units that elect to exit

the Trust. Review of the Trust Agreement had previously been identified as a summer project, however there is plan to move the withdrawal deadline from April 1st to February 1st.

OPEN ENROLLMENT – Cindy will have open enrollment counts ready for the operations meeting on May 28.

STOP LOSS PROCUREMENT – Discussion including aggregate vs. specific and whether the Trust has enough coverage. Chris Bean from Hilb will prepare a communication to all units to explain the difference and why this is not recommended for a group of this size.

FY27 BUDGET – Feedback on budget as presented; Split Cindy's salary to two line items separating regular salary vs. stipend for additional duties. Remove longevity. Increase IT budget, set up demo for new benefits/admin program. Cost is \$50,000 plus the cost of a separate support phone line. The question of also processing invoices with the new system was asked. Danielle from Hilb stated she thought it would and will verify. Andrew Levine will notify the current IT provider to stop any further upgrades and only perform maintenance as needed when the decision is made to go with the new system. A demo will be scheduled for the EC meeting on June 17. Turnover time for the change could take 2-6 months to complete. New group numbers will have to be created first by BCBS and that could take 2-3 months.

DATA REQUEST POLICY APPROVAL – Memo was reviewed for a new data request policy. On a motion by Stacy Stewart, seconded by Donna Whiteley, the policy was passed as presented.

Roll call – Ayes: D. Whiteley, S. Stewart, J. Cleveland, P. McLatchy, E. Russo, P. Harrison, S.Poreda; A. Levine abstained.

NEW BUSINESS

MEETING CALENDAR – Chairperson Poreda presented a meeting calendar for the next fiscal year. All meetings will be held at 10 a.m. The Executive Committee will have one meeting in the months of July and August. The Executive Committee will meet the week before and the week after regularly scheduled Insurance Advisory Committee meetings.

MEDICARE ELIGIBILITY & ENROLLMENT POLICY – Mandatory that 32B s. 18A is followed as well as with CMS. Hilb will create templates for units and an annual reminder.

NEWBORN ENROLLMENT POLICY – Hospital record acceptable, birth certificate required in 90 days, can be enrolled without a social security number, required in 90 days. Feedback can be directed to Marianna Gil.

APPEALS PROCESS AND SUB-COMMITTEE– Written policy, create sub-committee for an exception. Requests will be received from the unit to Cindy to enforce policy, if not resolved to Hilb, if still not resolved to the Executive Committee or a working group of committee members in cases of urgency. Interested members – Stacy Stewart, Andrew Levine and Emily Russo.

ADJOURNMENT

On a motion by Paul McLatchy, seconded by Donna Whiteley, the meeting adjourned at 11:16 a.m.

Respectfully submitted,
Karen Karowski

Meeting Schedule

Executive Committee – June 20, 2026, 9:00 a.m., via ZOOM
Insurance Advisory Committee – June 24, 2026, 10:00 a.m., via ZOOM

HAMPSHIRE COUNTY GROUP INSURANCE TRUST

FISCAL YEAR 2026 OPERATING EXPENSES (July 1, 2025 to June 30, 2026)

ITEM CODE	BUDGET ITEMS	FY-2026 Budgeted	2025	2025	2025	2025	2025	2025	2026	2026	2026	2026	2026	FY-2026 Budget YTD
			July	August	September	October	November	December	January	February	March	April	May	
5110	SALARY*	426,000.00	51,204.92	28,366.64	28,097.17	28,099.98	58,916.58	29,833.27	18,132.01	17,410.72	16,484.69	16,905.54	17,341.40	310,792.92
5145	LONGEVITY	6,600.00												-
5120	TEMP. EMPLOYEE SAL													-
481	FICA (.062)													-
5186	MED TAX (.0145)													-
5181	CONTRIBUTORY RET.	130,358.00	135,403.39	3,407.31	3,407.31	3,407.31	3,407.31	2,264.18	2,233.68	1,641.76	2,049.76	1,636.38	1,636.38	160,494.77
5189	EMP. ASST. PROG. EAP													-
5184	HEALTH INSURANCE	94,400.00	6,345.67	5,891.67	6,963.74	6,963.74	6,372.74	3,612.74	3,589.09	3,395.15	3,492.12	3,492.12	3,492.12	53,610.90
5185	LIFE INSURANCE	350.00	28.40	28.40	28.40	28.40	28.40	28.40	28.40	28.40	6.50	14.20	14.20	262.10
5189	LUNEMP HEALTH INS TAX													-
	TOT. WAGES & BENEFITS	657,708.00	192,982.38	37,694.02	38,496.62	38,499.43	68,725.03	35,738.59	23,983.18	22,476.03	22,033.07	22,048.24	22,484.10	525,160.69

ITEM CODE	BUDGET ITEMS	FY-2026 Budgeted	2025	2025	2025	2025	2025	2025	2026	2026	2026	2026	2026	FY-2026 Budget YTD
			July	August	September	October	November	December	January	February	March	April	May	
5300	ADM. CONT. SERVICES (FS&PF)													-
	Rent	13,200.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	11,000.00
	Parking													-
5305	ADM. CONT. SERVICES (Audit)	45,000.00												-
5320	LEGAL			8,000.00				16,000.00		31,430.00	17,820.00	17,014.00	15,714.00	105,978.00
5340	TELEPHONE/INTERNET													-
5490	FOOD SUPPLIES	500.00	29.95			104.73	20.97			90.70			119.76	366.11
5420	OFFICE & COMPUTER SUPPLIES		327.26			948.83							349.99	1,626.08
5580	MISC. EXPENSES	5,000.00	316.89			195.52	89.13			58.42		316.92	175	1,151.88
5580	NEWSPAPER/MAGS/BOOKS													-
5420	POSTAGE (Stamps)	6,000.00					22.3			11.87				34.17
5275	POSTAGE METER RENTAL		466.90											466.90
5380	MINI GRANTS/WELLNESS	7,500.00							5500					5,500.00
5420	STATIONERY & OFF. SUPP.						88.83	295.35		153.12			290.34	827.64
5780	SURETY BONDS	1,250.00			100						523.63	466		1,089.63
5340	TELEPHONES													-
5320	TRAINING													-
5710	TRAVEL IN/OUT of STATE	3,000.00	42.00			30.8	92.40							165.20
5188	UTILITIES	6,000.00	694.33	437.23	425.84	441.35	380.01	391.81	386.16	390.51	385.92	389.84	388.42	4,711.42
	TOT. Indirect Costs													-
	Total Non-Salary	87,450.00	2,877.33	1,437.23	9,525.84	2,721.23	1,693.64	17,687.16	6,886.16	33,134.62	19,729.55	19,186.76	18,037.51	132,917.03

ITEM CODE	BUDGET ITEMS	FY-2026 Budgeted												FY-2026 Budget YTD	
			July	August	September	October	November	December	January	February	March	April	May		
6000	COMPUTER HARDWARE	2,500.00													-
5420	COMPUTER SOFTWARE														-
5420	COMPUTER SUPPLIES	1,000.00													-
5850	DESK TOP PCs														-
5300	MISC PROF & TECH SERV.**	80,000.00	14,846.00	1,431.00	9,464.76	7,958.20	7,719.03	7,815.00	7,840.45	5,626.27	5,617.68	5,751.68	6,973.54	81,043.61	
	TOTAL DATA PROCESSING	83,500.00	14,846.00	1,431.00	9,464.76	7,958.20	7,719.03	7,815.00	7,840.45	5,626.27	5,617.68	5,751.68	6,973.54	81,043.61	
TOTALS		828,658.00	210,705.71	40,562.25	57,487.22	49,178.86	78,137.70	61,240.75	38,709.79	61,236.92	47,380.30	46,986.68	47,495.15	739,121.33	

