HAMPSHIRE COUNTY GROUP INSURANCE TRUST 88 King St, Northampton, MA 01060 · 413-584-1300

Executive Committee

Agenda

DATE
November 4, 2026
10:00 am

MEETING FORMAT
Virtual

ONETAP MOBILE
+1 804-905-9967,,806016798#
United States

MEETING LOCATION
Join Teams Meeting:
https://teams.microsoft.com/meet/216564179917064?p=xLG1myliOFY7Ea6KJK
Meeting ID: **216 564 179 917 064** Passcode: **zk6VR3K6**

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.

AGENDA

- **Call to Order**
- **Review and Approve Minutes of October 7, 2026 & October 21, 2026**
- **Review and Approve Financial Statement/Warrant**

New Business *(VOTES may be taken)*

- **Mid-Year Exit Policy: GIC**
- **Hilb Cash Flow**
- **FY27 Annual Report Review**
- **FY25 Audit Review**

Executive Session

- **Executive session pursuant to M.G.L. c. 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.
- **Adjournment**

** 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.*

EXECUTIVE COMMITTEE MEMBERS

Chair:	Shelley Poreda (Frontier Regional)
Vice Chair:	Emily Russo (Easthampton)
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 (Easthampton) · Donna Whiteley (South Hadley) · Jake Voelker (Rowe)

MEETING SCHEDULE

MEETING	DATE	TIME	FORMAT
Executive Committee	September 2, 2026	10:00 a.m.	TEAMS
Insurance Advisory Committee	September 9, 2026	10:00 a.m.	TEAMS
Executive Committee	September 16, 2026	10:00 a.m.	TEAMS
Executive Committee	October 7, 2026	10:00 a.m.	TEAMS
Insurance Advisory Committee	October 14, 2026	10:00 a.m.	TEAMS
Executive Committee	October 21, 2026	10:00 a.m.	TEAMS
Executive Committee	**November 4, 2026**	**10:00 a.m.**	**TEAMS**
Insurance Advisory Committee	November 12, 2026	10:00 a.m.	TEAMS
Executive Committee	November 18, 2026	10:00 a.m.	TEAMS
Executive Committee	December 2, 2026	10:00 a.m.	TEAMS
Insurance Advisory Committee	December 9, 2026	10:00 a.m.	TEAMS
Executive Committee	December 16, 2026	10:00 a.m.	TEAMS

Hampshire County Group Insurance Trust

88 King Street, Northampton, MA 01060

EXECUTIVE COMMITTEE MEETING MINUTES

TO: All Trust Member Units

RE: Minutes of October 7, 2026 Executive Committee Meeting Held Remotely via Microsoft Teams

MEMBERS PRESENT	GUESTS PRESENT
Shelley Poreda — Chair Emily Russo — Vice Chair Joanne Cleveland Andrew Levine Paul McLatchy III Stacy Stewart Donna Whiteley	Danielle Chaplick Kevin Feeley Cindy Graves Susan 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, § 20, until June 30, 2027.

Chair Shelley Poreda called the meeting to order at 10:03 a.m. with a quorum present.

CY27 MEDICARE RENEWAL

Danielle Chaplick reviewed the market trends driving Medicare costs, including an aging population, costly new treatments, specialty and GLP-1 drugs, and rising provider costs, along with 2027 federal Medicare changes such as the projected Part B premium increase and the CMS GLP-1 Bridge pilot, which is administered by CMS outside the Trust's plan.

Sue Shillue reported that the Medex plan ran at a 99% loss ratio for FY26 and 95% for the first two months of FY27. The underwriting projects a 10.9% increase in medical claims; combined with a 0.4% increase in the fully insured Blue MedicareRx PDP and a 2.0% increase in the BCBS administrative fee, the recommended CY2027 rate is $519.72 per member per month, a 5.0% increase over the current $495.00. A copay increase alternative (3.7%) was also presented; members did not support further copay changes, noting copays were increased with last year's renewal.

Danielle reviewed the results of the Medicare RFQ. UnitedHealthcare, Humana and Mass General Brigham Health Plan declined; Harvard Pilgrim quoted self-funded medical only and Aetna quoted fully insured Medicare Advantage plans. With no standalone drug plan quoted, the only complete options were the BCBS renewal and the Aetna Medicare Advantage plan with Part D, which would cost approximately $2.9 million less annually. Hilb did not recommend the

Aetna plan, citing the change from a Medicare supplement to Medicare Advantage, prior authorization and formulary changes, the required transition of all retirees, a one-year rate guarantee, and the Trust's position at the minimum network threshold.

Hilb recommended renewing with BCBS at a 5% increase with no copay changes. Paul McLatchy III asked that the alternatives also be presented to the membership, and proposed 6% given the 99% loss ratio.

> **MOTION:** On a motion by Andrew Levine, seconded by Donna Whiteley, as amended, the Executive Committee voted to recommend to the Insurance Advisory Committee that the Trust renew its Medicare program with Blue Cross Blue Shield (Medex 2 self-funded with the Blue Medicare Rx PDP) at a 6% rate increase over the current year, with no change to prescription copays.
>
> **Result:** Cleveland – Yes; Levine – Yes; McLatchy – Yes; Russo – Yes; Stewart – Yes; Whiteley – Yes; Poreda – Yes. **Motion carried unanimously.**

EXECUTIVE SESSION

> **MOTION:** On a motion by Andrew Levine, seconded by Donna Whiteley, the Executive Committee voted to enter executive session at 10:52 a.m. pursuant to M.G.L. c. 30A, § 21(a)(2), to conduct strategy sessions in preparation for contract negotiations with nonunion personnel, and to return to open session thereafter.
>
> **Result:** Cleveland – Yes; Levine – Yes; McLatchy – Yes; Russo – Yes; Stewart – Yes; Whiteley – Yes; Poreda – Yes. **Motion carried unanimously.**

Paul McLatchy III left the meeting at 11:00 a.m. during the executive session. The Committee returned to open session at 11:07 a.m.

JPA COUNSEL — KEVIN FEELEY OF FEELEY & BROWN

Upon returning to open session, the Chair reported that the Committee had met in executive session to discuss the hiring of legal counsel. Andrew Levine noted that he had worked with Attorney Feeley in another municipality and spoke to his reputation and accessibility.

> **MOTION:** On a motion by Andrew Levine, seconded by Emily Russo, the Executive Committee voted to appoint Kevin Feeley of Feeley & Brown as legal counsel for the Hampshire County Group Insurance Trust, effective immediately.
>
> **Result:** Cleveland – Yes; Levine – Yes; Russo – Yes; Stewart – Yes; Whiteley – Yes; Poreda – Yes. **Motion carried unanimously.**

The Chair directed Hilb to finalize the engagement with Attorney Feeley, noting that a formal contract is not required and that counsel will bill the Trust for time used, and to seek counsel's guidance on a pending matter.

MINUTES OF SEPTEMBER 2, 2026

> **MOTION:** On a motion by Emily Russo, seconded by Stacy Stewart, the minutes of the September 2, 2026 Executive Committee meeting were approved as presented.
>
> **Result:** Cleveland – Yes; Levine – Yes; Russo – Yes; Stewart – Yes; Whiteley – Yes; Poreda – Yes. **Motion carried unanimously.**

FINANCIAL STATEMENT / WARRANT APPROVAL

The Chair reviewed the July and August year-to-date financial statements against budget. Health insurance premium revenue was $16,029,154 against a budget of $16,265,200 (98.6%), primarily due to August enrollment changes, particularly among school staff, that were not reflected in the budget. Health insurance claims were $10,007,719 against a budget of $11,388,333 (87.9%). Health insurance settlements were higher than budgeted ($661,583 against $505,065), while Rx claims were lower ($3,034,083 against $3,646,667). The year-to-date net ordinary loss was $879,202 against a budgeted loss of $1,370,684. The Chair noted that losses in these months reflect the timing of quarterly pharmacy rebates, which are not yet included. The rebate received in September, approximately $2.67 million, came in above budget. Receivables as of August 31, 2026 totaled $546,329 and have been fully collected. The total cash balance was $10,345,203 at the end of August.

> **MOTION:** On a motion by Andrew Levine, seconded by Stacy Stewart, the Executive Committee voted to approve the August 2026 warrants totaling $8,295,243.67.
>
> **Result:** Cleveland – Yes; Levine – Yes; Russo – Yes; Stewart – Yes; Whiteley – Yes; Poreda – Yes. **Motion carried unanimously.**

WITHDRAWING UNIT BALANCES / UNIT DEPOSIT QUERIES

The Committee reviewed the deposit balance schedule for the 12 member units that withdrew effective July 1, 2026. FRCOG and the Town of Southampton have outstanding balances, and several withdrawn units have requested member-level claims detail, which Hilb is pursuing with BCBS. Cindy reported that Bernardston and Greater Commonwealth Virtual School have paid their balances since the schedule was prepared, and will provide an updated schedule for the IAC packet.

BENADMIN SYSTEM UPDATE

Danielle reported strong vendor interest in the benefits administration system RFP; vendor questions were due earlier in the week. PPI requested a one-week extension without stating a reason; any extension would need to apply to all respondents. The Chair stated that the deadline stated in the RFP should stand absent an extenuating circumstance.

OTHER BUSINESS

Members discussed coverage terminations and the handling of a potential high-cost accident claim involving possible third-party liability, which Hilb will review with BCBS. The Committee

also discussed the upcoming Executive Committee elections, and Hilb will seek Attorney Feeley's guidance on the election process.

ADJOURNMENT

There being no further business, on a motion by Stacy Stewart, the meeting was adjourned at 11:29 a.m.

Prepared By:

Marianna Gil, Hilb Group

Hampshire County Group Insurance Trust

88 King Street, Northampton, MA 01060

EXECUTIVE COMMITTEE MEETING MINUTES

TO: All Trust Member Units

RE: Minutes of October 21, 2026 Executive Committee Meeting Held Remotely via Microsoft Teams

MEMBERS PRESENT	GUESTS PRESENT
Shelley Poreda — *Chair*	Danielle Chaplick
Emily Russo — *Vice Chair*	Kevin Feeley
Joanne Cleveland	Marianna Gil
Paula Harrison	Cindy Graves
Andrew Levine	Michele Komosa
Paul McLatchy III	Susan Shillue
Stacy Stewart	

CALL TO ORDER

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Chair Shelley Poreda called the meeting to order at 10:04 a.m. with a quorum present.

EXECUTIVE SESSION

> **MOTION:** On a motion by Emily Russo, seconded by Andrew Levine, the Committee voted to enter executive session pursuant to M.G.L. c. 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, and to return to open session.
>
> **Result: Roll call — Ayes: J. Cleveland, P. Harrison, A. Levine, P. McLatchy, E. Russo, S. Stewart, S. Poreda. Motion carried unanimously.**

The Committee entered executive session at 10:06 a.m.

> **MOTION:** On a motion by Paul McLatchy, seconded by Stacy Stewart, the Committee voted to leave executive session and return to open session.
>
> **Result: Roll call — Ayes: J. Cleveland, P. Harrison, A. Levine, P. McLatchy, E. Russo, S. Stewart, S. Poreda. Motion carried unanimously.**

The Committee returned to open session at 10:18 a.m.

FY27 ANNUAL REPORT REVIEW

Danielle Chaplick reviewed the draft FY27 annual report. The report summarizes the year of recovery, explains the Trust's self-insured structure and compares it to MIIA, the GIC, and Massachusetts Strategic Health Group, and highlights the FY27 renewal actions, including network review, stop loss procurement, the Medicare procurement and favorable renewal, and plan design changes that moved the plans closer to benchmark. New sections cover reserve rebuilding, Medicare retiree history, expanded medical and Medicare market trends, the FY28 outlook, and a more detailed HCGIT-to-GIC plan and rate comparison.

In discussion, Paula Harrison observed that GIC rates do not reflect true cost because state funds cover its deficits. Danielle noted the GIC cannot retain surpluses but is not immune to market pressures. Andrew Levine suggested highlighting that HCGIT members govern plan design through the IAC, whereas GIC units automatically adopt GIC plan changes. Marianna Gil added that the GIC is procuring its PBM for FY28 and medical for FY29, that plan design changes can occur in any year, and that the FY27 plan design change proposals that did not pass are likely to return. She also confirmed the GIC ended GLP-1 coverage for weight management effective July 1, except for members with specific comorbidities. Asked about FY28 rates, Danielle noted claims have been stable but the recommendation must also support reserve rebuilding and rising trend.

Members also discussed the reception of this year's plan design changes. Joanne Cleveland and Stacy Stewart reported few complaints, while Cindy Graves noted a few ongoing questions and concerns about out-of-pocket costs, and Paula cited higher costs for recurring services such as physical therapy. Stacy noted the out-of-state rider caused some initial confusion with Blue Cross Blue Shield. The Committee agreed that member education has been valuable, and Danielle will note those efforts in the report.

OTHER BUSINESS

Cindy reported no new data requests from member units. At the Chair's invitation, EC members shared their units' plans. Members discussed the difficulty of projecting GIC plan migration, and Emily shared that an anonymous employee survey showed most respondents favoring higher-cost plans rather than Health New England.

Cindy will distribute the Medex open enrollment materials today.

ADJOURNMENT

There being no further business, on a motion by Emily Russo, seconded by Stacy Stewart, the meeting was adjourned by unanimous consent at 11:00 a.m.

Prepared By:

Marianna Gil, Hilb Group

Hampshire County Group Insurance Trust
Profit & Loss Budget vs. Actual
July through September 2026

	Jul 26	Aug 26	Sep 26	TOTAL Jul - Sep 26	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense							
Income							
4000 · Income							
4001 · Health Insurance Premium	8,033,042.25	7,996,111.80	8,020,522.45	24,049,676.50	24,558,000.00	-508,323.50	97.93%
4003 · Pharmaceutial Rebate	0.00	0.00	2,667,868.05	2,667,868.05	1,800,000.00	867,868.05	148.22%
4004 · Reinsurance Reimbursement	9,915.23	97,191.23	70,920.27	178,026.73	0.00	178,026.73	100.0%
4005 - Late Payment Fee	0.00	0.00	32.69	32.69			
4006 · Run-Off Payments	0.00	1,001,302.91	178,978.53	1,180,281.44			
Total 4000 · Income	8,042,957.48	9,094,605.94	10,938,321.99	28,075,885.41	26,358,000.00	1,717,885.41	106.52%
Total Income	8,042,957.48	9,094,605.94	10,938,321.99	28,075,885.41	26,358,000.00	1,717,885.41	106.52%
Expense							
5000 · Salary							
5001 · Insurance Administrator	12,200.77	8,277.70	8,277.69	28,756.16	26,902.50	1,853.66	106.89%
5002 · Stipend	1,600.00	800.00	800.00	3,200.00	2,600.01	599.99	123.08%
5003 · Wellness & Benefits Specialist	9,646.93	6,512.31	6,512.31	22,671.55	21,165.00	1,506.55	107.12%
5004 · Treasurer	1,083.34	1,083.34	1,083.34	3,250.02	3,249.99	0.03	100.0%
5005 · Bonus/Vacation Buy Back	8,923.07	0.00	0.00	8,923.07	0.00	8,923.07	100.0%
5006 · Temporary Support	3,210.00	480.00	720.00	4,410.00			
Total 5000 · Salary	36,664.11	17,153.35	17,393.34	71,210.80	53,917.50	17,293.30	132.07%
5100 · Payroll Taxes							
5101 · FICA	517.39	234.49	237.97	989.85	1,500.00	-510.15	65.99%
5102 · Mass Unemploy Health	13.88	22.48	23.54	59.90	249.99	-190.09	23.96%
Total 5100 · Payroll Taxes	531.27	256.97	261.51	1,049.75	1,749.99	-700.24	59.99%
5200 · Benefits							
5201 · Health Insurance	2,827.48	2,827.48	2,827.48	8,482.44	8,482.50	-0.06	100.0%
5202 · Insurance (Dental,Vision,Life)	302.28	130.76	-40.76	392.28	392.31	-0.03	99.99%
5203 · Retiree Health & Other	1,730.36	1,530.50	1,248.80	4,509.66	4,530.12	-20.46	99.55%
5204 · Contributory Retirement	131,682.00	0.00	0.00	131,682.00	131,682.00	0.00	100.0%
Total 5200 · Benefits	136,542.12	4,488.74	4,035.52	145,066.38	145,086.93	-20.55	99.99%
5300 · Insurance Expense							
5301 · Workers' Compensation	359.00	0.00	0.00	359.00	2,500.00	-2,141.00	14.36%

Hampshire County Group Insurance Trust
Profit & Loss Budget vs. Actual
July through September 2026