HAMPSHIRE COUNTY GROUP INSURANCE TRUST

INCOME AND EXPENSE REPORT

ITEMS	2025	2025	2025	2025	2025	2025	2025	2026	2026	2026	2026	2026
	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY
Starting Cash Balance	1,726,324.83	1,289,856.50	3,928,350.63	2,065,435.68	3,072,941.07	1,435,636.70	479,076.67	5,011,250.32	4,751,768.99	5,591,763.24	8,115,186.54	6,372,271.91
Adjustments												
Total Starting Balance	1,726,324.83	1,289,856.50	3,928,350.63	2,065,435.68	3,072,941.07	1,435,636.70	479,076.67	5,011,250.32	4,751,768.99	5,591,763.24	8,115,186.54	6,372,271.91
MONTHLY INCOME												
Total Premium Collected	4,216,395.73	11,883,562.27	8,540,065.72	8,941,123.65	9,943,338.15	8,121,068.55	11,862,397.44	9,392,264.73	10,029,689.64	9,923,117.54	9,664,552.61	7,758,066.56
Interest Income (MMDT)	5,133.53	4,826.21	6,403.21	7,314.26	5,578.63	5,283.97	6,773.75	10,104.11	8,980.07	10,711.29	10,731.78	10,560.97
CVS Rebate (Quarterly)							3,025,188.26	0.00	0.00	2,266,801.75	0.00	0.00
Other Income or Adjustments										220,818.93	112,681.27	223,796.39
BCBS SR Premium Collected												
TOTAL MONTHLY INCOME	4,221,529.26	11,888,388.48	8,546,468.93	8,948,437.91	9,948,916.78	8,126,352.52	14,894,359.45	9,402,368.84	10,038,669.71	12,421,449.51	9,787,965.66	7,992,423.92
MONTHLY EXPENSES												
BCBS Admin Cost (estimate)												
Claim Deposit	5,786,383.98	8,943,510.34	7,166,257.06	6,153,533.46	7,910,554.94	6,689,348.23	6,069,200.00	6,127,900.00	6,127,900.00	6,127,900.00	6,127,900.00	6,127,900.00
BCBS Settlement							890,712.03	208,600.07	(244,307.76)	555,039.42	1,862,395.56	442,118.12
Reinsurance (Ind.&Agg.)	(31,398.30)	(35,796.67)	(296,941.76)	202,462.12	200,838.53	201,549.04	200,805.13	199,134.15	197,031.11	196,752.83	195,572.69	194,558.91
Recon adjust w/Finance												
BCBS Sr Premium Paid												
Other Exp. & Claim Settlement	1,641,677.58	3,587,364.65	3,506,306.64	1,528,056.25	3,425,648.82	3,388,945.61						
CVS Claims							2,471,503.84	2,417,052.60	2,289,877.83	2,201,358.17	2,528,167.49	2,266,722.56
Blue Medicare RX PDP							657,904.38	659,710.82	760,169.33	760,162.13	760,447.92	764,784.35
CanRx							10,819.67	10,742.74	6,768.03	9,433.36	9,409.95	5,721.60
Total Plan Expenses	7,396,663.26	12,495,078.32	10,375,621.94	7,884,051.83	11,537,042.29	10,279,842.88	10,300,945.05	9,623,140.38	9,137,438.54	9,850,645.91	11,483,893.61	9,801,805.54
Total Unit Operating Expenses	61,334.33	210,705.71	40,562.25	57,487.22	49,178.86	78,137.70	61,240.75	38,709.79	61,236.92	47,380.30	46,986.68	47,495.15
TOTAL MONTHLY EXPENSES	7,457,997.59	12,705,784.03	10,416,184.19	7,941,539.05	11,586,221.15	10,357,980.58	10,362,185.80	9,661,850.17	9,198,675.46	9,898,026.21	11,530,880.29	9,849,300.69
TOTAL NET MONTHLY INCOME	(3,236,468.33)	(817,395.55)	(1,869,715.26)	1,006,898.86	(1,637,304.37)	(2,231,628.06)	4,532,173.65	(259,481.33)	839,994.25	2,523,423.30	(1,742,914.63)	(1,856,876.77)
BALANCE												
Cash Balance	(1,510,143.50)	472,460.95	2,058,635.37	3,072,334.54	1,435,636.70	(795,991.36)	5,011,250.32	4,751,768.99	5,591,763.24	8,115,186.54	6,372,271.91	4,515,395.14
Adjustments	2,800,000.00	3,455,889.68	6,800.31	606.53		1,275,068.03	0.00	0.00	0.00	0.00	0.00	0.00
ENDING MONTHLY BALANCE	1,289,856.50	3,928,350.63	2,065,435.68	3,072,941.07	1,435,636.70	479,076.67	5,011,250.32	4,751,768.99	5,591,763.24	8,115,186.54	6,372,271.91	4,515,395.14

HAMPSHIRE COUNTY GROUP INSURANCE TRUST

Fund And Investment Information

FUNDS	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY
Post Employee Ben. S.B.	56,982.59	55,923.81	53,695.01	53,806.25	52,747.47	51,688.69	49,459.89	47,511.11	47,647.38	46,144.29	44,641.20	43,131.16
Funding	1,170.02		2,340.04	1,170.02	1,170.02	0.00	1,170.02	3,278.72	1,639.36	1,639.36	1,639.36	1,639.36
Expenses	2,228.80	2,228.80	2,228.80	2,228.80	2,228.80	2,228.80	3,118.80	3,142.45	3,142.45	3,142.45	3,149.40	3,149.40
Total	55,923.81	53,695.01	53,806.25	52,747.47	51,688.69	49,459.89	47,511.11	47,647.38	46,144.29	44,641.20	43,131.16	41,621.12
Accrued Vac & Sick Time	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96
Income												
Expenses												
Total	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96
Member Deposits	4,463,551.96	4,463,551.96	4,488,051.96	4,501,551.96	4,501,551.96	4,526,051.96	4,526,051.96	4,550,551.96	4,550,551.96	4,587,301.96	4,587,301.96	4,599,551.96
Deposits		24,500.00	13,500.00		24,500.00	0.00	24,500.00	0.00	36,750.00	0.00	12,250.00	12,250.00
Total Member Deposits	4,463,551.96	4,488,051.96	4,501,551.96	4,501,551.96	4,526,051.96	4,526,051.96	4,550,551.96	4,550,551.96	4,587,301.96	4,587,301.96	4,599,551.96	4,611,801.96
OPEB Trust	333,721.52	334,897.77	336,078.17	337,186.99	338,413.84	339,606.67	340,645.65	341,721.59	342,702.80	343,608.92	344,602.92	345,537.49
Interest	1,176.25	1,180.40	1,108.82	1,226.85	1,192.83	1,038.98	1,075.94	981.21	906.12	994.00	934.57	906.30
OPEB Trust	334,897.77	336,078.17	337,186.99	338,413.84	339,606.67	340,645.65	341,721.59	342,702.80	343,608.92	344,602.92	345,537.49	346,443.79
Investments												
CD's	2,047,431.42	1,253,632.84	1,258,956.49	1,263,580.83	1,268,178.34	1,272,648.39	0.00	0.00	0.00	0.00	0.00	0.00
Deposit/Withdrawal	(800,000.00)					(1,275,062.97)	0.00	0.00	0.00	0.00	0.00	0.00
Interest	6,201.42	5,323.65	4,624.34	4,597.51	4,470.05	2,414.58	0.00	0.00	0.00	0.00	0.00	0.00
Balance	1,253,632.84	1,258,956.49	1,263,580.83	1,268,178.34	1,272,648.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Portfolio Value	5,154,766.73	3,364,488.66	7,302.39	571.53	0.00	5.06	0.00	0.00	0.00	0.00	0.00	0.00
Deposit/Withdrawal	(2,000,000.00)	(3,455,889.68)	(8,050.31)	(606.53)	5.06	(5.06)	0.00	0.00	0.00	0.00	0.00	0.00
Interest	209,721.93	98,703.41	1,319.45	35.00								
Market Change												
Total	3,364,488.66	7,302.39	571.53	0.00	5.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	4,456,131.78	862,927.27	657,555.64	1,479,153.64	1,180,816.21	2,699,778.94	655,974.66	886,444.99	642,547.84	189,153.00	119,737.84	1,925,077.95
Total With Accounts Receivable	15,249,801.28	10,966,679.88	8,911,006.84	10,744,304.28	8,837,771.64	8,126,331.07	10,638,327.60	10,610,434.08	11,242,684.21	13,312,203.58	11,511,548.32	11,471,657.92

5/1/2026 ACH		3,506,068.12	BCBS	MAY Monthly Claim prefunding & MAR settlement
5/1/2026 ACH		194,558.91	Stealth Partner Group	Reinsurance- MAY
5/1/2026 ACH		1,000.00	M&B Holdings	Rent May
5/1/2026 ACH		288.59	Comcast	Internet
5/1/2026	7276	292.72	ACSA/PPI	Dental/Vision Ins - MAY
5/1/2026	7277	42.00	Boston Mutual	Life Ins
5/1/2026	7278	760.09	CINDY GRAVES	EXPENSE REIMBURSEMENT
5/1/2026	7279	15,714.00	The HILB Group	Consultant Fee - APR 2026
5/6/2026 ACH		8,602.78	Checkwriters	payroll 5/6
5/7/2026 ACH		(223,194.86)	ULLICO	Stop Loss Reimb
5/7/2026 ACH		1,751.68	Netlogix	IT service
5/7/2026	7280	3,363.54	CanaRx	Rx expense 4/16-4/30
5/7/2026	7281	5,221.86	Edward Haber	IT work
5/12/2026 ACH		550,225.37	CVS	Rx weekly
5/14/2026 ACH		532,475.55	CVS	Rx weekly
5/19/2026 ACH		3,063,950.00	BCBS	MAY Monthly claim funding, second half
5/19/2026 ACH		488,793.83	CVS	Rx weekly
5/19/2026	7282	2,358.06	CanaRx	Rx expense 5/1-5/15
5/19/2026	7283	99.83	CMS	Phone
5/19/2026	7284	6,321.00	HCGIT	Health Insurance - JUNE
5/19/2026	7285	1,636.38	Hamp Retirement	MAY Deductions
5/19/2026	7286	175.00	MASS MUNIC ASSOC	Employee Listing Treasurer
5/20/2026 ACH		8,738.62	Checkwriters	Payroll 5/20/26
5/29/2026 ACH		695,227.81	CVS	Rx weekly
5/29/2026 ACH		764,784.35	Blue Medicare Rx	Medicare RX PDP - APR

9,629,255.23



INSURANCE | BENEFITS | HR SOLUTIONS

FY27 STOP LOSS PROGRAM

EXECUTIVE COMMITTEE REVIEW

Hampshire County Group Insurance Trust

Stop Loss Marketing Results & Recommendation

Understanding Stop Loss Insurance

HCGIT self-funds its medical and Rx benefits. Specific stop loss is in place today, aggregate stop loss is not.



Specific Stop Loss

✓ IN PLACE TODAY

- Protects against any single member with high-cost claims
- The Trust pays claims up to a set per-member deductible
- The carrier reimburses eligible claims above that threshold



Aggregate Stop Loss

✗ NOT IN PLACE

- Protects against total group claims exceeding a set level
- Functions as a cap on the Trust's total annual claims liability
- Addresses broad, group-wide adverse experience

WHY IT MATTERS



Stabilizes Trust finances



Protects reserves from catastrophic claimants



Provides budget predictability



Enables self-funding with limited downside

Understanding Stop Loss Insurance *cont.*

Specific Deductible

The amount the Trust pays on one member before stop loss reimbursement begins.

EXAMPLE

Member incurs **\$1,000,000** in claims
Trust pays the first **\$400,000** (deductible)
Carrier reimburses **\$600,000**

Laser

A carrier-imposed higher deductible on a known, ongoing high-cost claimant.

EXAMPLE

Standard deductible: **\$400,000**
Lasered member deductible: **\$700,000**
Trust retains the additional **\$300,000** of risk



Lasers are the single largest driver of today's cost. The in-force ULLICO program carries **\$3.37M in lasers** — adding **\$1.77M** of liability above the base specific premium.

Aggregate Specific: Not Recommended for HCGIT

An optional feature that caps total exposure when multiple members exceed the specific deductible.



3,031

subscribers — and substantially more covered lives

At this scale, claims experience is highly predictable — making aggregate breach extremely unlikely.

Why it does not fit a group of this size


- 1 Low probability of breach** The likelihood of exceeding the aggregate specific corridor is extremely low.
- 2 Premium exceeds expected value** Pricing reflects actuarial probability plus carrier risk margins — often more than the protection is worth.
- 3 Reserves are the better tool** The Trust is well positioned to absorb this minimal residual risk through reserves rather than paying a carrier.
- 4 Aligned with market practice** Large self-funded groups typically buy strong specific protection and forgo aggregate specific.

Comprehensive FY27 Market Review




AmWins conducted a broad marketplace review; Hilb also approached BCBSMA directly through the medical-carrier relationship.

13  Carriers approached

3  Carriers quoted

1  Firm market — ULLICO

 **Plus a direct BCBSMA proposal.** The result: two firm, actionable options for the Trust to evaluate.

CARRIER RESULTS

Carrier	Rating	Response	Comments
Optum	A+	Quoted	Unable to firm
QBE	A	Quoted	Unable to firm
ULLICO	A+	Quoted	Firm through 6/26/2026
Berkley	A+	Declined	Uncompetitive rates
Berkshire Hathaway	A++	Declined	Uncompetitive rates
HCC	A++	Declined	Uncompetitive rates
ISU	A+	Declined	Poor loss ratio
PartnerRe	A+	Declined	+50% over current
Sun Life	A+	Declined	Uncompetitive rates
Swiss Re	A+	Declined	+60% over current
Symetra	A	Declined	Uncompetitive rates
Voya	A	Declined	Uncompetitive rates
Wellpoint	A	Declined	Uncompetitive rates

FY27 Stop Loss — Full Pricing Detail



Cost Component	ULLICO Current \$400,000	BCBSMA Proposed \$400,000	ULLICO Proposed \$400,000	BCBSMA Proposed \$425,000	ULLICO Proposed \$425,000	BCBSMA Proposed \$450,000	ULLICO Proposed \$450,000	ULLICO Proposed \$500,000
Specific stop loss premium	\$1,763,855	\$2,369,516	\$1,975,509	\$2,224,987	\$1,872,001	\$2,069,914	\$1,776,114	\$1,606,381
Administrative (carve-out) fee	\$52,376	\$0	\$50,921	\$0	\$50,921	\$0	\$50,921	\$50,921
Third-party reporting fee	\$13,200	\$0	\$13,200	\$0	\$13,200	\$0	\$13,200	\$13,200
Total fixed cost (before lasers)	\$1,829,431	\$2,369,516	\$2,039,630	\$2,224,987	\$1,936,122	\$2,069,914	\$1,840,234	\$1,670,502
Additional laser liability	\$1,770,000	\$0	\$515,000	\$0	\$415,000	\$0	\$315,000	\$115,000
TOTAL ANNUAL COST (with lasers)	\$3,599,431	\$2,369,516	\$2,554,630	\$2,224,987	\$2,351,122	\$2,069,914	\$2,155,234	\$1,785,502
<i>Change vs. current (with lasers)</i>	—	(\$1,229,915) -34.2%	(\$1,044,801) -29.0%	(\$1,374,444) -38.2%	(\$1,248,309) -34.7%	(\$1,529,517) -42.5%	(\$1,444,196) -40.1%	(\$1,813,929) -50.4%

ASSUMPTIONS & BASIS

- All options administered with full plan mirroring; 12/24 contract basis; specific maximum unlimited; no aggregate corridor.
- Premium reflects 3,031 enrolled subscribers (1,300 employee / 1,711 family); look-back premiums use 3,011 average subscribers.
- Rates firm through 6/30/2026 (BCBSMA) and 6/26/2026 (ULLICO).