	Jul 26	Aug 26	Sep 26	TOTAL Jul - Sep 26	Budget	$ Over Budget	% of Budget
5302 · Liability and Property	0.00	0.00	0.00	0.00	3,000.00	-3,000.00	0.0%
Total 5300 · Insurance Expense	359.00	0.00	0.00	359.00	5,500.00	-5,141.00	6.53%
5350 · Building/Facilities							
5351 · Rent Expense	1,000.00	1,000.00	1,000.00	3,000.00	3,000.00	0.00	100.0%
5352 · Telephone/Internet Expense	386.61	448.42	400.47	1,235.50	1,500.00	-264.50	82.37%
Total 5350 · Building/Facilities	1,386.61	1,448.42	1,400.47	4,235.50	4,500.00	-264.50	94.12%
5400 · Contracted Services							
5401 · Executive Consultant	31,428.29	15,714.29	15,714.29	62,856.87	47,142.00	15,714.87	133.34%
5402 · Audit Services	0.00	0.00	34,000.00	34,000.00	30,000.00	4,000.00	113.33%
5403 · Legal Services	0.00	0.00	0.00	0.00	1,500.00	-1,500.00	0.0%
5404 · Computer Services	4,000.00	4,000.00	4,000.00	12,000.00	12,500.01	-500.01	96.0%
5405 · IT Services	1,963.08	1,969.48	1,956.48	5,889.04	8,750.01	-2,860.97	67.3%
5406 · Other Services	900.00	0.00	0.00	900.00			
Total 5400 · Contracted Services	38,291.37	21,683.77	55,670.77	115,645.91	99,892.02	15,753.89	115.77%
5500 · Miscellaneous							
5501 · Wellness	0.00	0.00	0.00	0.00	1,374.99	-1,374.99	0.0%
5502 · Payroll Processing	167.31	117.75	125.54	410.60	500.01	-89.41	82.12%
5503 · Computer Supplies/Hardware	0.00	0.00	0.00	0.00	875.01	-875.01	0.0%
5504 · Postage and Delivery	0.00	0.00	0.00	0.00	125.01	-125.01	0.0%
5506 · Bonds	0.00	100.00	975.00	1,075.00	249.99	825.01	430.02%
5507 · Travel Expense	0.00	0.00	0.00	0.00	249.99	-249.99	0.0%
5508 · Office/Other Supplies	0.00	0.00	468.62	468.62	1,374.99	-906.37	34.08%
Total 5500 · Miscellaneous	167.31	217.75	1,569.16	1,954.22	4,749.99	-2,795.77	41.14%
5800 · Insurance							
5801 · Health Insurance Claims	4,592,697.09	5,415,021.47	5,594,000.00	15,601,718.56	17,082,500.01	-1,480,781.45	91.33%
5802 · Health Insurance Settlement	304,619.93	356,963.33	489,539.26	1,151,122.52	901,500.00	249,622.52	127.69%
5809 · Run-Off Claims	1,001,302.91	178,978.53	0.00	1,180,281.44			
5803 · Pharmaceutical Claims	1,604,633.54	1,429,449.21	1,796,567.63	4,830,650.38	5,469,999.99	-639,349.61	88.31%
5804 · Blue Medicare RX PDP	764,668.35	657,642.93	658,810.88	2,081,122.16	2,117,856.51	-36,734.35	98.27%
5805 · CanaRx	8,348.12	3,942.33	10,119.74	22,410.19	45,000.00	-22,589.81	49.8%
5806 · ElectRX	0.00	0.00	15,029.66	15,029.66	24,999.99	-9,970.33	60.12%

Hampshire County Group Insurance Trust
Profit & Loss Budget vs. Actual
July through September 2026

	Jul 26	Aug 26	Sep 26	TOTAL Jul - Sep 26	Budget	$ Over Budget	% of Budget
5807 · PCORI	35,189.27	0.00	0.00	35,189.27	41,000.00	-5,810.73	85.83%
5808 · Reinsurance/Stop Loss	196,375.72	206,438.76	194,028.14	596,842.62	592,379.01	4,463.61	100.75%
Total 5800 · Insurance	8,507,834.93	8,248,436.56	8,758,095.31	25,514,366.80	26,275,235.51	-760,868.71	97.1%
Total Expense	8,721,776.72	8,293,685.56	8,838,426.08	25,853,888.36	26,590,631.94	-736,743.58	97.23%
Net Ordinary Income	-678,819.24	800,920.38	2,099,895.91	2,221,997.05	-232,631.94	2,454,628.99	-955.16%
Other Income/Expense							
Other Income							
8000 · Non-Operating Revenues							
8005 · Interest Income	8,569.53	9,444.86	8,283.48	26,297.87	15,000.00	11,297.87	175.32%
8006 · Investmnet Income OPEB	973.69	1,037.17	1,228.36	3,239.22			
Total 8000 · Non-Operating Revenues	9,543.22	10,482.03	9,511.84	29,537.09	15,000.00	14,537.09	196.91%
Total Other Income	9,543.22	10,482.03	9,511.84	29,537.09	15,000.00	14,537.09	196.91%
Net Other Income	9,543.22	10,482.03	9,511.84	29,537.09	15,000.00	14,537.09	196.91%
Net Income	**-669,276.02**	**811,402.41**	**2,109,407.75**	**2,251,534.14**	**-217,631.94**	**2,469,166.08**	**-1,034.56%**

Hampshire County Group Insurance Trust
Profit & Loss Budget Overview
July 2026 through June 2027

	Jul 26	Aug 26	Sep 26	Oct 26	Nov 26	Dec 26	Jan 27	Feb 27	Mar 27	Apr 27	May 27	Jun 27	TOTAL Jul '26 - Jun 27
Ordinary Income/Expense													
Income													
4000 · Income													
4001 · Health Insurance Premium	8,186,000.00	8,186,000.00	8,186,000.00	8,186,000.00	8,186,000.00	8,186,000.00	8,186,000.00	8,186,000.00	8,186,000.00	8,186,000.00	8,186,000.00	8,186,000.00	98,232,000.00
4003 · Pharmaceutial Rebate	0.00	0.00	1,800,000.00	0.00	0.00	1,400,000.00	0.00	0.00	1,700,000.00	0.00	0.00	1,700,000.00	6,600,000.00
4004 · Reinsurance Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,540,000.00	1,540,000.00
Total 4000 · Income	8,186,000.00	8,186,000.00	9,986,000.00	8,186,000.00	8,186,000.00	9,586,000.00	8,186,000.00	8,186,000.00	9,886,000.00	8,186,000.00	8,186,000.00	11,426,000.00	106,372,000.00
Total Income	8,186,000.00	8,186,000.00	9,986,000.00	8,186,000.00	8,186,000.00	9,586,000.00	8,186,000.00	8,186,000.00	9,886,000.00	8,186,000.00	8,186,000.00	11,426,000.00	106,372,000.00
Expense													
5000 · Salary													
5001 · Insurance Administrator	8,967.50	8,967.50	8,967.50	8,967.50	8,967.50	8,967.50	8,967.50	8,967.50	8,967.50	8,967.50	8,967.50	8,967.50	107,610.00
5002 · Stipend	866.67	866.67	866.67	866.67	866.67	866.67	866.67	866.67	866.67	866.67	866.67	866.63	10,400.00
5003 · Wellness & Benefits Specialist	7,055.00	7,055.00	7,055.00	7,055.00	7,055.00	7,055.00	7,055.00	7,055.00	7,055.00	7,055.00	7,055.00	7,055.00	84,660.00
5004 · Treasurer	1,083.33	1,083.33	1,083.33	1,083.33	1,083.33	1,083.33	1,083.33	1,083.33	1,083.33	1,083.33	1,083.33	1,083.37	13,000.00
5005 · Bonus/Vacation Buy Back	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,000.00	4,000.00
Total 5000 · Salary	17,972.50	17,972.50	17,972.50	17,972.50	17,972.50	17,972.50	17,972.50	17,972.50	17,972.50	17,972.50	17,972.50	21,972.50	219,670.00
5100 · Payroll Taxes													
5101 · FICA	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6,000.00
5102 · Mass Unemploy Health	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.37	1,000.00
Total 5100 · Payroll Taxes	583.33	583.33	583.33	583.33	583.33	583.33	583.33	583.33	583.33	583.33	583.33	583.37	7,000.00
5200 · Benefits													
5201 · Health Insurance	2,827.50	2,827.50	2,827.50	2,827.50	2,827.50	2,827.50	2,827.50	2,827.50	2,827.50	2,827.50	3,110.25	2,827.50	34,212.75
5202 · Insurance (Dental,Vision,Life)	130.77	130.77	130.77	130.77	130.77	130.77	130.77	130.77	130.77	130.77	130.77	142.57	1,581.04
5203 · Retiree Health & Other	1,510.04	1,510.04	1,510.04	1,510.04	1,510.04	1,660.04	1,660.04	1,660.04	1,660.04	1,660.04	1,660.04	1,660.04	19,170.48
5204 · Contributory Retirement	131,682.00	0.00	0.00	0.00	0.00	0.00							131,682.00
Total 5200 · Benefits	136,150.31	4,468.31	4,468.31	4,468.31	4,468.31	4,618.31	4,618.31	4,618.31	4,618.31	4,618.31	4,901.06	4,630.11	186,646.27
5300 · Insurance Expense													
5301 · Workers' Compensation	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,500.00
5302 · Liability and Property	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,000.00
Total 5300 · Insurance Expense	5,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,500.00
5350 · Building/Facilities													
5351 · Rent Expense	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	1,000.00	12,000.00
5352 · Telephone/Internet Expense	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6,000.00
Total 5350 · Building/Facilities	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	18,000.00
5400 · Contracted Services													
5401 · Executive Consultant	15,714.00	15,714.00	15,714.00	15,714.00	15,714.00	15,714.00	15,714.00	15,714.00	15,714.00	15,714.00	15,714.00	15,714.00	188,568.00
5402 · Audit Services	0.00	0.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	32,000.00	62,000.00
5403 · Legal Services	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6,000.00
5404 · Computer Services	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.63	50,000.00
5405 · IT Services	2,916.67	2,916.67	2,916.67	2,916.67	2,916.67	2,916.67	2,916.67	2,916.67	2,916.67	2,916.67	2,916.67	2,916.63	35,000.00
Total 5400 · Contracted Services	23,297.34	23,297.34	53,297.34	23,297.34	23,297.34	23,297.34	23,297.34	23,297.34	23,297.34	23,297.34	23,297.34	55,297.26	341,568.00
5500 · Miscellaneous													
5501 · Wellness	458.33	458.33	458.33	458.33	458.33	458.33	458.33	458.33	458.33	458.33	458.33	458.37	5,500.00
5502 · Payroll Processing	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.63	2,000.00
5503 · Computer Supplies/Hardware	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.67	291.63	3,500.00
5504 · Postage and Delivery	41.67	41.67	41.67	41.67	41.67	41.67	41.67	41.67	41.67	41.67	41.67	41.63	500.00
5506 · Bonds	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.37	1,000.00

Hampshire County Group Insurance Trust

FY27 Budget

July 2026 through June 2027

	Jul 26	Aug 26	Sep 26	Oct 26	Nov 26	Dec 26	Jan 27	Feb 27	Mar 27	Apr 27	May 27	Jun 27	TOTAL Jul '26 - Jun 27
5507 · Travel Expense	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.33	83.37	1,000.00
5508 · Office/Other Supplies	458.33	458.33	458.33	458.33	458.33	458.33	458.33	458.33	458.33	458.33	458.33	458.37	5,500.00
Total 5500 · Miscellaneous	1,583.33	1,583.33	1,583.33	1,583.33	1,583.33	1,583.33	1,583.33	1,583.33	1,583.33	1,583.33	1,583.33	1,583.37	19,000.00
5800 · Insurance													
5801 · Health Insurance Claims	5,694,166.67	5,694,166.67	5,694,166.67	5,694,166.67	5,694,166.67	5,694,166.67	5,694,166.67	5,694,166.67	5,694,166.67	5,694,166.67	5,694,166.67	5,694,166.63	68,330,000.00
5802 · Health Insurance Settlement	300,500.00	300,500.00	300,500.00	300,500.00	300,500.00	300,500.00	300,500.00	300,500.00	300,500.00	300,500.00	300,500.00	300,500.00	3,606,000.00
5803 · Pharmaceutical Claims	1,823,333.33	1,823,333.33	1,823,333.33	1,823,333.33	1,823,333.33	1,823,333.33	1,823,333.33	1,823,333.33	1,823,333.33	1,823,333.33	1,823,333.33	1,823,333.37	21,880,000.00
5804 · Blue Medicare RX PDP	705,952.17	705,952.17	705,952.17	705,952.17	705,952.17	705,952.17	705,952.17	705,952.17	705,952.17	705,952.17	705,952.17	705,952.13	8,471,426.00
5805 · CanaRx	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	180,000.00
5806 · ElectRX	8,333.33	8,333.33	8,333.33	8,333.33	8,333.33	8,333.33	8,333.33	8,333.33	8,333.33	8,333.33	8,333.33	8,333.37	100,000.00
5807 · PCORI	41,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41,000.00
5808 · Reinsurance/Stop Loss	197,459.67	197,459.67	197,459.67	197,459.67	197,459.67	197,459.67	197,459.67	197,459.67	197,459.67	197,459.67	197,459.67	197,459.63	2,369,516.00
Total 5800 · Insurance	8,785,745.17	8,744,745.17	8,744,745.17	8,744,745.17	8,744,745.17	8,744,745.17	8,744,745.17	8,744,745.17	8,744,745.17	8,744,745.17	8,744,745.17	8,744,745.13	104,977,942.00
Total Expense	8,972,331.98	8,794,149.98	8,824,149.98	8,794,149.98	8,794,149.98	8,794,299.98	8,794,299.98	8,794,299.98	8,794,299.98	8,794,299.98	8,794,582.73	8,830,311.74	105,775,326.27
Net Ordinary Income	-786,331.98	-608,149.98	1,161,850.02	-608,149.98	-608,149.98	791,700.02	-608,299.98	-608,299.98	1,091,700.02	-608,299.98	-608,582.73	2,595,688.26	596,673.73
Other Income/Expense													
Other Income													
8000 · Non-Operating Revenues													
8005 · Interest Income	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	60,000.00
Total 8000 · Non-Operating Revenues	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	60,000.00
Total Other Income	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	60,000.00
Net Other Income	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	60,000.00
Net Income	**-781,331.98**	**-603,149.98**	**1,166,850.02**	**-603,149.98**	**-603,149.98**	**796,700.02**	**-603,299.98**	**-603,299.98**	**1,096,700.02**	**-603,299.98**	**-603,582.73**	**2,600,688.26**	**656,673.73**

Hampshire County Group Insurance Trust
A/R Aging Detail
As of September 30, 2026

Type	Date	Num	Name	Aging	Open Balance
Current					
Total Current					
1 - 30					
Invoice	09/09/2026	Oct 2026	Chester	21	14,682.00
Invoice	09/09/2026	Oct 2026	Granby	21	280,993.68
Invoice	09/09/2026	Oct 2026	Plainfield	21	6,706.00
Invoice	09/09/2026	Oct 2026	Franklin REG. Retirement SYS.	21	8,067.00
Invoice	09/09/2026	Oct 2026	Leverett	21	99,587.00
Invoice	09/09/2026	Oct 2026	Warwick	21	26,698.94
Invoice	09/18/2026	Run-Off	Bernardston	12	25,866.67
Invoice	09/18/2026	Run-Off	Franklin Regional COG	12	1,140.07
Invoice	09/18/2026	Run-Off	Southampton	12	4,587.89
Payment	09/28/2026		New Salem		-2,412.19
Total 1 - 30					465,917.06
31 - 60					
Invoice	08/20/2026	Run-Off	Franklin Regional COG	41	1,618.70
Invoice	08/20/2026	Run-Off	Southampton	41	20,307.60
Total 31 - 60					21,926.30
> 60					
Total > 60					
TOTAL					**487,843.36**

Type	Date	Num	Name	Memo	Amount	Balance
1008 · M&T Bank						
				Opening Balance		**3,763,876.88**
Check	09/01/2026	Wire	BCBS		-6,083,539.26	-2,319,662.38
Check	09/01/2026	Wire	BCBS	Sept BCBS Stop Loss	-194,028.14	-2,513,690.52
Transfer	09/01/2026	Transfer		Bank Transfer	6,000,000.00	3,486,309.48
Deposit	09/04/2026			ULLICO 7/1/25-6/30/26	37,866.42	3,524,175.90
Check	09/08/2026	Wire	CVS Caremark	8/24/26-8/31/26	-473,563.80	3,050,612.10
Check	09/08/2026	Wire	CVS Caremark	8/1/26-8/31/26	-15,556.42	3,035,055.68
Check	09/08/2026	Wire	Paydhealth, LLC	Case Management Fee 8/1/26-8/31/26	-4,018.62	3,031,037.06
Check	09/08/2026	Wire	ElectRx	Period Ending 8/31/26	-1,367.66	3,029,669.40
Deposit	09/08/2026			Deposit Fee Returned for Paydhealth, LLC Pymt Setup E	50.00	3,029,719.40
Check	09/09/2026		Checkwriters	PR Dated 9/10/26	-54.69	3,029,664.71
Check	09/09/2026		Checkwriters	PR Dated 9/10/26	-5,280.51	3,024,384.20
Check	09/09/2026		Checkwriters	PR Dated 9/10/26	-1,569.10	3,022,815.10
Deposit	09/09/2026			Deposit	130,284.58	3,153,099.68
Deposit	09/14/2026			Deposit	20,146.42	3,173,246.10
Check	09/14/2026	Wire	CVS Caremark	9/1/26-9/7/26	-298,952.24	2,874,293.86
Deposit	09/16/2026			Deposit	66,115.00	2,940,408.86
Deposit	09/18/2026			Deposit	438,621.48	3,379,030.34
Check	09/21/2026		Checkwriters	PR Dated 9/24/26	-70.85	3,378,959.49
Check	09/21/2026		Checkwriters	PR Dated 9/24/26	-6,406.61	3,372,552.88
Check	09/21/2026		Checkwriters	PR Dated 9/24/26	-1,711.50	3,370,841.38
Check	09/22/2026	Wire	CVS Caremark	9/8/26-9/15/26	-409,707.61	2,961,133.77
Deposit	09/23/2026			Deposit	14,714.00	2,975,847.77
Deposit	09/28/2026			Deposit	750,511.01	3,726,358.78
Deposit	09/28/2026			Caremark - CVS RX Rebate	2,667,868.05	6,394,226.83
Deposit	09/28/2026			Ullico Reinsurance Reimbursement	33,053.85	6,427,280.68
Transfer	09/29/2026	Transfer		Bank Transfer	4,500,000.00	10,927,280.68
Check	09/29/2026	Wire	CVS Caremark	9/16/26-9/23/26	-594,818.94	10,332,461.74
Check	09/29/2026	Wire	ElectRx	Period Ending 9/15/26	-13,662.00	10,318,799.74
Check	09/30/2026	Wire	Blue MedicareRX	7142564 9/14/26	-658,810.88	9,659,988.86
Deposit	09/30/2026			Deposit	16,566.20	9,676,555.06
Deposit	09/30/2026			Interest	4,690.96	9,681,246.02
Total 1008 · M&T Bank						
TOTAL					**5,917,369.14**	**9,681,246.02**