KEY CONTRACT TERMS

- BCBSMA: no initial lasers, no new lasers at renewal, 50% renewal rate cap, 5% broker commission.
- ULLICO: 4 initial lasers, no renewal rate cap, AmWins fees baked into premiums, reimbursement via third-party carrier.

Would a Higher Deductible Have Paid Off?

Net cost = premium minus claims reimbursed above the deductible — using FY27 marketing's relative deductible pricing on current rates.

Claim Year	\$400,000 Current	\$425,000 Higher	\$450,000 Higher
FY2024 5 claimants over \$400K 7/1/23 – 6/30/24	(\$8,298) net cost	+\$42,509 net \$34,211	+\$63,502 net \$55,204
FY2025 6 claimants over \$400K 7/1/24 – 6/30/25	\$443,710 net cost	+\$52,642 net \$496,352	-\$2,057 net \$441,653
FY2026 YTD 3 claimants over \$400K 7/1/25 – 5/31/26 · 11 mo.	\$1,005,871 net cost	-\$23,623 net \$982,248	-\$54,437 net \$951,434
3-Year Net Impact vs. \$400K	Baseline	+\$71,528 cost more	+\$7,008 cost more




A higher deductible would not have paid off. Across three years the Trust had 3–6 claimants over \$400K annually — retained claims offset the premium savings. Holding the deductible at **\$400,000** is the prudent, lower-volatility choice.

Total Cost of Risk — Same \$400,000 Deductible

Holding the specific deductible at today's level, BCBSMA delivers the lowest total cost — and removes every laser.

	ULLICO Current	ULLICO Proposed	BCBSMA Recommended
Specific stop loss premium	\$1,763,855	\$1,975,509	\$2,369,516
Administrative (carve-out) fee	\$52,376	\$50,921	\$0
Third-party reporting fee	\$13,200	\$13,200	\$0
Fixed costs subtotal	\$1,829,431	\$2,039,630	\$2,369,516
Additional laser liability	\$1,770,000	\$515,000	\$0
TOTAL ANNUAL COST OF RISK	\$3,599,431	\$2,554,630	\$2,369,516

 **BCBSMA vs. current program: $-\$1,229,915$ (-34.2%)** · and $-\$185,114$ vs. ULLICO's proposal at the same deductible.

Executive Summary



RECOMMENDATION

Award the FY27 stop loss program to **Blue Cross Blue Shield of Massachusetts** at the current **\$400,000 specific deductible** — the most competitive total cost of risk, with no lasers, fee relief, faster reimbursement, and stronger renewal protections.



No added risk to the Trust

Same \$400,000 specific deductible as today — per-claimant retention is unchanged.



Every laser eliminated

Removes \$1.77M of known catastrophic exposure; the proposal carries no lasers.



Lowest cost at current risk

-\$1.23M total cost of risk (-34%) vs. the in-force program, at the same deductible.



Meaningful fee relief

Eliminates the \$13,200 reporting fee and reduces the administrative fee ~2.5% (~\$51K).



Significantly faster reimbursement

As the integrated medical carrier, BCBSMA credits reimbursement on next month's invoice.



Stronger renewal protection

No new lasers at renewal and a 50% renewal rate cap limit future volatility.

Appendix



INSURANCE | BENEFITS | HR SOLUTIONS

STOP LOSS Fixed Costs

Hampshire Country Group Insurance Trust - 7/1/2026

STOP LOSS FIXED COSTS	Ullico/AMWins Current	BCBSMA Proposed	BCBSMA Proposed	BCBSMA Proposed	ULLICO Proposed	ULLICO Proposed	ULLICO Proposed	ULLICO Proposed	
Specific Deductible	\$400,000	\$400,000	\$425,000	\$450,000	\$400,000	\$425,000	\$450,000	\$500,000	
Specific Maximum	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	
Aggregate Corridor / Maximum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Contract Basis	12/24	12/24	12/24	12/24	12/24	12/24	12/24	12/24	
Contingent or Firm		Firm until 6/30/2026	Firm until 6/30/2026	Firm until 6/30/2026	Firm until 6/26/2026	Firm until 6/26/2026	Firm until 6/26/2026	Firm until 6/26/2026	
Claim Administrator	BCBS	BCBS	BCBS	BCBS	BCBS	BCBS	BCBS	BCBS	
Covered Claims	Medical/RX	Medical/RX	Medical/RX	Medical/RX	Medical/RX	Medical/RX	Medical/RX	Medical/RX	
Initial Lasers	Yes	No	No	No	Yes 4 - See Below	Yes 4 - See Below	Yes 4 - See Below	Yes 4 - See Below	
No New Lasers at Renewal	N/A	Yes	Yes	Yes	N/A	N/A	N/A	N/A	
Renewal Rate Cap	N/A	50%	50%	50%	N/A	N/A	N/A	N/A	
Plan Mirroring	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Broker Commissions	5%	5%	5%	5%	0%	0%	0%	0%	
FIXED COSTS									
SPECIFIC STOP LOSS									
Employee	1300	\$26.57	\$30.49	\$28.53	\$26.46	\$29.99	\$28.58	\$27.29	\$25.07
Family	1711	\$65.72	\$92.24	\$86.69	\$80.71	\$73.43	\$69.46	\$65.77	\$59.19
Total Specific Stop Loss Premium	3031	\$1,763,855	\$2,369,516	\$2,224,987	\$2,069,914	\$1,975,509	\$1,872,001	\$1,776,114	\$1,606,381
Change			\$605,661	\$461,132	\$306,059	\$211,654	\$108,146	\$12,259	-\$157,474
	FY26	FY27							
Stop Loss Carve Out Fee PEPM Equivalent	\$1.44	\$1.40	\$52,376	\$0	\$0	\$50,921	\$50,921	\$50,921	\$50,921
Stop Loss Third Party Reporting			\$13,200	\$0	\$0	\$13,200	\$13,200	\$13,200	\$13,200
TOTAL ANNUAL STOP LOSS COSTS Before Lasers		\$1,829,431	\$2,369,516	\$2,224,987	\$2,069,914	\$2,039,630	\$1,936,122	\$1,840,234	\$1,670,502
Change from Combined In Force Fixed Costs			\$540,085	\$395,556	\$240,483	\$210,199	\$106,691	\$10,804	(\$158,929)
			29.5%	21.6%	13.1%	11.5%	5.8%	0.6%	-8.7%
ADDITIONAL LASER LIABILITY	\$1,770,000	\$0	\$0	\$0	\$515,000	\$415,000	\$315,000	\$115,000	
TOTAL ANNUAL COSTS WITH LASERS	\$3,599,431	\$2,369,516	\$2,224,987	\$2,069,914	\$2,554,630	\$2,351,122	\$2,155,234	\$1,785,502	
Change from Combined In Force Fixed Costs		(\$1,229,915)	(\$1,374,444)	(\$1,529,517)	(\$1,044,801)	(\$1,248,309)	(\$1,444,196)	(\$1,813,929)	
		-34.2%	-38.2%	-42.5%	-29.0%	-34.7%	-40.1%	-50.4%	
Laser #1	\$995,000								
Laser #2	\$875,000								
Laser #3	\$750,000				\$550,000	\$550,000	\$550,000	\$550,000	
Laser #4	\$750,000								
Laser #5					\$500,000	\$500,000	\$500,000	\$500,000	
Laser #6					\$515,000	\$515,000	\$515,000	\$515,000	
Laser #7					\$550,000	\$550,000	\$550,000	\$550,000	
Total Lasers	\$3,370,000	\$0	\$0	\$0	\$2,115,000	\$2,115,000	\$2,115,000	\$1,615,000	
Additional Laser Liability	\$1,770,000	\$0	\$0	\$0	\$515,000	\$415,000	\$315,000	\$115,000	