Type	Date	Num	Name	Memo	Amount	Balance
1007 · TruNorth Bank (ESB)						
				Opening Balance		**6,231,869.16**
Bill Pmt -Check	09/01/2026	7323	ACSA Employee Benefit Trust	047540 09/01/2026-09/30/2026	-329.38	6,231,539.78
Bill Pmt -Check	09/01/2026	7324	Boston Mutual Life Ins	September 2026	-42.00	6,231,497.78
Bill Pmt -Check	09/01/2026	7325	The HILB Group	13005806 08/01/2026	-15,714.29	6,215,783.49
Check	09/01/2026	ESB	M&B Holding Company LLC	Sept Rent	-1,000.00	6,214,783.49
Check	09/01/2026	Online Pymt	Comcast	8/31/26-9/30/26	-260.85	6,214,522.64
Transfer	09/01/2026	Transfer		Bank Transfer	-6,000,000.00	214,522.64
Deposit	09/01/2026			Deposit	287,613.10	502,135.74
Deposit	09/01/2026			Deposit	92,823.00	594,958.74
Deposit	09/01/2026			Deposit	16,302.00	611,260.74
Deposit	09/01/2026			Deposit	121,947.00	733,207.74
Deposit	09/02/2026			Deposit	9,946.00	743,153.74
Deposit	09/02/2026			Deposit	8,530.00	751,683.74
Deposit	09/03/2026			Deposit	4,265.00	755,948.74
Bill Pmt -Check	09/08/2026	Online Pymt	NetLogix	September	-1,956.48	753,992.26
Bill Pmt -Check	09/08/2026	7326	4Voice LLC	#100571 8/19/26-9/30/26	-139.62	753,852.64
Bill Pmt -Check	09/08/2026	7327	CanaRx Group Inc	August 16, 2026 - August 31, 2026	-6,666.30	747,186.34
Bill Pmt -Check	09/08/2026	7328	Edward Haber	#1438 9/3/26	-4,000.00	743,186.34
Deposit	09/08/2026			Deposit	29,456.98	772,643.32
Bill Pmt -Check	09/14/2026	7329	CBIZ CPA's		-29,000.00	743,643.32
Deposit	09/15/2026			Deposit	92,949.00	836,592.32
Deposit	09/16/2026			Deposit	133,645.93	970,238.25
Deposit	09/16/2026			Deposit	86,643.10	1,056,881.35
Deposit	09/17/2026			Deposit	252,769.88	1,309,651.23
Deposit	09/17/2026			Deposit	165,250.92	1,474,902.15
Deposit	09/17/2026			Deposit	313,324.93	1,788,227.08
Deposit	09/17/2026			Deposit	226.01	1,788,453.09
Deposit	09/18/2026			Deposit	341,681.68	2,130,134.77
Deposit	09/18/2026			Deposit	67,128.71	2,197,263.48

	Deposit	09/18/2026			Deposit	854,400.17	3,051,663.65
	Bill Pmt -Check	09/21/2026	7330	CanaRx Group Inc	September 01, 2026 - September 15, 2026	-3,453.44	3,048,210.21
	Bill Pmt -Check	09/21/2026	7331	Hampshire County Group Insurance Trust	10/01/2026-10/31/2026	-6,740.00	3,041,470.21
	Bill Pmt -Check	09/21/2026	7332	Hampshire County Retirement System	September 2026	-1,622.60	3,039,847.61
	Bill Pmt -Check	09/21/2026	7333	The HILB Group	Bond - K LeBeau	-975.00	3,038,872.61
	Deposit	09/21/2026			Deposit	125,311.71	3,164,184.32
	Deposit	09/22/2026			Deposit	7,393.00	3,171,577.32
	Deposit	09/22/2026			Deposit	7,823.00	3,179,400.32
	Deposit	09/22/2026			Deposit	9,946.00	3,189,346.32
	Deposit	09/23/2026			Deposit	112,318.00	3,301,664.32
	Deposit	09/24/2026			Deposit	16,676.00	3,318,340.32
	Deposit	09/24/2026			Deposit	923,995.30	4,242,335.62
	Deposit	09/24/2026			Deposit	14,036.00	4,256,371.62
	Deposit	09/24/2026			Deposit	83,852.87	4,340,224.49
	Deposit	09/24/2026			Deposit	104,145.49	4,444,369.98
	Deposit	09/24/2026			Deposit	75,037.99	4,519,407.97
	Deposit	09/24/2026			Deposit	6,875.00	4,526,282.97
	Deposit	09/25/2026			Deposit	20,599.00	4,546,881.97
	Deposit	09/25/2026			Deposit	20,077.00	4,566,958.97
	Deposit	09/25/2026			Deposit	236,555.00	4,803,513.97
	Deposit	09/25/2026			Deposit	16,163.00	4,819,676.97
	Deposit	09/25/2026			Deposit	35,185.94	4,854,862.91
	Bill Pmt -Check	09/28/2026	7334	Cindy Graves Harrison	Office Supplies Reimbursement	-468.62	4,854,394.29
	Deposit	09/28/2026			Deposit	8,530.00	4,862,924.29
	Deposit	09/28/2026			Deposit	6,407.00	4,869,331.29
	Deposit	09/28/2026			Deposit	13,781.00	4,883,112.29
	Transfer	09/29/2026	Transfer		Bank Transfer	-4,500,000.00	383,112.29
	Deposit	09/29/2026			Deposit	86,916.00	470,028.29
	Deposit	09/29/2026			Deposit	6,823.39	476,851.68
	Deposit	09/29/2026			Deposit	278,289.00	755,140.68
	Bill Pmt -Check	09/30/2026	7335	The HILB Group	13005806 09/01/2026	-15,714.29	739,426.39
	Deposit	09/30/2026			Deposit	108,570.79	847,997.18
	Deposit	09/30/2026			Deposit	3,770.00	851,767.18
	Deposit	09/30/2026			Deposit	293,417.58	1,145,184.76
	Deposit	09/30/2026			Deposit	25,239.00	1,170,423.76
	Deposit	09/30/2026			Deposit	1,029,675.29	2,200,099.05
	Deposit	09/30/2026			Deposit	37,643.00	2,237,742.05
	Deposit	09/30/2026			Deposit	276,919.27	2,514,661.32
	Deposit	09/30/2026			Interest	3,592.52	2,518,253.84
Total 1007 · TruNorth Bank (ESB)							
TOTAL						**-3,713,615.32**	**2,518,253.84**

Type	Date	Num	Name	Memo	Amount	Balance
1012 · TruNorth (ESB) CD OPEB						
				Opening Balance		**349,456.85**
	General Journal	09/30/2026	95-kpl	September Interest	1,228.36	350,685.21
Total 1012 · TruNorth (ESB) CD OPEB					**1,228.36**	**350,685.21**
TOTAL						
				TOTAL CASH BALANCE		**12,550,185.07**

Hampshire County Group Insurance Trust - PLAN COUNTS

	NOV	DEC	2026 JAN	FEB	MAR	2026 APR	MAY	JUNE	2026 JULY	AUG	SEPT	2026 OCT	NOV
NETWORK BLUE NE (HMO)													
G1 - Individual	618	618	615	618	614	616	615	614	536	522	506	509	514
G1 - Employee + 1	341	339	333	329	330	329	331	334	282	276	271	272	270
G1 - Family	559	556	550	540	534	527	524	517	431	428	421	415	418
G1 - TOTAL HMO	**1518**	**1513**	**1498**	**1487**	**1478**	**1472**	**1470**	**1465**	**1249**	**1226**	**1198**	**1196**	**1202**
G2 - Individual	707	706	707	702	700	707	706	705	512	512	518	518	522
G2 - Employee + 1	363	360	358	354	356	354	349	350	246	242	241	247	248
G2 - Family	676	675	667	657	659	652	648	645	466	464	461	455	451
G2 - TOTAL HMO	**1746**	**1741**	**1732**	**1713**	**1715**	**1713**	**1703**	**1700**	**1224**	**1218**	**1220**	**1220**	**1221**
TOTAL INDIVIDUAL	1325	1324	1322	1320	1314	1323	1321	1319	1048	1034	1024	1027	1036
TOTAL EMP+1 PLANS	704	699	691	683	686	683	680	684	528	518	512	519	518
TOTAL FAMILY PLANS	1235	1231	1217	1197	1193	1179	1172	1162	897	892	882	870	869
TOTAL HMO PLANS	**3264**	**3254**	**3230**	**3200**	**3193**	**3185**	**3173**	**3165**	**2473**	**2444**	**2418**	**2416**	**2423**
BLUE CARE ELECT PREFERRED (PPO)													
G1 - Individual	207	207	205	203	201	205	201	200	165	163	159	163	164
G1 - Family	240	239	237	231	231	228	227	226	180	180	180	179	181
G1 - TOTAL PPO	**447**	**446**	**442**	**434**	**432**	**433**	**428**	**426**	**345**	**343**	**339**	**342**	**345**
G2 - Individual	165	162	160	164	164	161	161	161	87	85	86	91	90
G2 - Family	202	202	203	205	205	203	201	200	106	105	104	102	100
G2 - TOTAL PPO	**367**	**364**	**363**	**369**	**369**	**364**	**362**	**361**	**193**	**190**	**190**	**193**	**190**
TOTAL INDIVIDUAL	372	369	365	367	365	366	362	361	252	248	245	254	254
TOTAL FAMILY PLANS	442	441	440	436	436	431	428	426	286	285	284	281	281
TOTAL PPO PLANS	**814**	**810**	**805**	**803**	**801**	**797**	**790**	**787**	**538**	**533**	**529**	**535**	**535**
MEDEX													
G1 - Individual	1517	1523	1539	1536	1535	1538	1540	1542	1375	1389	1395	1393	1398
G2 - Individual	1451	1451	1451	1452	1449	1444	1456	1453	1190	1190	1193	1194	1198
TOTAL MEDEX PLANS	**2968**	**2974**	**2990**	**2988**	**2984**	**2982**	**2996**	**2995**	**2565**	**2579**	**2588**	**2587**	**2596**
TOTAL - ALL PLANS	**7046**	**7038**	**7025**	**6991**	**6978**	**6964**	**6959**	**6947**	**5576**	**5556**	**5535**	**5538**	**5554**

Trust exits effective 7/1/2026 - Deposit Balances

	Bernardston	Charlton	Chesterfield	Dudley	FC Tech	FRCOG	GCVS	Leyden	Pioneer Valley	Southampton	Southwick	SWSC	Totals
Original Deposit Amt	**$ (2,270.00)**	**$ (250,000.00)**	**$ (4,163.00)**	**$ (200,000.00)**	**$ (307,520.00)**	**$ (11,728.00)**	**$ (3,570.00)**	**$ (426.00)**	**$ (328,581.00)**	**$ (26,463.00)**	**$ (112,859.00)**	**$ (495,227.00)**	**$ (1,742,807.00)**
July Prem Invoice	**$ -**	$ 44.98	$ -	$ -	$ 5,832.19	$ (2,113.32)	$ (2,344.00)	$ -	$ -	$ 544.00	$ -	$ (3,352.49)	
Pymt Rcvd/Cr Sent		$ (44.98)	$ -	$ -	$ (5,832.19)	$ 2,113.32	$ -	$ -	$ -	$ (544.00)	$ -	$ -	
Aug Prem Invoice	**$ -**	$ -	$ -	$ -	$ -	$ -	$ 1,007.00	$ -	$ -	$ -	$ -	$ (401.10)	
July 2026 Claims	$ 31,726.98	$ 235,111.28	$ 1,739.71	$ 65,692.50	$ 179,916.11	$ 13,346.70	$ 135,191.58	$ 652.01	$ 76,546.82	$ 46,770.60	$ 44,985.51	$ 169,623.11	**$ 1,001,302.91**
Total Due by 9/15 -OR- Remaining Dep Bal	**$ 29,456.98**	**$ (14,888.72)**	**$ (2,423.29)**	**$ (134,307.50)**	**$ (127,603.89)**	**$ 1,618.70**	**$ 130,284.58**	**$ 226.01**	**$ (252,034.18)**	**$ 20,307.60**	**$ (67,873.49)**	**$ (329,357.48)**	
Paid	$ (29,456.98)	$ -	$ -	$ -	$ -	$ -	$ (130,284.58)	$ (226.01)	$ -	$ -	$ -	$ -	
	9/8/2026						**9/9/2026**	**9/17/2026**					
Bal Total Carried Over	**$ -**	**$ (14,888.72)**	**$ (2,423.29)**	**$ (134,307.50)**	**$ (127,603.89)**	**$ 1,618.70**	**$ -**	**$ -**	**$ (252,034.18)**	**$ 20,307.60**	**$ (67,873.49)**	**$ (329,357.48)**	
Aug 2026 Claims	$ 25,866.67	$ 4,657.20	$ 25.65	$ 5,629.80	$ 32,158.39	$ 1,140.07	$ 1,333.15	$ -	$ 25,866.67	$ 4,587.89	$ 2,075.75	$ 75,637.29	**$ 178,978.53**
Total Due by 10/15 -OR- Remaining Dep Bal	**$ 25,866.67**	**$ (10,231.52)**	**$ (2,397.64)**	**$ (128,677.70)**	**$ (95,445.50)**	**$ 2,758.77**	**$ 1,333.15**	**$ -**	**$ (226,167.51)**	**$ 24,895.49**	**$ (65,797.74)**	**$ (253,720.19)**	
Paid	$ (25,866.67)	$ -	$ -	$ -	$ -	$ -	$ (1,333.15)	$ -	$ -	$ -	$ -	$ -	
	10/5/2026												
Bal Total Carried Over	**$ -**	**$ (10,231.52)**	**$ (2,397.64)**	**$ (128,677.70)**	**$ (95,445.50)**	**$ 2,758.77**	**$ -**	**$ -**	**$ (226,167.51)**	**$ 24,895.49**	**$ (65,797.74)**	**$ (253,720.19)**	
Stop Loss Reimbursement		$ (35,886.73)											
Sept 2026 Claims	$ 393.08	$ 5,757.65	$ 19.67	$ 597.41	$ 2,407.32	$ 903.42	$ 8,754.03	$ (436.41)	$ 24,588.08	$ 10,969.68	$ 2,659.15	$ -	**$ 56,613.08**
Total Due by 11/15 -OR- Remaining Dep Bal	**$ 393.08**	**$ (40,360.60)**	**$ (2,377.97)**	**$ (128,080.29)**	**$ (93,038.18)**	**$ 3,662.19**	**$ 8,754.03**	**$ (436.41)**	**$ (201,579.43)**	**$ 35,865.17**	**$ (63,138.59)**	**$ (253,720.19)**	
Paid		$ -	$ -	$ -	$ -			$ -	$ -		$ -	$ -	
Remaining Deposit Bals	**$ -**	**$ (40,360.60)**	**$ (2,377.97)**	**$ (128,080.29)**	**$ (93,038.18)**	**$ -**	**$ -**	**$ (436.41)**	**$ (201,579.43)**	**$ -**	**$ (63,138.59)**	**$ (253,720.19)**	**$ (782,731.66)**
Unit Going To:	GIC	Mass Strategic	GIC	Mass Strategic	Fern Rock	GIC	Cigna	GIC	GIC	GIC	Fern Rock	MIIA	

Hampshire County Group Insurance Trust
Transaction Detail by Account
June 30 through September 30, 2026