* BCBSMA's Administrative Rate reduces by 2.5% with Carved in Stop Loss. Equivalent \$ PEPM:
 2025 - 2026 PY \$57.42*2.5% = \$1.44
 2026 - 2027 PY Admin \$55.98*2.5% = \$1.40



Hampshire County Group Insurance Trust

High Cost Claims versus ISL Deductibles

Claims Incurred 7/1/25-5/31/26 & Paid 7/1/25-5/31/26

ISL Deductible	Claimants	Lasers	Net Claims	\$400,000	\$425,000	\$450,000
Claimant						
1	\$736,636		\$736,636	\$336,636	\$311,636	\$286,636
2	\$620,784		\$620,784	\$220,784	\$195,784	\$170,784
3	\$453,577		\$453,577	\$53,577	\$28,577	\$3,577
Claims over ISL Deductible				\$610,996	\$535,996	\$460,996
Premium (11 Months)				\$1,616,867	\$1,518,244	\$1,412,430
Net Premium vs. Forgiven				\$1,005,871	\$982,248	\$951,434
Difference to Current					(\$23,623)	(\$54,437)

Premium based on 3,011 average subscribers. Actual premium for the current deductible. Alternative deductibles based on factors from carrier renewal



Hampshire County Group Insurance Trust

High Cost Claims versus ISL Deductibles

Claims Incurred 7/1/24-6/30/25 & Paid 7/1/24-5/31/26

ISL Deductible	Claimants	\$400,000	\$425,000	\$450,000
Claimant				
1	\$767,037	\$367,037	\$342,037	\$317,037
2	\$724,594	\$324,594	\$299,594	\$274,594
3	\$699,495	\$299,495	\$274,495	\$249,495
4	\$476,490	\$76,490	\$51,490	\$26,490
5	\$442,452	\$42,452	\$17,452	\$0
6	\$442,354	\$42,354	\$17,354	\$0
Claims over ISL Deductible		\$1,152,422	\$1,002,422	\$867,616
Premium (12 Months)		\$1,596,132	\$1,498,773	\$1,309,268
Net Premium vs. Forgiven		\$443,710	\$496,352	\$441,653
Difference to Current			\$52,642	(\$2,057)

Premium based on 3,011 average subscribers. Actual premium for the current deductible.

Alternative deductibles based on factors from carrier renewal



Hampshire County Group Insurance Trust

High Cost Claims versus ISL Deductibles

Claims Incurred 7/1/23-6/30/24 & Paid 7/1/23-6/30/25

ISL Deductible	Claimants	\$350,000	\$400,000	\$425,000	\$450,000
Claimant					
1	\$1,018,950	\$668,950	\$618,950	\$593,950	\$568,950
2	\$978,315	\$628,315	\$578,315	\$553,315	\$528,315
3	\$470,310	\$120,310	\$70,310	\$45,310	\$20,310
4	\$458,611	\$108,611	\$58,611	\$33,611	\$8,611
5	\$434,499	\$84,499	\$34,499	\$9,499	\$0
Claims over ISL Deductible		\$1,610,685	\$1,360,685	\$1,235,685	\$1,126,186
Premium (12 Months)		\$1,569,605	\$1,352,386	\$1,269,895	\$1,181,390
Net Premium vs. Forgiven		(\$41,080)	(\$8,298)	\$34,211	\$55,204
Difference to Current			\$32,781	\$75,291	\$96,284

Premium based on 3,011 average subscribers. Actual premium for the current deductible. Alternative deductibles based on factors from carrier renewal

HCGIT MEETING SCHEDULE 2026-2027

ALL MEETINGS ARE SUBJECT TO CHANGE

All meetings are held at 10:00 am

July 2026						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

July

22 Executive Committee

August 2026						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August

19 Executive Committee

September 2026						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

September

2 Executive Committee
9 Insurance Advisory Committee
16 Executive Committee

October 2026						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

October

7 Executive Committee
14 Insurance Advisory Committee
21 Executive Committee

November 2026						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

November

4 Executive Committee
12 Insurance Advisory Committee
18 Executive Committee

December 2026						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

December

2 Executive Committee
9 Insurance Advisory Committee
16 Executive Committee

January 2027						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

January

6 Executive Committee
13 Insurance Advisory Committee
20 Executive Committee

February 2027						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28						

February

3 Executive Committee
10 Insurance Advisory Committee
17 Executive Committee

March 2027						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

March

3 Executive Committee
10 Insurance Advisory Committee
17 Executive Committee

April 2027						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

April

7 Executive Committee
14 Insurance Advisory Committee
21 Executive Committee

May 2027						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

May

5 Executive Committee
12 Insurance Advisory Committee
19 Executive Committee

June 2027						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

June

2 Executive Committee
9 Insurance Advisory Committee
16 Executive Committee

MEMORANDUM

To: All Member Units

From: HCGIT Executive Committee

Date: July 1, 2026

Subject: HCGIT: Mandatory Medicare Policy

Purpose

This policy is intended to provide guidance regarding mandatory Medicare enrollment requirements for retirees, spouses, and dependents enrolled in health insurance coverage through the Hampshire County Group Insurance Trust (“HCGIT” or “Trust”), pursuant to Massachusetts General Laws Chapter 32B, Section 18A.

Under M.G.L. c.32B §18A, retirees, spouses, and dependents who are eligible for Medicare are required to enroll in Medicare Parts A and B as a condition of continued eligibility for HCGIT-sponsored retiree health insurance coverage. Failure to timely enroll in Medicare when eligible may result in loss of coverage, claim denials, or permanent late enrollment penalties imposed by Medicare.

This policy is intended to assist members in understanding:

- How Medicare works
- When Medicare enrollment is required
- How Medicare eligibility is determined
- Coordination between Medicare and HCGIT coverage
- Important enrollment timelines and responsibilities

Overview of Medicare

Medicare is the federal health insurance program primarily available to individuals age 65 and older, as well as certain disabled individuals. Medicare contains several parts commonly referred to as Parts A, B, C, and D.

Medicare Part A – Hospital Insurance

Medicare Part A helps cover:

- Inpatient hospital care
- Limited skilled nursing facility care
- Hospice care
- Certain home health services

For most individuals, Medicare Part A is premium-free if they or their spouse earned sufficient Medicare credits through employment.

Medicare Part B – Medical Insurance

Medicare Part B helps cover:

- Physician services
- Outpatient medical services
- Preventive care
- Durable medical equipment
- Many other medical services not covered under Part A

Part B requires a monthly premium paid directly to the federal government. Premiums are generally based on modified adjusted gross income from two years prior. For example, in 2026, Medicare utilizes 2024 taxable income for premium determinations. The standard Medicare Part B premium for 2026 is \$202.90 per month, though higher-income individuals may pay Income-Related Monthly Adjustment Amounts (IRMAA).

Part B premiums are typically:

- Deducted from Social Security benefits, or
- Billed directly by Medicare on a quarterly basis

Medicare Part C – Medicare Advantage

Medicare Advantage plans are private individual Medicare plans that replace Original Medicare.

Retirees enrolled in HCGIT-sponsored Medicare supplemental coverage should **NOT** enroll in an individual Medicare Advantage plan. Enrollment in an outside Medicare Advantage plan may result in termination of plan enrollment under the HCGIT-sponsored retiree Medicare health plan.

Medicare Part D – Prescription Drug Coverage

Medicare Part D provides outpatient prescription drug coverage.

Retirees enrolled in the HCGIT-sponsored Medicare plan have prescription drug coverage included through the Trust's Medicare prescription drug arrangement currently bundled with the BCBS Medex 2 plan through Blue MedicareRx (PDP). Members should **NOT** enroll independently in a separate Part D plan, as this may result in termination of plan enrollment under the HCGIT-sponsored retiree Medicare health plan.

Mandatory Medicare Enrollment Requirement

Pursuant to M.G.L. c.32B §18A, any retiree, spouse, or dependent enrolled in HCGIT retiree health insurance who is eligible for Medicare must enroll in:

- Medicare Part A (if premium-free), and
- Medicare Part B

Medicare becomes the primary payer, and the HCGIT-sponsored Medicare supplement plan coordinates secondary coverage.

Individuals who fail to enroll in Medicare when eligible may:

- Lose eligibility for HCGIT retiree coverage
- Become responsible for claims Medicare would have paid
- Incur permanent Medicare late enrollment penalties
- Experience gaps in coverage

How Medicare Eligibility Is Determined

Medicare eligibility can arise through:

- Your own work history
- Your current spouse's work history
- A former spouse's work history
- A deceased spouse's work history

Generally, Medicare eligibility begins at age 65.

Scenario 1 – Eligibility Through Your Own Work History

The most common way to qualify for Medicare is through your own employment history.

To qualify for premium-free Medicare Part A, an individual generally must have earned at least:

- 40 quarters (10 years) of Medicare-covered employment

Many Massachusetts public employees hired on or after April 1, 1986 contributed to Medicare through payroll taxes, even if they did not participate in Social Security. As a result, many public retirees qualify for Medicare through their own public employment history. Once eligible for Medicare at age 65, retirees covered under HCGIT retiree insurance are generally required to enroll in Medicare Parts A and B.

Initial Enrollment Period (IEP)

The Medicare Initial Enrollment Period includes:

- The three (3) months before your 65th birthday month
- Your birthday month
- The three (3) months after your birthday month

HCGIT strongly recommends beginning the enrollment process at the start of your Initial Enrollment Period, three (3) months prior to turning age 65 to avoid any delays or complications, as failure to enroll in the specified timeframe will result in the termination of your HCGIT plan.

Scenario 2 – Eligibility Through a Spouse or Former Spouse

Individuals who do not qualify for Medicare on their own work history may still qualify through:

- A current spouse
- A former spouse
- A deceased spouse

Generally, if you were married for at least 10 years and your spouse qualifies for Medicare or Social Security benefits, you may also qualify for Medicare based upon that work history. Social Security eligibility generally begins at age 62, regardless of whether benefits are actively collected.

Scenario 3 – Eligibility Through a Spouse or Former Spouse Who Is More Than Three Years Younger

In some situations, an employee/retiree or their spouse age 65 or older may not yet qualify for Medicare because their younger spouse has not yet reached Social Security eligibility age. Because spousal Medicare eligibility is tied to the spouse becoming eligible for Social Security (generally age 62), an individual may need to delay Medicare enrollment until the younger spouse reaches age 62.

Once the spouse reaches age 62 and Social Security eligibility begins, the individual generally becomes eligible for premium-free Medicare Part A and must then enroll in Medicare in accordance with HCGIT requirements.

Members in these circumstances are encouraged to contact the Trust or the Social Security Administration well in advance to avoid delays or coverage issues.

Medicare Eligibility Due to Disability or Other Qualifying Conditions

While Medicare eligibility most commonly begins at age 65, individuals may also become eligible for Medicare before age 65 due to disability, End-Stage Renal Disease (ESRD), Amyotrophic Lateral Sclerosis (ALS), or other qualifying circumstances as determined by the federal government.

Any employee/retiree, spouse, or child dependent who becomes eligible for Medicare before age 65 must promptly notify their employer and provide a copy of their Medicare card showing the effective dates of Medicare Parts A and/or B and, if applicable, transfer to the HCGIT Medicare plan. Failure to notify the employer in a timely manner may result in claim payment issues, processing delays, or other coverage complications.

The requirements outlined in this policy apply equally to Medicare eligibility obtained before age 65, regardless of whether the employee/retiree, spouse, or child dependent. Please note that a dependent child who becomes eligible for Medicare Parts A & B is also eligible to enroll in the HCGIT Medicare plan, provided the child otherwise remains an eligible dependent under the health plan, the HCGIT medical policyholder is retired, and the remaining conditions in this policy are met.

Medicare Enrollment Rules Based on Employment Status

Medicare enrollment requirements depend upon whether the HCGIT policyholder is actively working or retired. Coverage rules always follow the employment status of the employee/retiree (owner of the HCGIT medical policy), regardless of the spouse's employment status.

If the Employee Is Actively Working Past Age 65

If the employee remains actively employed by the member unit and covered under active employee coverage:

- The employee and covered spouse should enroll in premium-free Medicare Part A, if eligible
- Medicare Part B enrollment should be deferred without penalty while actively employed

Members can enroll as part of their Medicare Initial Enrollment Period of three (3) months before their 65th birthday, the birthday month, and three (3) months after the birthday month. Members should begin the Medicare Part A enrollment process approximately three (3) months before turning age 65 to avoid any delays or complications, as failure to enroll in the specified timeframe will result in the termination of your HCGIT plan.

If Medicare Part A enrollment is still pending at the end of the timeframe and a Medicare card has not yet been issued, members should provide documentation showing that the Medicare application has been submitted and is being processed.

Upon receipt of the Medicare card, members must provide a copy of the Medicare card showing the Medicare Beneficiary Identifier (MBI) and Medicare Part A effective date to their employer promptly upon availability.

Retirement After Age 65

When active employment ends after age 65:

- The retiree qualifies for a Medicare Special Enrollment Period (SEP)
 - The SEP generally lasts eight months from the end of active employment
 - Employer will complete CMS L564 to show proof of group health plan coverage with no gap in coverage, so no late enrollment penalty is assessed

At that time, the retiree must enroll to avoid penalties and loss of coverage in:

- Medicare Part B
- The applicable HCGIT Medicare supplement plan

Members are strongly encouraged to begin this process as soon as their retirement date is known, as failure to enroll within the timeframe will result in the termination of your HCGIT plan. If Medicare Part B enrollment is still pending at the end of the timeframe, members should provide documentation showing that the Medicare application has been submitted and is being processed.

If Retired When Turning Age 65

If already retired when either the retiree or covered spouse turns age 65:

- The Medicare-eligible individual must enroll in:
 - Medicare Part A (if premium-free)
 - Medicare Part B

Members can enroll as part of their Medicare Initial Enrollment Period of three (3) months before their 65th birthday, the birthday month, and three (3) months after the birthday month. Members should begin the Medicare Parts A and B enrollment process approximately three (3) months before turning age 65 to avoid any delays or complications, as failure to enroll in the specified timeframe will result in the termination of your HCGIT plan.