	Type	Date	Num	Name	Amount
2600 · Unit Deposits on Account	General Journal	06/30/2026	90-kpl	Ashfield	1,200.00
				Ashfield Total	**1,200.00**
	General Journal	06/30/2026	90-kpl	Athol	548,700.00
				Athol Total	**548,700.00**
	General Journal	06/30/2026	90-kpl	Belchertown	59,598.00
				Belchertown Total	**59,598.00**
	General Journal	06/30/2026	90-kpl	Bernardston	2,270.00
	Invoice	08/20/2026	Run-Off	Bernardston	-2,270.00
				Bernardston Total	**0.00**
	General Journal	06/30/2026	90-kpl	Brookfield	147,000.00
	Invoice	06/30/2026	July 2026	Brookfield	12,250.00
	Invoice	07/09/2026	August 2026	Brookfield	12,250.00
	Invoice	08/07/2026	Sept 2026	Brookfield	12,250.00
	Invoice	09/09/2026	Oct 2026	Brookfield	12,250.00
				Brookfield Total	**196,000.00**
	General Journal	06/30/2026	90-kpl	Buckland	426.00
				Buckland Total	**426.00**
	General Journal	06/30/2026	90-kpl	Charlemont	2,826.00
				Charlemont Total	**2,826.00**
	General Journal	06/30/2026	90-kpl	Charlton	250,000.00
	Invoice	08/20/2026	Run-Off	Charlton	-235,111.28
	Invoice	09/18/2026	Run-Off	Charlton	-4,657.20
				Charlton Total	**10,231.52**
	Invoice	07/25/2019	5	Chester	1,875.00
	Invoice	08/09/2019	75	Chester	1,875.00
	Invoice	09/09/2019	145	Chester	39,375.00
	General Journal	08/01/2020	5	Chester	1,875.00
				Chester Total	**45,000.00**
	General Journal	06/30/2026	90-kpl	Chesterfield	4,163.00
	Invoice	08/20/2026	Run-Off	Chesterfield	-1,739.71
	Invoice	09/18/2026	Run-Off	Chesterfield	-25.65
				Chesterfield Total	**2,397.64**
	General Journal	06/30/2026	90-kpl	Chesterfield/Goshen RSD	3,376.00
				Chesterfield/Goshen RSD Total	**3,376.00**
	General Journal	06/30/2026	90-kpl	Colrain	4,580.00
				Colrain Total	**4,580.00**
	General Journal	06/30/2026	90-kpl	Conway	6,450.00
				Conway Total	**6,450.00**
	General Journal	06/30/2026	90-kpl	Cummington	838.00
				Cummington Total	**838.00**
	General Journal	06/30/2026	90-kpl	Deerfield	16,558.00
				Deerfield Total	**16,558.00**
	General Journal	06/30/2026	90-kpl	Dudley	200,000.00
	Invoice	08/20/2026	Run-Off	Dudley	-65,692.50
	Invoice	09/18/2026	Run-Off	Dudley	-5,629.80
				Dudley Total	**128,677.70**
	General Journal	06/30/2026	90-kpl	Easthampton	192,000.00
				Easthampton Total	**192,000.00**
	General Journal	06/30/2026	90-kpl	Erving	8,820.00
				Erving Total	**8,820.00**
	General Journal	06/30/2026	94-kpl	Franklin Community Development Corp	1,200.00
				Franklin Community Development Corp Total	**1,200.00**
	General Journal	06/30/2026	90-kpl	Franklin CTY Tech School	307,520.00
	Invoice	08/20/2026	Run-Off	Franklin CTY Tech School	-179,916.11
	Invoice	09/18/2026	Run-Off	Franklin CTY Tech School	-32,158.39
				Franklin CTY Tech School Total	**95,445.50**
	General Journal	06/30/2026	90-kpl	Franklin Regional COG	11,728.00
	Invoice	08/20/2026	Run-Off	Franklin Regional COG	-11,728.00

Hampshire County Group Insurance Trust
Transaction Detail by Account
June 30 through September 30, 2026

Type	Date	Num	Name	Amount
			Franklin Regional COG Total	**0.00**
General Journal	06/30/2026	90-kpl	Frontier RSD	220,388.00
			Frontier RSD Total	**220,388.00**
General Journal	06/30/2026	90-kpl	Gateway RSD	75,813.00
			Gateway RSD Total	**75,813.00**
General Journal	06/30/2026	90-kpl	Gill	426.00
			Gill Total	**426.00**
General Journal	06/30/2026	90-kpl	Goshen	2,882.00
			Goshen Total	**2,882.00**
General Journal	06/30/2026	90-kpl	Granby	26,970.00
			Granby Total	**26,970.00**
General Journal	06/30/2026	90-kpl	Greenfield Comm. Virtual School	4,907.00
Invoice	08/20/2026	Run-Off	Greenfield Comm. Virtual School	-4,907.00
			Greenfield Comm. Virtual School Total	**0.00**
General Journal	06/30/2026	90-kpl	Hadley	21,586.00
			Hadley Total	**21,586.00**
General Journal	06/30/2026	90-kpl	Hampshire COG	42,265.00
General Journal	06/30/2026	90-kpl	Hampshire COG	12,011.00
			Hampshire COG Total	**54,276.00**
General Journal	06/30/2026	94-kpl	Hampshire County Bar Advocates	998.00
			Hampshire County Bar Advocates Total	**998.00**
General Journal	06/30/2026	94-kpl	Hampshire County Group Insurance Trust	1,800.00
			Hampshire County Group Insurance Trust Total	**1,800.00**
General Journal	06/30/2026	94-kpl	Hampshire CTY Retirement	2,574.00
			Hampshire CTY Retirement Total	**2,574.00**
General Journal	06/30/2026	94-kpl	Hampshire RSD	23,183.00
			Hampshire RSD Total	**23,183.00**
General Journal	06/30/2026	94-kpl	Hatfield	20,043.00
			Hatfield Total	**20,043.00**
General Journal	06/30/2026	94-kpl	Hawley	426.00
			Hawley Total	**426.00**
General Journal	06/30/2026	94-kpl	Heath	2,760.00
			Heath Total	**2,760.00**
General Journal	06/30/2026	94-kpl	Holland	107,874.00
			Holland Total	**107,874.00**
General Journal	06/30/2026	94-kpl	Huntington	15,000.00
			Huntington Total	**15,000.00**
General Journal	06/30/2026	94-kpl	Leverett	6,720.00
			Leverett Total	**6,720.00**
General Journal	06/30/2026	94-kpl	Leyden	426.00
Invoice	08/20/2026	Run-Off	Leyden	-426.00
			Leyden Total	**0.00**
General Journal	06/30/2026	94-kpl	Middlefield	818.00
			Middlefield Total	**818.00**
General Journal	06/30/2026	94-kpl	Monroe	3,626.00
			Monroe Total	**3,626.00**
General Journal	06/30/2026	94-kpl	Montague	8,462.00
			Montague Total	**8,462.00**
General Journal	06/30/2026	94-kpl	New Salem	1,200.00
			New Salem Total	**1,200.00**
General Journal	06/30/2026	94-kpl	New Salem/Wendell USD	11,038.00
			New Salem/Wendell USD Total	**11,038.00**
General Journal	06/30/2026	94-kpl	Northfield	10,756.00
			Northfield Total	**10,756.00**
General Journal	06/30/2026	94-kpl	Orange	390,000.00
			Orange Total	**390,000.00**
General Journal	06/30/2026	94-kpl	Pioneer Valley RSD	328,581.00
Invoice	08/20/2026	Run-Off	Pioneer Valley RSD	-76,546.82

Hampshire County Group Insurance Trust
Transaction Detail by Account
June 30 through September 30, 2026

Type	Date	Num	Name	Amount
Invoice	09/18/2026	Run-Off	Pioneer Valley RSD	-25,866.67
			Pioneer Valley RSD Total	**226,167.51**
General Journal	06/30/2026	94-kpl	Plainfield	2,004.00
			Plainfield Total	**2,004.00**
General Journal	06/30/2026	94-kpl	Quabbin Health Dist.	329.00
			Quabbin Health Dist. Total	**329.00**
General Journal	06/30/2026	94-kpl	Rowe	9,520.00
			Rowe Total	**9,520.00**
General Journal	06/30/2026	94-kpl	Shelburne	5,610.00
			Shelburne Total	**5,610.00**
General Journal	06/30/2026	95-kpl	SHFD #1	23,227.00
			SHFD #1 Total	**23,227.00**
General Journal	06/30/2026	95-kpl	SHFD #2	4,151.00
			SHFD #2 Total	**4,151.00**
General Journal	06/30/2026	94-kpl	Shutesbury	6,000.00
			Shutesbury Total	**6,000.00**
General Journal	06/30/2026	94-kpl	SO. Deerfield WTR. Supply Dist.	2,760.00
			SO. Deerfield WTR. Supply Dist. Total	**2,760.00**
General Journal	06/30/2026	94-kpl	South Hadley	145,261.00
			South Hadley Total	**145,261.00**
General Journal	06/30/2026	94-kpl	Southampton	26,463.00
Invoice	08/20/2026	Run-Off	Southampton	-26,463.00
			Southampton Total	**0.00**
General Journal	06/30/2026	94-kpl	Southern Worcester CTY VTRSD	590,000.00
			Southern Worcester CTY VTRSD Total	**590,000.00**
General Journal	06/30/2026	95-kpl	Southwick	112,859.00
Invoice	08/20/2026	Run-Off	Southwick	-44,985.51
Invoice	09/18/2026	Run-Off	Southwick	-2,075.75
			Southwick Total	**65,797.74**
General Journal	06/30/2026	95-kpl	SPFLD Water & Sewer	498,980.59
Invoice	08/20/2026	Run-Off	SPFLD Water & Sewer	-169,623.11
Invoice	09/18/2026	Run-Off	SPFLD Water & Sewer	-75,637.29
			SPFLD Water & Sewer Total	**253,720.19**
General Journal	06/30/2026	95-kpl	Warwick	2,000.00
			Warwick Total	**2,000.00**
General Journal	06/30/2026	95-kpl	Washington	5,000.00
			Washington Total	**5,000.00**
General Journal	06/30/2026	95-kpl	Wendell	2,000.00
			Wendell Total	**2,000.00**
General Journal	06/30/2026	95-kpl	Westhampton	4,871.00
			Westhampton Total	**4,871.00**
General Journal	06/30/2026	95-kpl	Whately	7,586.00
			Whately Total	**7,586.00**
General Journal	06/30/2026	95-kpl	Williamsburg	10,485.00
			Williamsburg Total	**10,485.00**
			Member Deposits as of 9/30/26	**3,700,432.80**

HAMPSHIRE COUNTY GROUP INSURANCE TRUST

AMENDMENT NO. ____ TO THE TRUST AGREEMENT

Amendment to Article 6, Withdrawal of Member Units

Pursuant to a vote of the weighted majority of the Insurance Advisory Committee taken on _____, 20__, the Hampshire County Group Insurance Trust Amended Agreement dated January ___, 2021 (the "Agreement") is hereby amended by adding the following new paragraph at the end of Article 6:

> **Special Withdrawal for Purposes of Joining the Group Insurance Commission.** Notwithstanding any other provision of this Article 6, the Trust is amended for the sole purpose of allowing member governmental units to notify the Trust in writing, no later than July 1, 2027, of a member governmental unit's decision to exit and withdraw from the Trust effective January 1, 2028, for the sole purpose of joining the Massachusetts Group Insurance Commission effective January 1, 2028. Such written notice shall be delivered to the Insurance Director and the members of the Executive Committee and shall be signed by the Chief Executive Officer(s) of the withdrawing member unit, as otherwise required by this Article 6. The requirement that notice of withdrawal be given at least ninety (90) days before the renewal date and start of a new plan year shall not apply to a withdrawal made under this paragraph.
>
> Any member governmental unit that withdraws from the Trust pursuant to this paragraph shall remain responsible for all premiums, fees, and costs through the withdrawal date, and shall be responsible for all run-out claims incurred prior to and paid after the withdrawal date, as otherwise required by this Article 6. The Trust shall hold and apply the withdrawing member unit's claim deposit in accordance with the remaining provisions of this Article 6.
>
> This paragraph shall be effective from the date of its approval through July 1, 2027. This paragraph shall sunset and shall be deemed expired and of no further force and effect as of July 2, 2027; provided, however, that any written notice of withdrawal timely delivered on or before July 1, 2027 shall remain valid and effective, and the payment of premiums, fees costs and run-out claims shall be valid, effective and remain an obligation of the withdrawing Governmental Unit. The withdrawal shall take effect on January 1, 2028, notwithstanding the expiration of this paragraph.

Except as expressly amended herein, all other terms and provisions of the Agreement remain in full force and effect.

ADOPTED BY VOTE OF THE MEMBERS DATED _____, 20__

_____
Chairperson, Insurance Advisory Committee

_____
Insurance Director, Secretary

YEAR TO DATE CLAIMS ANALYSIS

Prepared Exclusively For:

Hampshire County Group Insurance Trust

July 1, 2026 - June 30, 2027

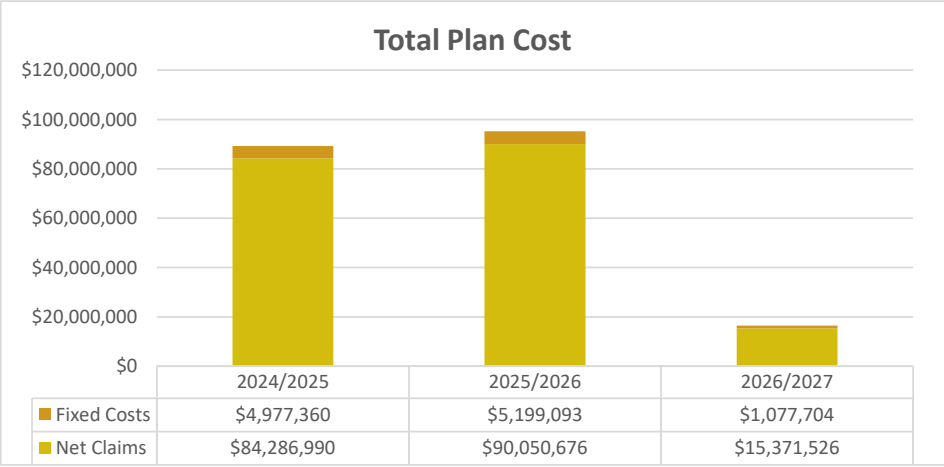


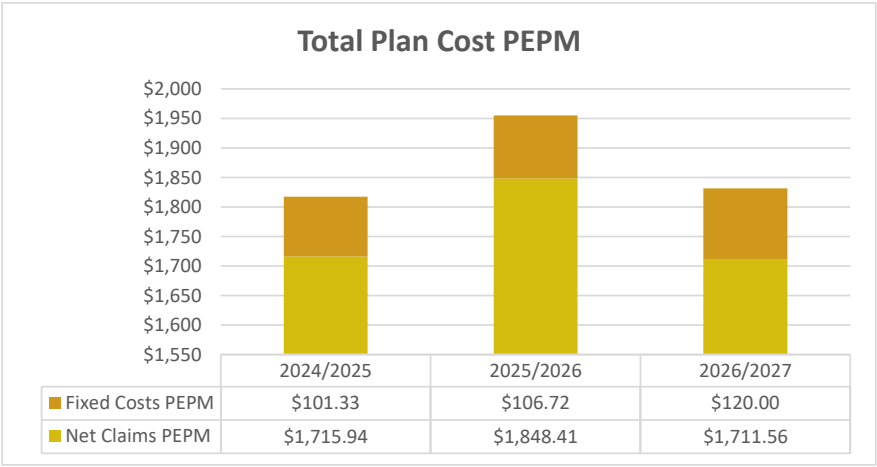
INSURANCE | BENEFITS | HR SOLUTIONS

Hampshire County Group Insurance Trust

Historical Claims Summary

Month	2024/2025	2025/2026	2026/2027
July	$6,481,947	$8,218,097	$6,621,109
August	$8,067,800	$10,009,574	$5,827,171
September	$6,622,248	$8,941,014	$5,853,217
October	$6,976,193	$9,031,651	$0
November	$7,692,312	$7,764,040	$0
December	$6,764,820	$7,709,127	$0
January	$8,023,521	$8,125,556	$0
February	$7,250,360	$8,966,976	$0
March	$7,771,679	$8,051,615	$0
April	$7,592,105	$7,666,856	$0
May	$10,291,182	$7,766,429	$0
June	$8,680,942	$7,908,154	$0
Total Gross Claims	**$92,215,111**	**$100,159,089**	**$18,301,497**
Rebates	($7,586,706)	($8,807,106)	($2,667,868)
Reimbursements	($341,415)	($1,301,307)	($262,103)
Net Claims	**$84,286,990**	**$90,050,676**	**$15,371,526**
Fixed Costs	$4,977,360	$5,199,093	$1,077,704
Total Plan Cost	**$89,264,350**	**$95,249,769**	**$16,449,230**
Average Monthly Enrollment	**4,093**	**4,060**	**2,994**
Total Plan Cost PEPM	**$1,817.27**	**$1,955.12**	**$1,831.56**
% Change from Prior Year		**7.59%**	**-6.32%**



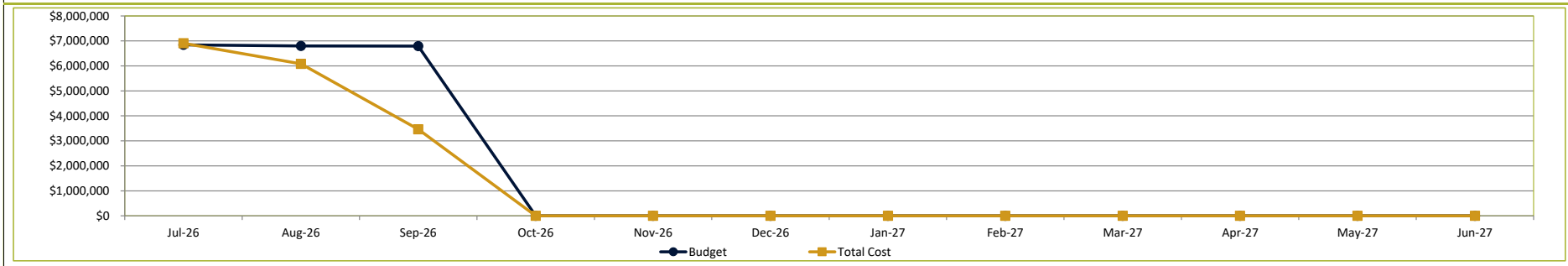


Hampshire County Group Insurance Trust

Budget (Working Rates) vs. Actual Costs

Combined: Non-Medicare

Month	Ind	Fam	Total	Budget	Paid Medical	Paid Drugs	Total Claims	Fixed Expenses	Stop Loss Premium	Stop Loss Reimbursements	Drug Rebates	International Drugs	Total Cost	Under/(Over) Budget	Plan Performance
Jul-26	1,300	1,703	3,003	$6,843,260	$5,222,200	$1,398,411	$6,620,611	$163,904	$196,722	($76,490)	$0	$497	$6,905,244	($61,984)	101%
Aug-26	1,296	1,691	2,987	$6,800,612	$4,257,103	$1,558,237	$5,815,339	$163,030	$195,493	($103,287)	$0	$11,832	$6,082,408	$718,204	89%
Sep-26	1,305	1,686	2,991	$6,794,359	$3,993,331	$1,781,913	$5,775,244	$163,249	$195,306	($82,326)	($2,667,868)	$77,973	$3,461,578	$3,332,781	51%
Oct-26	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Nov-26	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Dec-26	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Jan-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Feb-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Mar-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Apr-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
May-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Jun-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Total	**3,901**	**5,080**	**8,981**	**$20,438,231**	**$13,472,634**	**$4,738,561**	**$18,211,195**	**$490,183**	**$587,521**	**($262,103)**	**($2,667,868)**	**$90,302**	**$16,449,230**	**$3,989,001**	**80%**
Average	1,300	1,693	2,994	$6,812,744	$4,490,878	$1,579,520	$6,070,398	$163,394	$195,840	($87,368)	($2,667,868)	$30,101	$5,483,077		