Members must:

- Notify their former employer
- Complete any required Medicare enrollment documentation
- Provide a copy of their Medicare card showing effective dates
- Complete enrollment form for applicable HCGIT Medicare supplement plan

If Medicare Parts A & B enrollment is still pending at the end of the timeframe, members should provide documentation showing that the Medicare application has been submitted and is being processed.

Coordination of Medicare and Family Coverage

Since Medicare eligibility may occur at different times for employees/retirees, spouses, and dependents, HCGIT coordinates coverage based on both:

- Medicare eligibility status, and
- Whether the employee is actively working or retired

Coverage rules always follow the employment status of the employee/retiree (owner of the HCGIT policy), regardless of the spouse's employment status.

If the Employee Is Actively Working

If the employee remains actively employed by the member unit when either the employee or covered spouse turns age 65:

- The individual age 65 or older must enroll in premium-free Medicare Part A, if eligible
- Medicare Part B will be deferred without penalty while the employee remains actively working and covered under active employee health insurance
- The family will remain enrolled in the active non-Medicare family health plan regardless of the number of covered dependents

Under this scenario:

- Medicare Part A coordinates secondary to the active employee group health plan
- The active employee health plan remains primary coverage
- No transition to an HCGIT Medicare supplement plan occurs until retirement or other loss of active employee coverage

Once the employee retires, the Medicare-eligible individual must enroll in Medicare Part B and transition to the applicable HCGIT Medicare supplement plan during the applicable Special Enrollment Period (SEP).

If Retired and Covering Only One Non-Medicare Eligible Dependent

If retired and covering only one dependent, such as:

- A spouse, or
- A child dependent

then the Medicare-eligible individual must enroll in:

- Medicare Part A (if premium-free)
- Medicare Part B
- The applicable HCGIT Medicare supplement plan

The non-Medicare eligible dependent will remain enrolled in an individual non-Medicare health plan until:

- They themselves become Medicare eligible, or
- The child dependent otherwise loses eligibility under the plan

Under this scenario:

- One individual will be enrolled in the HCGIT Medicare supplement plan, and
- The other spouse or child dependent will remain enrolled in an individual non-Medicare plan

If Retired and Covering Two or More Non-Medicare Eligible Dependents

If retired and covering two or more dependents who are not Medicare eligible:

- The Medicare-eligible individual must enroll in Medicare Parts A and B once eligible
- However, because there are still two or more non-Medicare eligible dependents enrolled, the family will remain enrolled in the non-Medicare family plan

Under this arrangement:

- The Medicare-eligible individual remains enrolled in the non-Medicare family plan until family composition changes
- Once the retiree is only covering one non-Medicare eligible dependent, the Medicare-eligible individual must transition to the applicable HCGIT Medicare supplement plan

- The remaining non-Medicare eligible dependent will then transition to an individual non-Medicare plan until they themselves become Medicare eligible or otherwise lose eligibility

Medicare Late Enrollment Penalties

Failure to timely enroll in Medicare Part B when required may result in permanent late enrollment penalties imposed by the federal government.

These penalties are generally:

- Lifetime penalties
- Added to monthly Medicare premiums
- Based upon the length of delayed enrollment

HCGIT is not responsible for reimbursing or waiving Medicare late enrollment penalties resulting from delayed enrollment.

Important Member Responsibilities

Members are responsible for:

- Understanding their Medicare eligibility status
- Timely enrolling in Medicare when eligible
- Providing Medicare information and documentation to their employer
- Responding promptly to requests for information
- Maintaining continuous Medicare enrollment once required

Failure to comply with Medicare enrollment requirements may affect eligibility for HCGIT-sponsored retiree coverage.

Disclaimer

This document is intended as general educational guidance regarding Medicare coordination requirements under Massachusetts General Laws Chapter 32B, Section 18A. Medicare rules and federal requirements may change periodically.

The Trust reserves the right to interpret and administer eligibility and enrollment requirements consistent with applicable law, carrier requirements, and plan documents. In the event of any conflict between this document and governing law or plan documents, the governing law and official plan documents shall control.

MEMORANDUM

To: All Member Units

From: HCGIT Executive Committee

Date: July 1, 2026

Subject: HCGIT: Dependent Required Documentation Policy

Purpose

The Hampshire County Group Insurance Trust provides dependent health coverage in accordance with applicable federal law, including the Affordable Care Act (ACA) and Massachusetts General Laws Chapter 32B.

Eligible employees/retirees enrolled in Trust-sponsored health coverage may enroll eligible dependents, provided all required documentation is submitted within applicable enrollment deadlines.

Eligible Dependents

Eligible dependents may include, but are not limited to:

- Your legally married spouse
- Your biological child up to age 26
- Your legally adopted child up to age 26
- A child placed with you for adoption up to age 26
- Your stepchild up to age 26, if legally married to the child's parent
- Your disabled dependent child age 26 or older who meets carrier eligibility requirements and is approved by the health plan
- A dependent child covered pursuant to a court order, judgment, decree, Qualified Medical Child Support Order (QMCSO), or Department of Revenue (DOR) notice
- A former spouse, if eligible pursuant to Massachusetts General Laws Chapter 32B and applicable court documentation

Coverage eligibility is subject to verification requirements.

Social Security Number Requirement

Except for newborn children within the first 30 days after birth (see Newborn Enrollment Requirements section for more information), employees/retirees must provide each dependent's Social Security Number to enroll the dependent in health coverage, unless the otherwise eligible dependent has not yet been assigned an SSN due to citizenship, residency, immigration, adoption, or other legally recognized status or administrative circumstance.

In circumstances where an eligible dependent has not yet been assigned an SSN, the employee must provide documentation reasonably acceptable to the Trust demonstrating that the SSN has not yet been issued, is pending issuance, or is otherwise unavailable. Such documentation may include, but is not limited to, immigration records, adoption or placement documentation, or evidence of application for an SSN, where applicable. The required SSN must be submitted promptly upon issuance or availability.

Required Documentation

To enroll a dependent, subscribers must submit a completed enrollment application along with documentation verifying dependent eligibility. The Trust reserves the right to request additional documentation if necessary to verify eligibility. Employees/retirees are responsible for promptly notifying their employer of any change affecting dependent eligibility.

Spouse

To enroll a spouse, submit:

- Copy of marriage certificate that includes names of both parties, date of marriage, and official seal, certification, or other indicia of governmental issuance
- HCGIT's marital status affidavit

A marriage license or application to marry is not sufficient proof of eligibility.

Biological Child

To enroll a biological child, submit:

- Copy of birth certificate showing parent-child relationship

Adopted Child or Child Placed for Adoption

To enroll an adopted child or child placed for adoption, submit:

- Adoption decree, placement documentation, or court documentation establishing legal placement/adoption

Stepchild

To enroll a stepchild, submit:

- Marriage certificate
- Child's birth certificate

Disabled Child Over Age 26

Coverage for a disabled child over age 26 is subject to health plan review and approval.

Employees/retirees should contact the applicable health plan directly regarding:

- Required medical certification
- Disability verification forms
- Submission deadlines
- Ongoing recertification requirements

Continuation of coverage is contingent upon carrier approval and continued eligibility.

Court-Ordered Coverage / Guardianship / QMCSO

To enroll a dependent child pursuant to a court order or guardianship arrangement, submit applicable documentation, including:

- Court-appointed guardianship documents
- Judgment, decree, or court order
- Qualified Medical Child Support Order (QMCSO)
- Department of Revenue (DOR) notice, if applicable

Documentation must clearly establish the employee's obligation or authority to provide coverage.