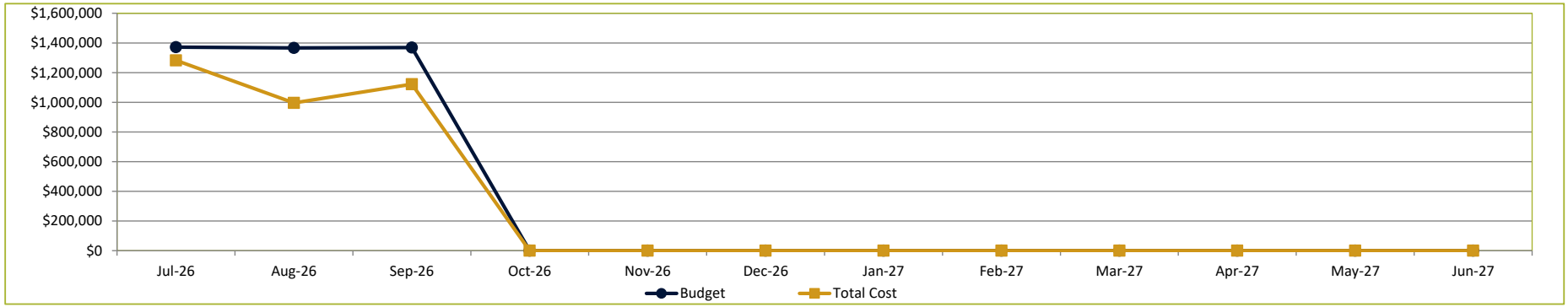


Hampshire County Group Insurance Trust

Budget (Working Rates) vs. Actual Costs

Blue Care Elect

Month	Ind	Fam	Total	Budget	Paid Medical	Paid Drugs	Total Claims	Fixed Expenses	Stop Loss Premium	Stop Loss Reimbursements	Total Cost	Under/(Over) Budget	Plan Performance
Jul-26	250	287	537	$1,371,551	$961,420	$257,711	$1,219,131	$29,309	$34,095	$0	$1,282,536	$89,015	94%
Aug-26	252	285	537	$1,366,959	$651,267	$306,186	$957,453	$29,309	$33,972	($24,321)	$996,414	$370,545	73%
Sep-26	256	284	540	$1,368,644	$749,394	$353,307	$1,102,701	$29,473	$34,002	($44,146)	$1,122,030	$246,614	82%
Oct-26	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Nov-26	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Dec-26	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Jan-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Feb-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Mar-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Apr-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
May-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Jun-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Total	**758**	**856**	**1,614**	**$4,107,154**	**$2,362,082**	**$917,204**	**$3,279,285**	**$88,092**	**$102,069**	**($68,467)**	**$3,400,979**	**$706,175**	83%
Average	253	285	538	$1,369,051	$787,361	$305,735	$1,093,095	$29,364	$34,023	($34,233)	$1,133,660		

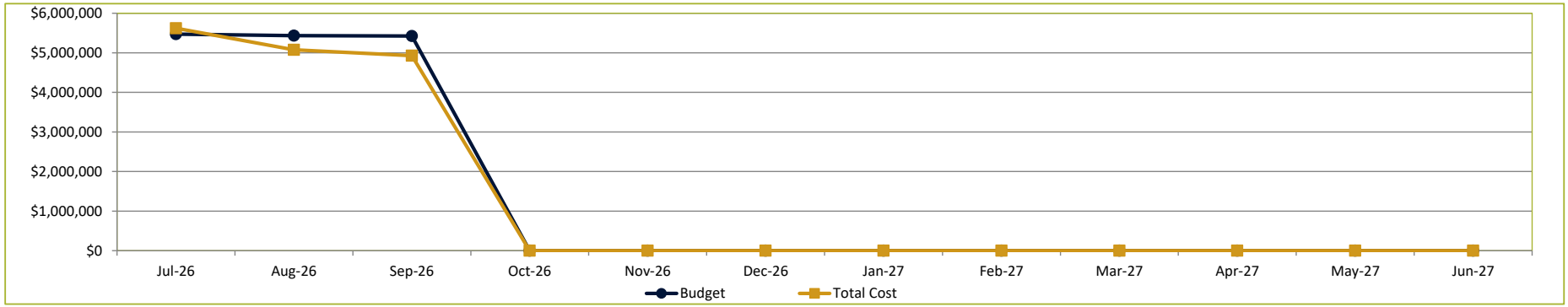


Hampshire County Group Insurance Trust

Budget (Working Rates) vs. Actual Costs

Network Blue

Month	Ind	Fam	Total	Budget	Paid Medical	Paid Drugs	Total Claims	Fixed Expenses	Stop Loss Premium	Stop Loss Reimbursements	Total Cost	Under/(Over) Budget	Plan Performance
Jul-26	1,050	1,416	2,466	$5,471,709	$4,260,780	$1,140,700	$5,401,480	$134,594	$162,626	($76,490)	$5,622,211	($150,502)	**103%**
Aug-26	1,044	1,406	2,450	$5,433,653	$3,605,835	$1,252,051	$4,857,886	$133,721	$161,521	($78,966)	$5,074,162	$359,491	93%
Sep-26	1,049	1,402	2,451	$5,425,715	$3,243,937	$1,428,606	$4,672,544	$133,776	$161,304	($38,180)	$4,929,443	$496,272	91%
Oct-26	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Nov-26	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Dec-26	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Jan-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Feb-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Mar-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Apr-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
May-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Jun-27	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0%
Total	**3,143**	**4,224**	**7,367**	**$16,331,077**	**$11,110,552**	**$3,821,357**	**$14,931,910**	**$402,091**	**$485,452**	**($193,636)**	**$15,625,816**	**$705,261**	**96%**
Average	1,048	1,408	2,456	$5,443,692	$3,703,517	$1,273,786	$4,977,303	$134,030	$161,817	($64,545)	$5,208,605		

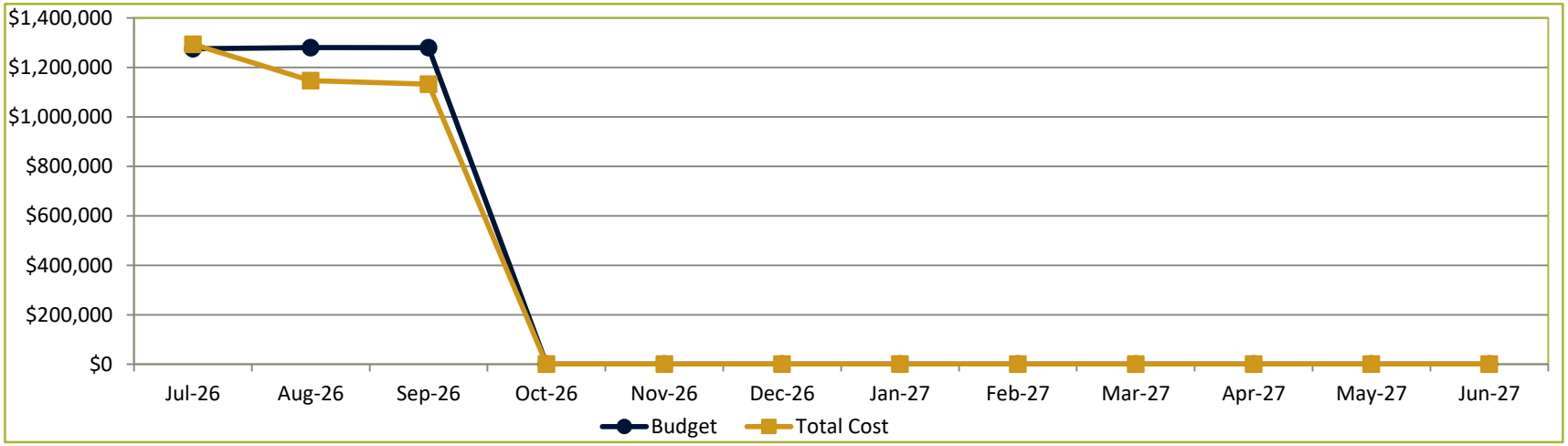


Hampshire County Group Insurance Trust

Budget (Working Rates) vs. Actual Costs

Medicare

Month	Subs	Budget	Claims	Fixed Expenses	PDP	Total Cost	Under/(Over) Budget	Plan Performance
Jul-26	2,577	$1,275,615	$564,100	$67,827	$661,748	$1,293,674	($18,059)	**101%**
Aug-26	2,586	$1,280,070	$414,195	$68,064	$664,059	$1,146,318	$133,752	90%
Sep-26	2,585	$1,279,575	$400,575	$68,037	$663,802	$1,132,414	$147,161	88%
Oct-26								
Nov-26								
Dec-26								
Jan-27								
Feb-27								
Mar-27								
Apr-27								
May-27								
Jun-27								
Total	**7,748**	**$3,835,260**	**$1,378,870**	**$203,927**	**$1,989,609**	**$3,572,406**	**$262,854**	**93%**
Average	2,583	$1,278,420	$459,623	$67,976	$663,203	$1,190,802		
1/1/26 PEPM		$495.00	$211.89	$26.32	$256.79			
1/1/27 PEPM		$524.78	$240.15	$26.85	$257.78			



High Cost Claimants

Hampshire County Group Insurance Trust

Incurred: Jul 2026 - Sep 2026
Paid: Jul 2026 - Sep 2026
Paid Threshold: $200,000
ISL Deductible: $400,000

Claimant	Product Line	Relationship	Member Status	Most Recent DOS	Top Paid Diagnosis	Medical Paid	Pharmacy Paid	Total Paid	Reimbursement
						$0	$0	$0	$0

High Cost Claimants

Hampshire County Group Insurance Trust

Incurred: Jul 2025 - Jun 2026
Paid: Jul 2025 - Sep 2026
Paid Threshold: $200,000
ISL Deductible: $400,000

Claimant	Product Line	Relationship	Member Status	Most Recent DOS	Top Paid Diagnosis	Medical Paid	Pharmacy Paid	Total Paid	Reimbursement
1	NETWORK BLUE NE W/O COPAY W/O RX	Dependent	ACTIVE	06/30/2026	Q21 - Congenital malformations of cardiac septa	$831,787	$297	$832,084	$432,084
2	NETWORK BLUE NE W/O COPAY W/O RX	Spouse	CANCELLED	10/19/2025	C79 - Secondary malignant neoplasm of other and unspecified sites	$620,784	$50	$620,834	$220,834
3	NETWORK BLUE NE W/O COPAY W/O RX	Spouse	CANCELLED	06/30/2026	J44 - Other chronic obstructive pulmonary disease	$557,351	$4,717	$562,068	$162,068
4	BLUE CARE ELECT PREFERRED 100 WITH COPAY	Subscriber			DRUGS	$0	$497,316	$497,316	$97,316
5	BLUE CARE ELECT PREFERRED 100 WITH COPAY	Dependent	ACTIVE	06/29/2026	000 - BEHAVIORAL HEALTH	$466,822	$1,645	$468,467	$68,467
6	NETWORK BLUE NE W/O COPAY W/O RX	Spouse	CANCELLED	06/25/2026	Z51 - Encounter for other aftercare and medical care	$470,384	$0	$470,384	$70,384
7	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	ACTIVE	06/30/2026	D69 - Purpura and other hemorrhagic conditions	$360,372	$0	$360,372	
8	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	CANCELLED	06/30/2026	Z51 - Encounter for other aftercare and medical care	$336,147	$0	$336,147	
9	BLUE CARE ELECT PREFERRED 100 WITH COPAY	Subscriber	ACTIVE	06/04/2026	M48 - Other spondylopathies	$332,194	$0	$332,194	
10	NETWORK BLUE NE W/O COPAY W/O RX	Spouse	ACTIVE	06/30/2026	K85 - Acute pancreatitis	$319,220	$0	$319,220	
11	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	ACTIVE	06/18/2026	C22 - Malignant neoplasm of liver and intrahepatic bile ducts	$312,486	$0	$312,486	
12	NETWORK BLUE NE W/O COPAY W/O RX	Spouse	CANCELLED	06/25/2026	I25 - Chronic ischemic heart disease	$303,258	$0	$303,258	
13	BLUE CARE ELECT PREFERRED 100 WITH COPAY	Spouse	ACTIVE	06/30/2026	I69 - Sequelae of cerebrovascular disease	$301,994	$0	$301,994	
14	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	ACTIVE	06/24/2026	Z51 - Encounter for other aftercare and medical care	$301,336	$0	$301,336	
15	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	CANCELLED	06/25/2026	Z51 - Encounter for other aftercare and medical care	$297,376	$0	$297,376	
16	BLUE CARE ELECT PREFERRED 100 WITH COPAY	Subscriber	ACTIVE	06/09/2026	Z51 - Encounter for other aftercare and medical care	$284,502	$0	$284,502	
17	BLUE CARE ELECT PREFERRED 100 WITH COPAY	Subscriber	CANCELLED	12/31/2025	S22 - Fracture of rib(s), sternum and thoracic spine	$279,139	$0	$279,139	
18	BLUE CARE ELECT PREFERRED 100 WITH COPAY	Dependent	ACTIVE	06/30/2026	T18 - Foreign body in alimentary tract	$276,466	$0	$276,466	
19	BLUE CARE ELECT PREFERRED 100 WITH COPAY	Spouse	CANCELLED	06/29/2026	M43 - Other deforming dorsopathies	$272,085	$0	$272,085	
20	NETWORK BLUE NE W/O COPAY W/O RX	Spouse	ACTIVE	06/30/2026	I47 - Paroxysmal tachycardia	$270,421	$0	$270,421	
21	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	CANCELLED	06/26/2026	D69 - Purpura and other hemorrhagic conditions	$268,993	$0	$268,993	
22	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	CANCELLED	02/18/2026	C34 - Malignant neoplasm of bronchus and lung	$267,906	$0	$267,906	
23	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	CANCELLED	03/21/2026	N17 - Acute kidney failure	$244,749	$0	$244,749	
24	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	ACTIVE	06/26/2026	Z51 - Encounter for other aftercare and medical care	$238,090	$0	$238,090	
25	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	ACTIVE	05/30/2026	Z85 - Personal history of malignant neoplasm	$238,090	$0	$238,090	
26	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	CANCELLED	11/16/2025	C71 - Malignant neoplasm of brain	$236,601	$0	$236,601	
27	BLUE CARE ELECT PREFERRED 100 WITH COPAY	Subscriber	CANCELLED	12/19/2025	Z51 - Encounter for other aftercare and medical care	$230,669	$0	$230,669	
28	BLUE CARE ELECT PREFERRED 100 WITH COPAY	Dependent	CANCELLED	11/21/2025	C41 - Malignant neoplasm of bone and articular cartilage of other and unspecified sites	$227,418	$0	$227,418	
29	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	CANCELLED	06/26/2026	T83 - Complications of genitourinary prosthetic devices, implants and grafts	$225,283	$0	$225,283	
30	NETWORK BLUE NE W/O COPAY W/O RX	Spouse	ACTIVE	06/27/2026	K52 - Other and unspecified noninfective gastroenteritis and colitis	$222,419	$0	$222,419	
31	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	ACTIVE	06/26/2026	C25 - Malignant neoplasm of pancreas	$212,512	$0	$212,512	
32	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	ACTIVE	06/24/2026	I25 - Chronic ischemic heart disease	$209,632	$0	$209,632	
33	NETWORK BLUE NE W/O COPAY W/O RX	Dependent	ACTIVE	06/30/2026	P80 - Hypothermia of newborn	$207,451	$0	$207,451	
34	NETWORK BLUE NE W/O COPAY W/O RX	Spouse	ACTIVE	06/25/2026	I21 - Acute myocardial infarction	$207,349	$0	$207,349	
35	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	ACTIVE	06/11/2026	Z51 - Encounter for other aftercare and medical care	$205,036	$0	$205,036	
36	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	ACTIVE	06/29/2026	Z51 - Encounter for other aftercare and medical care	$204,699	$0	$204,699	
37	NETWORK BLUE NE W/O COPAY W/O RX	Spouse	CANCELLED	12/03/2025	K56 - Paralytic ileus and intestinal obstruction without hernia	$203,458	$0	$203,458	
38	NETWORK BLUE NE W/O COPAY W/O RX	Subscriber	ACTIVE	06/30/2026	I35 - Nonrheumatic aortic valve disorders	$201,596	$0	$201,596	
						$11,246,076	**$504,024**	**$11,750,101**	**$1,051,152**

HEALTH INSURANCE OUTLOOK · FY27 · DRAFT

Hampshire County Group Insurance Trust

Annual review of HCGIT's renewal actions, rates and municipal market options

October 16, 2026

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A glossary of health insurance terms is included in the Reference Guide at the end of this report.