Former Spouse Coverage

Pursuant to M.G.L. c. 32B, §9H, a former spouse may continue to participate in a municipal health insurance plan following divorce, provided all statutory requirements are satisfied. If employees/retirees seeking to continue or enroll coverage for a former spouse must provide:

- Divorce decree or separation agreement
- Page reflecting the judgment absolute date
- Section addressing health insurance obligations
- Signature page
- HCGIT's marital status affidavit

Eligibility for former spouse coverage terminates upon the remarriage of either the employee/retiree or the former spouse, unless otherwise specifically provided for in the divorce judgment or separation agreement.

Additionally, under M.G.L. c. 32B, §9B, all former spouse coverage terminates upon the death of the employee/retiree, effective as of the date of death, as only the spouse who is legally married at the time of the employee/retiree's passing is eligible for health insurance continuation.

Former spouses who lose eligibility due to remarriage or death of the employee/retiree will be offered COBRA.

Newborn Enrollment Requirements

Newborn children must be enrolled within 30 days of birth consistent with qualifying life event requirements. The Trust recognizes that official documentation for newborns is often delayed.

Accordingly:

- If a birth certificate is not yet available, the employee may temporarily submit:
 - Hospital-issued birth record/certificate (sometimes referred to as a Mother's Letter)
- If the newborn's Social Security Number has not yet been issued, enrollment may proceed temporarily without the SSN.

A copy of the newborn's birth certificate and social security number must be submitted within 60 days of the child's date of birth. Failure to provide required final documentation within the applicable timeframe may result in retroactive termination of coverage.

Ongoing Eligibility Verification

The Trust reserves the right to conduct periodic dependent eligibility audits or request additional documentation at any time to verify continued eligibility for coverage.

Employees/retirees are responsible for notifying their employer within 30 days of any event affecting dependent eligibility, including but not limited to:

- Divorce or legal separation
- Remarriage of either party if covering a former spouse
- Loss of guardianship
- Death of a dependent
- A dependent no longer meeting eligibility requirements

Failure to timely report ineligible dependents or failure to provide requested documentation may result in:

- Retroactive termination of coverage
- Recovery of claims and premium costs
- Potential tax implications

Reservation of Rights

The Hampshire County Group Insurance Trust reserves the right to:

- Interpret and administer eligibility requirements
- Request additional supporting documentation
- Deny or terminate coverage for failure to satisfy eligibility requirements
- Amend this policy as necessary to comply with applicable laws, regulations, carrier requirements, or Trust policies

This policy is intended as administrative guidance and does not supersede any governing laws.

MEMORANDUM

To: All Member Units

From: HCGIT Executive Committee

Date: July 1, 2026

Subject: HCGIT: Entity and Member-Level Appeal Request Policy

Purpose

The purpose of this policy is to establish a standardized, equitable, and administratively sustainable framework for the review and resolution of appeals submitted to the Hampshire County Group Insurance Trust (“HCGIT” or “Trust”).

This policy is intended to:

- Ensure consistent and equitable handling of appeals across all member entities
- Establish a clear appeal hierarchy and review process
- Promote administrative efficiency and transparency
- Ensure compliance with applicable state and federal laws
- Preserve the integrity and sustainability of the Trust’s pooled structure
- Support fair and consistent application of Trust policies and practices

Scope

This policy applies to:

- Member-level appeals submitted by participating member entities on behalf of employees, retirees, or dependents
- Entity-level appeals submitted directly by member units regarding Trust administrative decisions, policy interpretations, or operational matters

This policy does not replace or supersede:

- Carrier or PBM member grievance and appeal rights
- Collective bargaining rights or obligations
- Rights afforded under applicable state or federal law
- Eligibility appeals administered directly by carriers where required by law or contract

Policy Statement

All appeals submitted to HCGIT will be reviewed in good faith and evaluated based on:

- Existing HCGIT policies and procedures
- Applicable state and federal laws and regulations
- Administrative feasibility
- Equity and consistency across member units
- Financial and operational impact to the Trust
- Preservation of the Trust’s pooled risk structure
- Availability and reliability of supporting documentation
- Historical precedent, where applicable

Approval of any appeal is at the discretion of the Trust and subject to applicable legal and administrative limitations.

Submission Requirements

All appeals must be initiated and submitted by the participating entity. Appeals submitted directly by employees, retirees, dependents, attorneys, brokers, consultants, or other third parties will not be accepted by the Trust.

All appeal submissions, regardless of appeal level, must be submitted in writing to:

- Cindy Graves
- Insurance Administrator, Hampshire County Group Insurance Trust
- Email: cindys@hcgit.org

The participating entity is responsible for:

- Reviewing the request internally prior to submission
- Verifying the accuracy and completeness of information provided
- Ensuring all supporting documentation is included
- Coordinating communications with the member throughout the process, if applicable

Appeal Process

Appeal Submission and Administration

All appeals and appeal-related correspondence must be submitted in writing to Cindy Graves, Insurance Administrator for Hampshire County Group Insurance Trust, at cindys@hcgit.org. Cindy will serve as the administrative coordinator for the appeal process, including receipt of submissions, collection of supporting documentation, communication with the participating entity, and routing appeals to the appropriate review level.

Level One Review

Upon receipt of a complete appeal submission, the matter will be reviewed by the Hampshire County Group Insurance Trust Insurance Administrator. The initial review will include evaluation of:

- Relevant facts and documentation
- Applicable Trust policies
- Administrative feasibility
- Compliance considerations
- Operational impact

The Trust Insurance Administrator may request additional documentation or clarification prior to rendering a determination.

Level Two Review

If the participating entity disagrees with the Level One determination, the entity may request a Level Two review by submitting a written appeal to Cindy Graves at cindys@hcgit.org. Cindy will forward the appeal and all supporting materials to Hilb Group, Consultants to the Hampshire County Group Insurance Trust, for independent review.

Hilb Group will conduct an independent review based on established policies, applicable laws, administrative best practices, and the information submitted. Hilb Group may consult with legal counsel, carriers, PBMs, or other relevant parties as necessary.

Final Review

If the participating entity disagrees with the Level Two determination, the entity may request a Final Review by submitting a written appeal to Cindy Graves at cindys@hcgit.org. Cindy will forward the appeal and all supporting materials to the existing three-person Executive Committee Appeals Subcommittee established by the HCGIT Executive Committee.

The Appeals Subcommittee shall:

- Review all prior determinations and supporting materials
- Evaluate consistency with Trust policy and precedent
- Consider legal, financial, equity, and operational implications
- Evaluate administrative feasibility and long-term Trust sustainability
- Consider applicable state and federal laws and regulations
- Issue a final determination on behalf of the Trust

The determination of the Appeals Subcommittee shall be final and binding on the matter under review.

Submission Requirements

All appeals must:

- Be submitted in writing by the participating member entity
- Clearly describe the issue being appealed
- Include all relevant supporting documentation
- Include the requested resolution or action being sought
- Be submitted within a reasonable timeframe of the original determination or event giving rise to the appeal

Timing and Response

The Trust will make reasonable efforts to respond to appeals in a timely manner; however, response times may vary depending on:

- Complexity of the issue
- Need for additional review or consultation
- Volume of appeals
- Availability of supporting information
- Carrier, PBM, legal, or regulatory response timelines

Equity and Consistency

Given HCGIT's pooled structure and shared governance model, appeals will be reviewed with consideration toward:

- Consistent treatment across all member units
- Avoidance of preferential treatment
- Administrative sustainability
- Long-term Trust stability
- Preservation of equitable administration practices

Reservation of Rights

HCGIT reserves the right to:

- Request additional information or clarification
- Refer matters to legal counsel or other advisors
- Modify administrative procedures as necessary
- Deny appeals that conflict with Trust policies, contractual obligations, or applicable law
- Establish additional operational guidelines consistent with this policy

Nothing in this policy shall be interpreted as creating a contractual entitlement or guarantee of approval for any appeal request.

DRAFT