FY27 AT A GLANCE

A Year of Recovery

After reserves fell from $20 million to under $5 million and the Trust came close to insolvency in FY26, HCGIT took decisive action for FY27 to restore financial stability while keeping benefits competitive. Every step since the FY26 renewal cycle has been aimed at rebuilding the Trust's reserves; see "How HCGIT Is Rebuilding Its Reserves" in Section III.

12.48%
FY27 rate increase, below the 16% previously projected

$3.4M
Projected pharmacy savings, with no change to the drug formulary

$6.9M
Trust ending balance, June 2026; FY27 budget balanced

6.0%
Medex 2 increase for calendar year 2027 ($525.00)

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I. Introduction
II. Plan Administration
III. FY27 Renewal: Actions Taken This Year
IV. HCGIT Key Offerings
V. Healthcare Market Trends
VI. Municipal Rate Trends
VII. Outlook: FY28 and Beyond

Appendix A: FY27 HCGIT & GIC Comparisons
Reference Guide: Glossary of Healthcare Terms

I. Introduction

The Hampshire County Group Insurance Trust (HCGIT) is a Joint Purchasing Group (JPG) that provides health insurance coverage to 61 municipal entities across Berkshire, Franklin, Hampshire, Hampden, and Worcester Counties. Established under Section 12 of Chapter 32B of the Massachusetts General Laws, the Trust facilitates the joint purchase of insurance for towns, cities, fire districts, regional school districts, water districts, and community development corporations. While these entities are members of the Trust, their employees are part of the respective units and must receive uniform rates and health insurance products unless specified otherwise in a collective bargaining agreement. HCGIT serves approximately 10,000 active and retired municipal employees and their eligible dependents, offering benefits such as health insurance, basic life insurance, voluntary life insurance, voluntary dental insurance, voluntary disability insurance, and long-term care insurance.

II. Plan Administration

Municipalities typically administer benefits under self-insurance, fully insured coverage, or through Joint Purchasing Groups (JPGs) like the HCGIT. Being self-insured means being financially responsible for the performance of the risk pool. In years when claims are stable or low, the employer builds reserves, which can help offset costs during years of high claims. Claims activity typically fluctuates year over year. In a fully insured model, an employer purchases health insurance through a commercial insurer, transferring both risk and administrative responsibilities to the insurer. While premiums and costs in this model are more predictable, rates can be significantly higher due to increased administrative and insurance margins, with fewer opportunities for shared savings when claims are low.

Several statewide group purchasers offer pooled arrangements that vary in governance and operation through JPGs, including but not limited to the HCGIT, the Massachusetts Interlocal Insurance Association (MIIA), the Group Insurance Commission (GIC), and the Massachusetts Strategic Health Group (MSHG). Some purchasing groups allow municipalities to participate in a large pool, spreading risk among participants (e.g., GIC). Others blend the experience of individual municipalities with the performance of the general pool (e.g., MIIA), while some groups maintain a pooled arrangement where the entity remains self-insured and is responsible for its specific claims risks (e.g., MSHG). The chart below compares the key differences among these types of joint purchasing groups.

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Exhibit A: JPG Comparisons (HCGIT, MIIA, GIC and MSHG)

JPG	Plan Design	Rating	Acceptance of New Entities
HCGIT	All participating entities have the same plan design voted by the Insurance Advisory Committee.	All entities have the same premium rates with shared risk.	At the discretion of HCGIT
MIIA	Each entity can determine their own plan design.	Each entity is rated on their claims experience, with some risk sharing, such as credibility factor, rate ranges, and pooling of large losses.	At the discretion of MIIA
GIC	All entities have the same plan design set by the Commissioners.	All entities have the same premium rates with shared risk.	Automatic acceptance with a signed PEC agreement (utilizing MGL c. 32B Section 19 or Sections 21–23)
MSHG	Each entity can determine their own plan design.	Each entity is self-insured and carries its own claims risk, while leveraging combined purchasing for administrative fees and stop-loss premiums.	At the discretion of MSHG

HCGIT operates its health plans on a self-funded basis, directly paying medical claims for its members instead of making fixed premium payments to an insurance company. To manage network access, claims processing, and other administrative tasks, the Trust engages a Third-Party Administrator (TPA), currently Blue Cross Blue Shield of Massachusetts (BCBSMA). To mitigate risks associated with high-cost or catastrophic claims, the Trust maintains specific stop-loss insurance at a $400,000 deductible per member; for FY27, the stop-loss program was awarded to BCBSMA. Since December 2025, Hilb Group has served as the Trust's Executive Director (consultant), overseeing claims payments and operational management while providing direct support to each municipal participant.

The Trust also manages its prescription drug coverage directly, with CVS Caremark serving as its Pharmacy Benefit Manager (PBM). A PBM serves as an intermediary that manages prescription drug benefits for health insurers and employers by negotiating prices with manufacturers, creating formularies, and processing claims to control costs and ensure access to medications. Beginning in FY27, the Trust moved its pharmacy benefit to Employers Health, a national purchasing coalition, to secure stronger contract terms and rebates through CVS Caremark. The drug formulary did not change as part of this move.

To achieve the highest possible level of health insurance benefits at the most consistent and lowest price, HCGIT focuses on attractively priced Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) plans that emphasize early treatment while remaining cost-effective for both employees

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and employers. This strategy includes minimizing plan varieties, managing medical risks, and implementing and expanding wellness initiatives designed to enhance employee health through preventive measures.

III. FY27 Renewal: Actions Taken This Year

FY26 was the most challenging year in the Trust's history. Rising medical costs and a surge in high-cost prescription drugs, particularly GLP-1 medications for weight loss, drew reserves down from $20 million in January 2024 to under $5 million, and the Trust came close to insolvency. To keep the Trust solvent, a 20% mid-year rate adjustment took effect October 1, 2025, and weight-loss GLP-1s were removed from coverage as of the same date.

As a result of the FY26 financial crisis, HCGIT changed its leadership structure, appointing Hilb Group as its Executive Director (consultant) as of December 2025. Due to the unprecedented double-digit increases and uncertainty over whether the group would continue, HCGIT lost 12 member units. However, this loss of membership did not impact the overall claims performance of the group.

For FY27, the Trust focused on restoring financial stability while keeping benefits competitive, through the following actions.

Active Employees and Non-Medicare Retirees

Exhibit B: FY27 Renewal Actions

Action	Description
Vendor & Network Stability	Issued a Request for Proposal (RFP) to the health insurance market and, following the review, remained with BCBSMA, preserving cost competitiveness, quality service, and network continuity for members.
Pharmacy Benefit Strategy	Moved the pharmacy benefit to the Employers Health coalition for stronger contract terms and rebates, **without changing the drug formulary**. CVS Caremark remains the PBM. Projected savings: **$3.4 million**.
Plan Design	Introduced a $250 / $500 annual medical deductible and modest copay increases, aligned with municipal benchmarks.
Expanded Dependent Coverage	Effective July 1, 2026, in-network coverage is available for registered dependents living outside the New England service area under the Network Blue New England plan.
Stop-Loss Program	Awarded the FY27 stop-loss program to BCBSMA at the current $400,000 specific deductible. The award eliminates all lasers ($1.77 million of known catastrophic exposure), lowers the total cost of risk by approximately $1.23 million (34%), eliminates a $13,200 reporting fee, reduces the administrative fee by about 2.5% (approximately $51,000), speeds reimbursement, and adds renewal protections (no new lasers and a 50% renewal rate cap).

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Financial Stability & Rate	Adjusted FY27 rates by 12.48% to reflect medical trend and actuarial analysis while rebuilding Trust reserves. The increase, voted in February 2026, was below the 16% previously projected.

Exhibit C: FY27 Plan Design Changes

Benefit (In-Network)	FY26	FY27
Annual Deductible (Individual / Family)	None	$250 / $500
Specialist Office Visit	$35	$60
Urgent Care	$35	$60
Inpatient Hospitalization (per admission)	$250	$500 after deductible
Outpatient / Day Surgery	$150	$250 after deductible
Emergency Room	$100	$100 (HMO: no deductible; PPO: after deductible)
Diagnostic X-Ray & Lab	Covered at 100%	No charge after deductible
Hi-Tech Imaging	$100	$100 after deductible
PCP Office Visit · Out-of-Pocket Maximum	Unchanged ($20 · $5,000 / $10,000)	
Prescription Deductible and Copays	Unchanged ($100 / $200; $10 / $30 / $65 retail)	

For the HMO, the deductible does not apply to office visits (including PCP, specialist, behavioral health, chiropractic and rehabilitation visits), emergency room visits, telehealth or urgent care; as with the GIC plans, office visits are not subject to the deductible. For the PPO, the deductible applies to all services except preventive care. The prescription deductible is separate from the medical deductible.

Exhibit D: Total Monthly Premium, Active Employees

Plan / Tier	FY26 (10/1/2025)	FY27 (7/1/2026)	Change
Network Blue New England HMO · Individual	$1,007.00	$1,133.00	12.48%
Network Blue New England HMO · Employee + 1	$2,344.00	$2,637.00	12.48%
Network Blue New England HMO · Family	$2,888.00	$3,248.00	12.48%
Blue Care Elect Preferred PPO · Individual	$1,180.00	$1,327.00	12.48%
Blue Care Elect Preferred PPO · Family	$3,221.00	$3,623.00	12.48%

Financial Position

$6,911,182
Trust ending balance, June 2026

Balanced
FY27 operating budget for the Trust

>$1M
Projected FY27 surplus (conservative estimate)

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The Trust ended FY26 with a balance of $6,911,182, including approximately $500,000 set aside toward rebuilding its reserves. The FY27 rate adjustment, plan design changes, and pharmacy and stop-loss savings support a balanced FY27 operating budget and a projected surplus of more than $1 million, rebuilding the Trust's reserves to protect against unexpected claims activity and to recover from the financial losses experienced in FY26.

How HCGIT Is Rebuilding Its Reserves

Rebuilding the Trust's reserves has been the central goal of every action taken since the FY26 renewal cycle. Each step below either adds revenue, lowers the Trust's costs, or reduces its exposure to large claims, and together they are working toward the same result.

Action	Timing	How It Rebuilds Reserves
Mid-year rate adjustment	October 1, 2025	20% increase restored funding to cover claims for the remainder of FY26.
GLP-1s for weight loss removed	October 1, 2025	Removed a drug class that accounted for 30% of pharmacy spending while used by less than 3% of members.
New leadership	December 2025	Hilb Group appointed as Executive Director (consultant) to lead the financial turnaround.
Pharmacy coalition	FY27	Move to Employers Health with no change to the drug formulary; **$3.4 million** in projected savings.
Stop-loss award	FY27	Total cost of risk lowered by approximately **$1.23 million**; $1.77 million of lasered exposure eliminated; reporting and administrative fee savings of approximately $64,000.
Plan design changes	FY27	$250 / $500 deductible and modest copay increases, which together with the pharmacy changes reduced the projected FY27 increase from 16% to 12.48%.
FY27 rate adjustment	July 1, 2026	12.48% increase set to reflect medical trend and fund reserve rebuilding.
Operational efficiency	Ongoing	Competitive procurement of a benefits administration system; audits of claims and dependent eligibility.

~$500K
Set aside toward reserves at the end of FY26

>$1M
Projected FY27 surplus to add to reserves (conservative estimate)

~$4.6M
Projected FY27 pharmacy savings ($3.4M) plus lower stop-loss cost of risk ($1.23M)

Going forward, the Trust will continue conservative rate setting so that reserves keep growing to a level that protects members against unexpected claims and avoids future mid-year increases.

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Medicare Retirees

Retirees enrolled in Medicare Parts A and B are offered Medex 2 with Blue MedicareRx PDP, which renews on a calendar-year basis. For calendar year 2027, the funding rate will increase by 6.0%, from $495.00 to $525.00 per member per month, effective January 1, 2027. The rate was voted on October 14, 2026.

Exhibit E: Medex 2 with Blue MedicareRx PDP, Monthly Rate

Calendar Year	Monthly Rate (per member)	Change
2025	$416.00	15.6%
2026	$495.00	19.0%
2027	**$525.00**	**6.0%**

Federal Medicare changes taking effect in 2027, including higher Part B costs and a higher Part D out-of-pocket cap, are summarized in Section V. A comparison of Medex 2 with the GIC's Medicare plans is included in Appendix A.

IV. HCGIT Key Offerings

When comparing HCGIT's benefits and rates to other municipal market options, the Trust remains competitive following the FY27 renewal. Like many employers, the Trust continues to face sharp increases in healthcare costs and is taking the necessary steps to ensure financial stability for its members, including the pharmacy, plan design, and stop-loss actions described above.

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Exhibit F: HCGIT Competitive Advantages

Key Highlight	Description
Cost-Effective Coverage	Offers competitively priced HMO and PPO plans with a $250 / $500 deductible, half the deductible of the GIC benchmark plan. Provides a supplemental plan (Medex 2) alongside Blue MedicareRx PDP for comprehensive coverage tailored to Medicare-eligible retirees.
Wide Network Access	Provides access to extensive BCBSMA provider networks, now including in-network coverage for dependents living outside New England.
Pharmacy Savings	Coalition purchasing through Employers Health, plus the CanaRx and ElectRx savings programs for maintenance and specialty medications, which are not available through the GIC.
Comprehensive Benefits	Includes health, life, dental, disability, and long-term care insurance for employees and dependents.
Expert Management	Dedicated staff and partnership with BCBSMA ensure efficient claims processing and administrative support.
Wellness Initiatives	Expanding preventive care programs to improve employee health and reduce long-term costs.

V. Healthcare Market Trends

Healthcare is experiencing sustained cost pressure, with medical trend currently estimated at 8% to 12% and pharmacy trend at 14% to 18%. These increases affect public- and private-sector employers alike, regardless of funding arrangement, and continue to outpace wages and general inflation.

The Massachusetts Market

Massachusetts family health insurance rates are among the highest in the United States, and nearly half of residents report difficulty affording care. Several dynamics specific to the state are driving affordability, spending, and access:

- **Consolidation:** Insurer consolidation is limiting market options for employers, while mergers and acquisitions among hospitals and provider groups are reducing competition and increasing pricing power in contract negotiations.
- **Health system strain:** Hospital operating costs, administrative expenses, and new MassHealth supplemental payments are driving up spending, and financial troubles at systems like Steward have raised concerns about hospital closures and access to care.
- **Workforce shortages:** Shortages of nurses, doctors, and administrative staff are limiting access to care and increasing labor costs.
- **Affordability:** Premiums and member cost-sharing are outpacing wages and salaries.

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Key Drivers of Rising Healthcare Costs

Exhibit G: Cost Drivers

Driver	What Is Happening
Pharmaceutical Prices	Specialty drugs, high development costs, patent protections, and limited competition continue to push pharmacy spending above medical trend. In the first nine months of 2025, GLP-1 medications for weight loss accounted for 30% of the Trust's pharmacy spending while being used by less than 3% of its membership, illustrating how quickly a single drug class can reshape costs.
Chronic Disease Prevalence	A growing number of individuals with chronic conditions, such as diabetes, heart disease, and behavioral health conditions, increases utilization and the long-term cost of management and treatment.
Aging Population	An increasing number of older adults leads to higher demand for medical services and long-term care.
Advancements in Medical Technology	New treatments and diagnostic tools improve patient care but often come with high price tags.
Provider Consolidation	Mergers and acquisitions among healthcare providers reduce competition, allowing for increased pricing power and higher service charges.
Administrative Expenses	The complexity of the healthcare system, including billing and insurance-related costs, adds to the overall financial burden on providers and patients.
Preventive Care Underutilization	Lack of access to, or participation in, preventive health measures can result in higher costs due to later-stage disease treatment. This is why prevention and point solutions are a focus of the Trust's long-term strategy.

What This Means for HCGIT's Rate Setting

With medical trend estimated at 8% to 12% and pharmacy trend at 14% to 18%, the cost pressures facing the market are not expected to ease in the near term. The FY26 experience showed how quickly a single drug class or a rise in high-cost claims can deplete reserves in a self-funded pool. For these reasons, HCGIT will continue to take a conservative approach to rate setting:

- Setting rates that fully reflect projected medical and pharmacy trend, rather than minimizing short-term increases.
- Continuing to rebuild reserves to a level that protects the Trust against unexpected claims and avoids the need for mid-year rate adjustments.
- Monitoring claims and pharmacy experience closely throughout the year so emerging cost drivers are identified early.
- Maintaining stop-loss protection to limit the Trust's exposure to catastrophic claims.

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Federal Medicare Trends for 2027

Several federal changes in 2027 will affect Medicare beneficiaries nationally. These are changes to the federal Medicare program and do not change the benefits of HCGIT's Medex 2 or Blue MedicareRx plans; how each one applies to HCGIT retirees is explained below the table.

Exhibit H: 2027 Federal Medicare Changes

Change	Details
Part B Premiums and Deductibles	The monthly Part B premium is projected to rise to $209.50, an increase of $6.60 from the prior year. The Part B deductible is expected to reach $292, up $9.
End of Part D Premium Subsidy	The federal government is ending a subsidy that had been reducing premiums for stand-alone Part D drug plans by an average of $16 per month.
Higher Part D Out-of-Pocket Cap	The annual out-of-pocket spending cap for Part D increases from $2,100 to $2,400.
Negotiated Drug Prices	Under the Inflation Reduction Act, CMS-negotiated prices take effect for additional high-cost medications, including drugs for breast cancer, GLP-1s, inhalers for asthma and COPD, Type 2 diabetes, and major depressive disorder.
Medicare GLP-1 Bridge	A temporary CMS pilot program, running July 1, 2026 through December 31, 2027, through which eligible Medicare Part D enrollees can obtain GLP-1 medications approved for weight loss (Wegovy, Zepbound and Foundayo) for a flat $50 per month. Eligibility requires a BMI of 35 or higher, or a BMI of 27 or higher with a qualifying condition such as heart disease or prediabetes. The program is run by CMS, separately from the member's drug plan.

What This Means for HCGIT Medicare Retirees

- **HCGIT's drug plan:** Retirees' prescription coverage is provided through Blue MedicareRx (PDP), a group Medicare Part D plan sponsored by the Trust for its members. Its copays are set by the Trust's plan ($10 / $25 / $50 retail in 2026), not by the standard federal Part D design, and retirees do not pay a separate Part D premium; the cost is included in the Medex 2 rate of $525.00 per member per month.
- **Part B:** Medex 2 covers the Medicare Part B deductible in full.
- **Out-of-pocket cap:** Blue MedicareRx follows the federal Part D out-of-pocket cap ($2,100 in 2026), after which members pay nothing for covered Part D drugs.
- **GLP-1s for weight loss:** The Medicare GLP-1 Bridge is a federal program, not an HCGIT benefit. Based on published program guidance, members of employer group Part D plans are eligible, so qualifying HCGIT retirees may be able to access these medications through the Bridge; prescribers submit requests directly to CMS's central processor, and costs are not paid by the Trust's plan. Members should confirm eligibility with Blue MedicareRx Customer Care or their prescriber.

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VI. Municipal Rate Trends

Massachusetts municipal employers saw more moderate, though still elevated, rate increases for FY27 following the historically high increases of FY26. Below is a five-year review of the Trust's rates compared to other joint purchasing groups, along with pertinent insurance market trends.

Exhibit I: Average Rate Renewal Five-Year Review

Fiscal Year	HCGIT Renewal	GIC Average	MIIA Average	Medical Trend*	Pharmacy Trend*
FY27	**12.48%**	**4.1%–13.6% (8.0% Avg)**	**2.9%–14.4% (8.3% Avg)**	**8%–12%**	**14%–18%**
FY26	18%–20% + 20% Midyear	10%–17% (11.7% Avg)	10%–20% (14.8% Avg)	8%–10%	14%–18%
FY25	8.0%	9.6%	6.6%	8%–10%	14%–18%
FY24	6.0%	5.16%	5.6%	7%–10%	13%–18%
FY23	0.0%	5.4%	3.7%	7%–10%	9%–15%

**Medical and pharmacy trends differ among Massachusetts-specific health insurers, funding arrangements, and formularies. These ranges reflect average values.*

HCGIT's FY27 increase of 12.48% is above the GIC and MIIA averages, reflecting the need to rebuild reserves following FY26. It was, however, below the 16% previously projected, as a result of the new deductible and the pharmacy changes described in Section III.

Following the FY27 renewal, HCGIT remains competitive with the GIC's benchmark plan, Harvard Pilgrim Explorer, with half the deductible and a lower HMO individual premium, although some coverage tiers cost less at the GIC. A detailed comparison of plan design and rates, including Medicare plans, is provided in Appendix A: FY27 HCGIT & GIC Comparisons.

VII. Outlook: FY28 and Beyond

Health insurance costs remain a significant challenge for municipalities and employers across Massachusetts, regardless of their funding arrangements. Medical trend is currently estimated at 8% to 12% and pharmacy trend at 14% to 18%, depending on the insurance carrier, funding arrangement, and formulary.

The FY27 renewal moved the Trust from recovery toward stability: reserves are being rebuilt, the operating budget is balanced, and the pharmacy and stop-loss changes have lowered costs and reduced the Trust's exposure to catastrophic claims. Going forward, the focus shifts from short-term stability to long-term sustainability, with ongoing review of plan designs and claims costs for further savings.

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The Trust is also focused on ensuring efficiency in its operations. As part of this effort, HCGIT is looking to procure a benefits administration system through a competitive procurement process.

The Trust will **continue to evaluate pharmacy options annually**, given how quickly the pharmacy market is changing, and will look to **employ prevention and point solutions** to better control claims costs.

HCGIT will continue to adapt its strategies and programs to minimize the impact on members by ensuring compliance and conducting audits across all plans, including claims and dependent coverage. With its stable risk pool and the actions taken this year, the Trust is well positioned for the years ahead. Collaboration among member units and staying informed about emerging trends will remain essential.

What This Means for HCGIT's Future

No employer is immune to the rising healthcare costs facing the market. In response to the FY26 crisis, HCGIT took decisive corrective action: new leadership, a pharmacy coalition that preserved the drug formulary, stronger stop-loss protection, the elimination of GLP-1 coverage for weight loss, and a modest deductible that aligns its plans with municipal benchmarks. Through these steps, the Trust has regained its financial footing. HCGIT will remain competitive and viable as long as the group stays vigilant and continues to make fiscally responsible decisions.

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APPENDIX A

FY27 HCGIT & GIC Comparisons

Summary · HCGIT and GIC: FY27 Plan Comparison
A-1 · HCGIT vs. GIC Benchmark Plan (HP Explorer)
A-2 · Other GIC Plan Options
A-3 · HCGIT Medex 2 & GIC Medicare Plans

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HCGIT and GIC: FY27 Summary

Plan year July 1, 2026 – June 30, 2027

MEDICAL DEDUCTIBLE	HMO INDIVIDUAL PREMIUM	OUT-OF-POCKET MAX
$250 vs. $500	**$1,133 vs. $1,291**	**$5,000 / $10,000**
HCGIT vs. GIC HP Explorer (single)	HCGIT is $158 / month below Explorer	Same at HCGIT and GIC

For the July 1, 2026 – June 30, 2027 plan year, HCGIT and the Group Insurance Commission (GIC) offer broadly similar coverage. Both have a $5,000 / $10,000 out-of-pocket maximum and cover preventive care in full. The main differences are in how members share costs, in prescription coverage, and in premiums.

Plan design

HCGIT's new $250 / $500 deductible is half the $500 / $1,000 deductible on the GIC benchmark plan, Harvard Pilgrim Explorer. The deductible works similarly in both: under HCGIT's HMO and the Harvard Pilgrim GIC plans, office visits are not subject to the deductible, while lab and X-ray, high-tech imaging, inpatient and outpatient surgery services are. One difference favors HCGIT: the $100 emergency room copay is not subject to the deductible under HCGIT's HMO, while the GIC plans apply the deductible after the ER copay. HCGIT uses flat copays, while Explorer's copays depend on the provider's tier. Hospital stays are a flat $500 per admission under HCGIT, compared with $275 to $1,500 depending on tier under Explorer. GIC's urgent care copay is lower ($20 vs. $60). Explorer's specialist copays vary by tier and can be lower or higher than HCGIT's flat $60: $30 at Tier 1, $60 at Tier 2 and $75 at Tier 3.

Prescription drugs

Both use a three-tier copay structure ($10 / $30 / $65 retail; $25 / $75 / $165 mail order) with a $100 / $200 Rx deductible. However, formularies, drug tiers and coverage rules differ, so a member's cost for a given medication may not be the same under each plan. HCGIT members also have access to the CanaRx and ElectRx savings programs, which are not available through the GIC.

Premiums

HCGIT rates rose 12.48% for FY27, while the GIC plans shown in this appendix rose 5% to 9%. Compared with Explorer, HCGIT's monthly premium is $158 lower for HMO individual coverage, $45 higher for HMO family, $36 higher for PPO individual and $420 higher for PPO family. Compared with Harvard Pilgrim Access America, GIC's national PPO, HCGIT is $378 lower for HMO individual, $126 lower for HMO family, $184 lower for PPO individual and $249 higher for PPO family. Health New England, GIC's regional HMO, is $231 lower than HCGIT's HMO for individual coverage and $1,078 lower for family.

Other HCGIT features

HCGIT offers an Employee + 1 tier, which GIC does not, and now covers dependents living outside New England under the Network Blue HMO.

Medicare retirees

HCGIT's Medex 2 rate of $525.00 for 2027, voted October 14, 2026, is $20–$27 a month above GIC's Medicare supplement plans. GIC's rates renew July 1, so the two are not on the same timeline.

BOTTOM LINE

HCGIT's benefits are comparable to the GIC's, with a lower deductible and predictable flat copays; GIC copays are lower for some services and higher for others, depending on the provider tier. On premium, HCGIT is competitive with the GIC benchmark plan: $158 a month lower for HMO individual coverage and $36–$45 higher for PPO individual and HMO family, while the PPO family tier ($420 higher) and GIC's regional HNE plan cost less at GIC.

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HCGIT vs. GIC Benchmark Plan

BCBSMA HMO & PPO vs. Harvard Pilgrim Explorer · July 1, 2026 – June 30, 2027

	HCGIT · BCBSMA Network Blue NE HMO $250 Deductible	HCGIT · BCBSMA Blue Care Elect PPO $250 Deductible	GIC · BENCHMARK HP Explorer POS New England only
PLAN DESIGN			
PCP Required / Gatekeeper	Yes	No	Yes
● **Deductible** Single / Family	$250 / $500 Waived for office visits, ER, telehealth & urgent care	$250 / $500 Applies to all services except preventive	$500 / $1,000 Waived for office visits
Non-Network Deductible	Not Covered	Combined with In-Network	$500 / $1,000 then 20% coinsurance
Out-of-Pocket Max Single / Family	$5,000 / $10,000	$5,000 / $10,000	$5,000 / $10,000
Non-Network Out-of-Pocket Max	Not Covered	Combined with In-Network	$5,000 / $10,000
NETWORK BENEFITS · MEMBER RESPONSIBILITY			
Preventive Care	No Charge	No Charge	Most covered at 100%
PCP Office Visit	$20 Copay	$20 after Ded.	T1 $10 / T2 $20 / T3 $40
● **Specialist Office Visit**	$60 Copay	$60 after Ded.	T1 $30 / T2 $60 / T3 $75
Mental Health / Substance Use	$20 Copay	$20 after Ded.	$10 Copay
● **Urgent Care**	$60 Copay	$60 after Ded.	$20 Copay
Emergency Room Waived if admitted	$100 Copay	$100 after Ded.	$100 after Ded.
Diagnostic X-Ray & Lab	No Charge after Ded.	No Charge after Ded.	No Charge after Ded.
Hi-Tech Imaging CT / PET / MRI	$100 after Ded.	$100 after Ded.	$100 / Scan after Ded.
● **Inpatient Hospitalization**	$500 / Admission after Ded.	$500 / Admission after Ded.	T1 $275 / T2 $500 / T3 $1,500 per Admission, after Ded.
● **Outpatient / Day Surgery**	$250 after Ded.	$250 after Ded.	$150 Eye/GI freestanding $250 all other in MA · after Ded.
Fitness / Weight Loss Reimbursement	$150 / $150 per policy per calendar year	$150 / $150 per policy per calendar year	Fitness: $100 individual $200 family
PRESCRIPTION DRUGS · CVS CAREMARK			
Rx Deductible Separate from medical	$100 / $200	$100 / $200	$100 / $200
Rx Out-of-Pocket Max	Included in Medical OOP Max	Included in Medical OOP Max	Included in Medical OOP Max
Retail Rx 30-day, T1 / T2 / T3	$10 / $30 / $65	$10 / $30 / $65	$10 / $30 / $65
Mail Order Rx 90-day	$25 / $75 / $165	$25 / $75 / $165	$25 / $75 / $165

FY27 MONTHLY PREMIUM	HCGIT HMO	HCGIT PPO	GIC HP Explorer
Employee	**$1,133.00** **$158.24 below Explorer**	**$1,327.00** **$35.76 above Explorer**	**$1,291.24**
Employee + 1	**$2,637.00** **No GIC equivalent tier**	n/a	n/a
Family	**$3,248.00** **$45.02 above Explorer**	**$3,623.00** **$420.02 above Explorer**	**$3,202.98**

● HCGIT change for FY27

Total monthly premium; employee share depends on each unit's contribution split. HCGIT FY27 rates +12.48% over FY26. GIC rates are full cost incl. 0.25% admin fee; per the GIC guide, some services require both a copay and a deductible. HP Explorer is the benchmark plan under MGL c. 32B §§ 21–23. Explorer benefits per Harvard Pilgrim's 2027 GIC Member Guide (Explorer POS Summary of Benefits, 7/1/2026–6/30/2027). HCGIT benefits per BCBSMA Summaries of Benefits.

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Other GIC Plan Options

Health New England & Harvard Pilgrim Access America · July 1, 2026 – June 30, 2027

	GIC · REGIONAL NETWORK **Health New England** HMO · Western MA	GIC · NATIONAL NETWORK **HP Access America** PPO · U.S. outside New England
PLAN DESIGN		
PCP Required / Gatekeeper	Yes	No
PCP Referral to Specialist	No	No
Fiscal Year Deductible Single / Family	$400 / $800 Waived for office visits	$500 / $1,000 Waived for office visits
Out-of-Pocket Max Single / Family	$5,000 / $10,000	$5,000 / $10,000
NETWORK BENEFITS · MEMBER RESPONSIBILITY		
Preventive Care	Most covered at 100%	Most covered at 100%
PCP Office Visit	$20 / Visit	$20 / Visit
Specialist Office Visit	T1 $30 / T2 $60 no Tier 3	$45 / Visit no tiering
Behavioral Health / Substance Use	$20 / Visit	$20 / Visit
Retail Clinic & Urgent Care	$20 / Visit	$20 / Visit
Emergency Room Waived if admitted	$100 / Visit	$100 after Ded.
Hi-Tech Imaging Max 1 copay / day	$100 / Scan	$100 / Scan after Ded.
Inpatient Hospitalization Max 1 copay / CY quarter	$275 / Admission no tiering	$275 / Admission no tiering · after Ded.
Outpatient Surgery	$150 Eye/GI freestanding $250 all other in MA	$150 Eye/GI freestanding $250 all other in MA · after Ded.
PRESCRIPTION DRUGS · CVS CAREMARK		
Rx Deductible Separate from medical	$100 / $200	$100 / $200
Rx Out-of-Pocket Max	Included in Medical OOP Max	Included in Medical OOP Max
Retail Rx 30-day, T1 / T2 / T3	$10 / $30 / $65	$10 / $30 / $65
Mail Order Rx 90-day, T1 / T2 / T3	$25 / $75 / $165	$25 / $75 / $165

FY27 MONTHLY PREMIUM	Health New England	HP Access America
Individual	**$902.23**	**$1,511.32**
Employee + 1	n/a	n/a
Family	**$2,170.16**	**$3,373.67**

Shown alongside HP Explorer (page A-1) as the GIC plans reasonably assumed for migration of Active and non-Medicare Retirees, based on geography. GIC rates are full cost including the 0.25% administrative fee; member share depends on each unit's cost-sharing arrangement. Per the GIC guide, members pay both a copay and a deductible for some services; see each plan's schedule of benefits at mass.gov/GIC. Access America deductible application per Harvard Pilgrim's 2027 GIC Member Guide; HNE's has not been confirmed (see the HNE schedule of benefits). Sources: GIC 2026–2027 Municipal Benefits Guide; Harvard Pilgrim 2027 GIC Member Guides.

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HCGIT Medex 2 & GIC Medicare Plans

For retirees enrolled in Medicare Parts A & B

HCGIT MEDEX 2 W/ BLUE MEDICARE RX PDP

$525.00

per member per month · effective January 1, 2027

Voted October 14, 2026

CY2027 INCREASE

+6.0%

from $495.00

CY2026 RATE

$495.00

+19.0% over CY2025

CY2025 RATE

$416.00

+15.6% over CY2024

HCGIT Medex 2 vs. GIC Medicare Supplement Plans

	HCGIT Medex 2 w/ Blue MedicareRx Medicare Supplement + PDP	GIC HP Medicare Enhance Medicare Supplement	GIC HNE Medicare Supp. Plus Medicare Supplement	GIC Wellpoint Medicare Ext. Medicare Supplement
MONTHLY RATE				
Per Person Full cost	**$525.00** CY2027 (1/1/2027)	**$503.50** FY27 (7/1/2026)	**$505.44** FY27 (7/1/2026)	**$497.71** FY27 (7/1/2026)
Medex 2 Difference	—	+$21.50	+$19.56	+$27.29
MEDICAL BENEFITS · MEMBER RESPONSIBILITY				
Geographic Eligibility	**National**	National	National	National
PCP / Referrals Required	**No**	No	No	No
Deductible	**None** Medicare Part A & B deductibles covered in full	None	None	None
Preventive Care	**No cost** Medicare-covered services	No Copay	No Copay	No Copay
Physician Office Visit	**Covered in full**	$15	$15	$10
Outpatient Behavioral Health	**Covered in full** no visit maximum	$15	$15	First 4 visits $0 then $10 / visit
Inpatient Hospital	**Covered in full** +365 lifetime days after Medicare	No Copay	No Copay	No Copay in MA & Medicare providers
Diagnostic Lab & X-Ray	**Covered in full**	No Copay	No Copay	No Copay
Emergency Services GIC: waived if admitted	**Covered in full**	$50	$50	$50
Hearing Aids	**Not covered**	$1,700 per ear per 2 years	$1,700 per ear per 2 years	$1,700 per ear per 2 years
Fitness / Weight Loss Reimbursement	**$150 / $150 per year**	—	—	—
PRESCRIPTION DRUGS · HCGIT: BLUE MEDICARERX PDP · GIC: CVS SILVERSCRIPT EGWP				
Retail Rx 30-day, T1 / T2 / T3	**$10 / $25 / $50**	$10 / $30 / $65	$10 / $30 / $65	$10 / $30 / $65
Mail Order Rx 90-day	**$20 / $50 / $110**	$25 / $75 / $165	$25 / $75 / $165	$25 / $75 / $165
Rx Out-of-Pocket Cap	**$2,100 (2026)** then $0 for covered drugs	—	—	—

HCGIT Medex 2 renews on a calendar year (January 1); GIC Medicare plans renew July 1. Differences compare HCGIT's CY2027 rate with GIC's FY27 rate. Medex 2 pays the Medicare Part A and B deductibles and coinsurance in full. "—" = not stated in the source document. Sources: 2026 Medex 2 and Blue MedicareRx PDP Summaries of Benefits; GIC 2026–2027 Municipal Benefits Guide; HCGIT rate schedule.

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Reference Guide

Glossary of Healthcare Terms

Term	Category	Definition
Copayment (co-pay)	Healthcare services	A fixed amount that a plan member pays out-of-pocket for a covered healthcare service. It is a form of cost-sharing between a member and their insurance company.
Deductible	Healthcare services	The amount of money a member must pay out-of-pocket for covered medical expenses before a health insurance plan starts to cover costs.
Coinsurance	Healthcare services	The percentage of the cost a member pays after the deductible is met and before insurance pays the rest.
Out-of-Pocket Maximum	Healthcare services	The total amount a member pays for covered services each year.
Allowed Amount	Healthcare services	The maximum amount insurance will pay for a covered service.
Exclusions	Healthcare services	Conditions or circumstances under which insurance will not provide benefits.
Essential Health Benefits (EHB)	Healthcare services	A set of benefits required by the Affordable Care Act.
Formulary	Pharmacy	The list of prescription drugs covered by a plan, organized into tiers that determine the member's copay.
Health Maintenance Organization (HMO)	Plan type	A type of health insurance plan that limits coverage to a network of providers and requires members to elect a primary care physician (PCP). HMOs are a type of managed care organization, focused on controlling costs and coordinating care, with a network of providers who agree to accept payment at a certain level for their services.
Preferred Provider Organization (PPO)	Plan type	A type of health insurance that offers a network of preferred providers at discounted rates. PPO members pay less when they use in-network providers. PPOs provide some coverage for out-of-network providers, but usually at a higher cost.
Point of Service (POS)	Plan type	A type of health insurance that combines features of HMOs and PPOs, offering flexibility to see in-network and/or out-of-network providers, but at potentially higher costs for out-of-network care.

DRAFT

High-Deductible Health Plan (HDHP)	Plan type	A health insurance plan with a high annual deductible and lower monthly premiums than traditional plans, often paired with a health savings account (HSA). For 2026, the IRS defines the minimum deductible as $1,700 for an individual and $3,400 for a family.
Fully Insured	Funding arrangement	A group health plan in which the employer purchases insurance from a commercial insurer, and the insurer assumes the financial risk and pays medical claims in exchange for premiums. Fully insured plans can be more expensive than self-funded options, as they include the insurance company's profit margins and overhead costs.
Self-Insured (self-funded)	Funding arrangement	A group health plan in which the employer directly assumes the financial risk and pays medical claims rather than an insurance company. Self-funding offers potential cost savings and flexibility in plan design, but employers bear the full financial risk of claims, which can fluctuate year to year.
Third-Party Administrator (TPA)	Self-insurance	An organization that handles the administrative tasks and claims processing for an employer's self-funded health plan.
Stop-Loss Insurance	Self-insurance	A policy that protects self-insured employers from catastrophic claims. Specific stop-loss reimburses claims for an individual member above a set deductible (for HCGIT, $400,000). A "laser" is a higher deductible set for a specific member with known high-cost claims.
Projected Claims	Financial analysis	An estimated dollar amount of claims anticipated to be paid based on the plan's characteristics and historical data, trended forward to the projection period.
Per Member Per Month (PMPM)	Financial analysis	A metric representing the average cost or revenue associated with each member over a month, calculated by dividing total costs or revenues by the number of members.
Pharmacy Benefit Manager (PBM)	Pharmacy	An intermediary that manages prescription drug benefits for health insurers and employers by negotiating prices with drug manufacturers, creating formularies, and processing claims.
Medicare Part D	Medicare	The federal Medicare prescription drug program. Part D coverage is provided through private plans approved by Medicare, including individual plans and employer group plans; federal rules set minimum standards, while each plan sets its own copays and formulary.
Prescription Drug Plan (PDP)	Medicare	A stand-alone plan that provides Medicare Part D drug coverage. HCGIT retirees receive drug coverage through Blue MedicareRx (PDP), a group plan sponsored by the Trust with its own copays and formulary.
Medicare Supplement (Medex 2)	Medicare	A plan that pays costs Original Medicare (Parts A and B) does not, such as deductibles and coinsurance. HCGIT's Medex 2 covers the Medicare Part A and B deductibles and coinsurance in full.

DRAFT

Purchasing Coalition	Pharmacy	A group of employers that combine their purchasing power to negotiate stronger pricing, rebates, and contract terms with a PBM (e.g., Employers Health).

DRAFT

Hampshire County Group Insurance Trust

FY25 Audit Results

November 2026

HILL GROUP®

INSURANCE | BENEFITS | HR SOLUTIONS

EXECUTIVE SUMMARY

FY25 at a glance

Clean

Unmodified audit opinion

Statements present fairly, in all material respects; no disagreements with management

$(8.2M)

Net position, June 30, 2025

Down $15.7M from $7.4M (restated) a year earlier; liabilities now exceed assets

$7.0M

FY24 restatement

FY24 net position corrected from $14.4M to $7.4M for premium timing

2

Audit findings

One repeat (general ledger system) and one new (revenue cut-off)

Bottom line: the audit confirms the statements are reliable and what they show is a Trust that drew down its reserves in FY25 and now carries a deficit.

AUDIT RESULTS

Audit results: a clean opinion

Required communication	Result	Status
Policies, estimates, disclosures	Consistent; IBNR, pension and OPEB estimates found reasonable	**No issue**
Management relations	No difficulties or disagreements; no unusual or related-party issues	**No issue**
Independence	CBIZ also prepared the statements; independence not impaired	**Note**
Uncorrected misstatement	June Blue MedicareRx premium ($632K) unrecorded; immaterial	**Note**
Audit adjustments	Material entries required, incl. $10.4M not in QuickBooks	**Attention**
Emphasis of matter	FY24 statements restated; opinion not modified	**Attention**

Auditor: CBIZ CPAs P.C. · Fiscal year ended June 30, 2025 · Report issued September 1, 2026 · 72 member units

EMPHASIS OF MATTER

FY24 net position restated from $14.4M to $7.4M

What happened

Premiums billed or collected in advance for future coverage were booked as current revenue and receivables, rather than as unearned revenue.

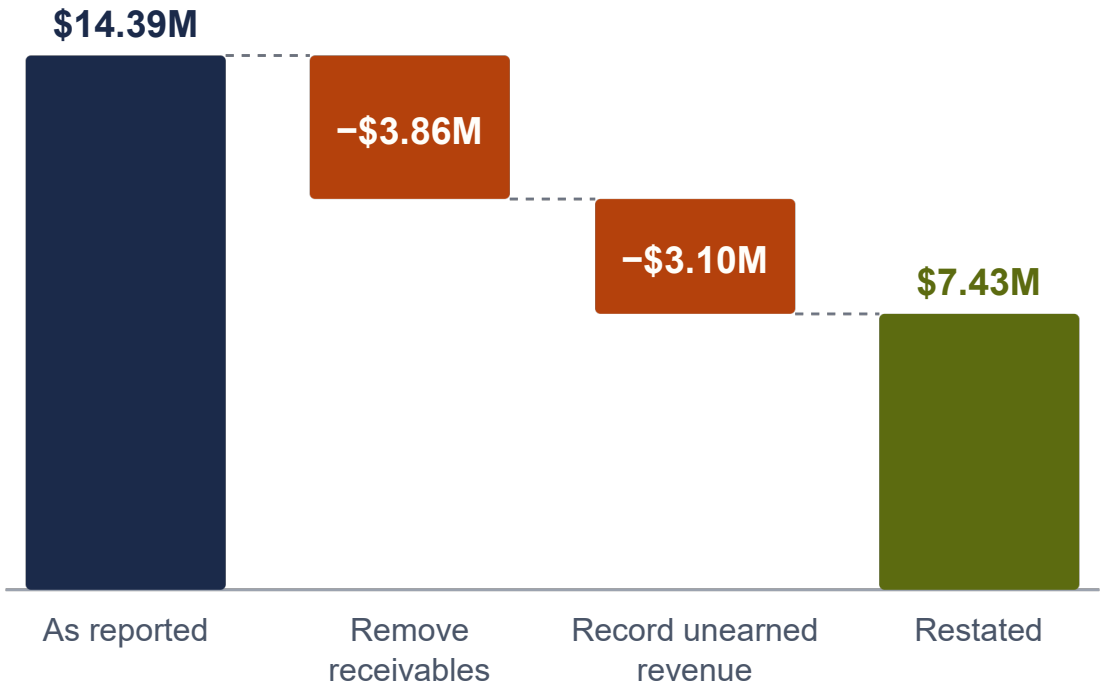
Effect on FY24 results

$0.54M: the FY24 loss grows from $(6.55M) to $(7.09M).

Effect on earlier years

$6.42M relates to periods before FY24; FY24 opening net position restated from $20.9M to $14.5M.

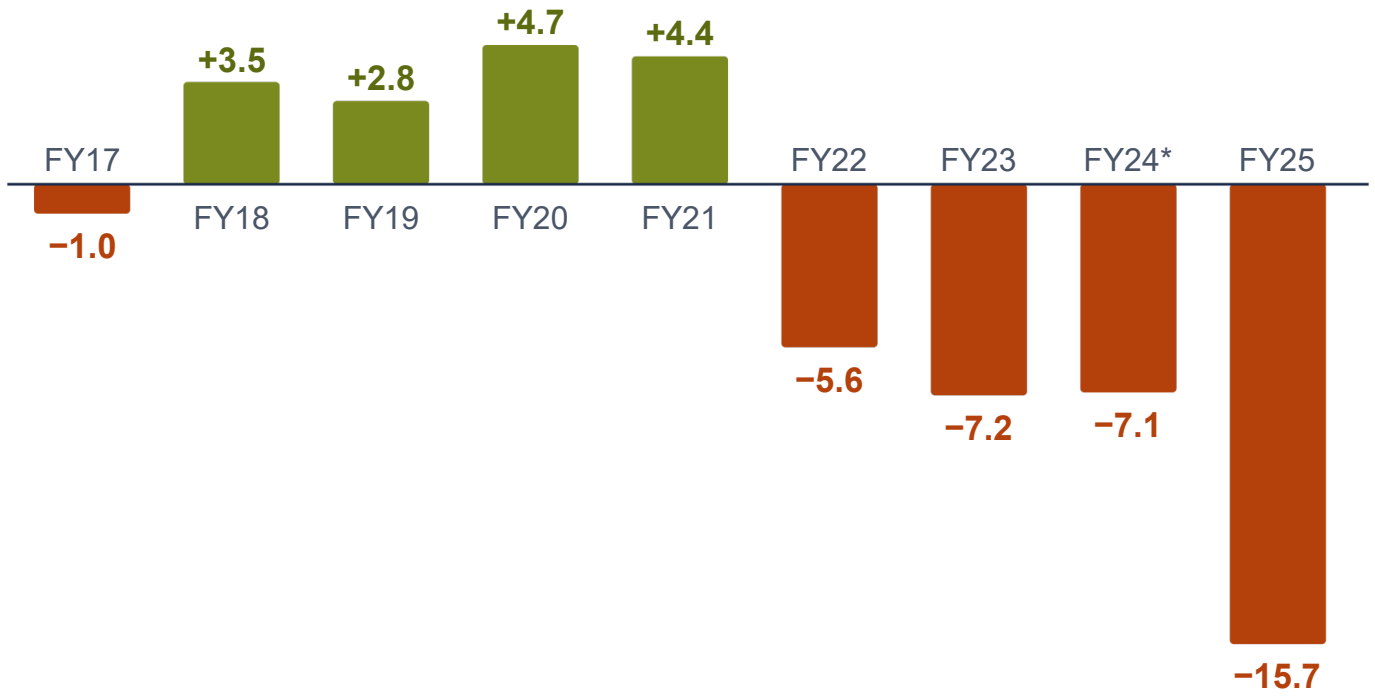
> The April 2026 FY24 presentation showed $14.4M, so those figures are superseded.



FINANCIAL RESULTS

Four straight years of operating losses

Annual change in net position, $ millions



$(36.3M)

Decline in net position in three years

June 30, 2022	**$28.1M**
FY23–FY25 losses	**−$29.9M**
Prior-period correction	**−$6.4M**
June 30, 2025	**$(8.2M)**

FINANCIAL RESULTS

Claims outpaced contributions

115%

Claims as a share of premium

Up from 107% in FY24, before admin and stop loss costs

+16.7%

Claims growth vs. +8.1% premium

Claims up $13.9M; premiums up $6.3M

18.5%

Premium shortfall

FY25 premiums would have needed to be ~18.5% higher to break even

117%

Stop loss recoveries vs. premium

$2.55M recovered on $2.18M paid ($400K specific deductible)

> *"This change is mostly due to an increase in pharmaceutical and medical claims and the growing popularity of weight-loss drugs."*
>
> Management's Discussion and Analysis, FY25 financial statements

FINANCIAL RESULTS

Liquidity and reserve position

$12.2M

Cash used by operations

Covered by selling $13.3M of investments

$0.78

Current assets per $1 of current liabilities

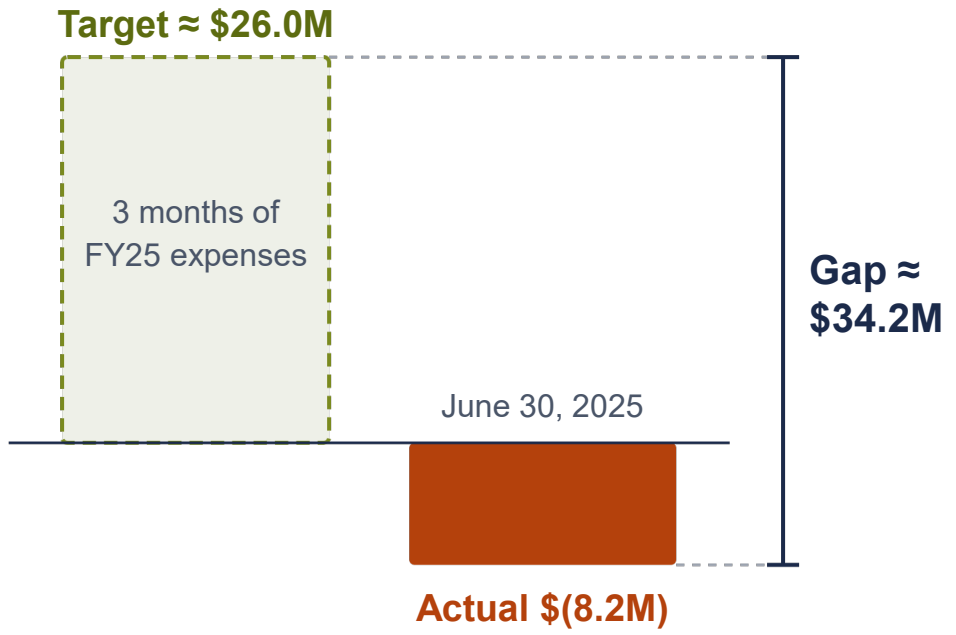
$11.1M current assets vs. $14.3M current liabilities

1.3 mo.

Claims covered by cash and investments

$10.5M on hand vs. ~$8.1M average monthly claims

Target per the Trust's reserve policy (Note 1): about three months of expenses, or FY25 expenses of $103.9M ÷ 4. Illustrative.



AUDIT FINDINGS

Two findings: one repeat, one new

Repeat finding · FY24 and FY25

Establish a general ledger accounting system

CONDITION

Activity is tracked in cash-basis spreadsheets; QuickBooks is used only to pay invoices. Many material audit adjustments were needed, including $10.4M of FY25 activity not in QuickBooks.

AUDITOR RECOMMENDS

- Implement a general ledger on the accrual basis
- Hire a bookkeeper or outsource to an accounting firm

New finding · FY25

Record revenue in the proper fiscal year

CONDITION

Advance premium billings and collections were booked as current revenue and receivables instead of unearned revenue, which is the cause of the FY24 restatement.

AUDITOR RECOMMENDS

- Year-end review of premium billings and collections
- Document the revenue recognition method
- Reconcile premiums, collections, receivables and unearned revenue each year end

AUDIT FINDINGS

Recommendations

Recommendation	At audit (June 30, 2025)	Current (November 2026)
General ledger system	Open, repeat finding	Implemented
Accrual-basis accounting	Open	Implemented
Revenue in the proper period	New finding	Implemented
Retirement payments out of expense	Recurring	Implemented
Medicare activity recorded in full	Watch	Implemented
Monthly financial reporting	Recommended	Implemented
Cybersecurity and cyber insurance	Open risk	Not yet implemented

KEY TAKEAWAYS

Bottom line

01 **The audit is clean.** The statements are fairly presented, with no disagreements and no unusual transactions.

02 **The financial position is not.** A $15.7M loss left an $(8.2M) deficit and about 1.3 months of claims in cash and investments.

03 **Progress has started.** The FY27 books now reflect most audit recommendations; rates still need time to rebuild reserves.