**HAMPSHIRE COUNTY GROUP INSURANCE TRUST**

**88 KING STREET**

**NORTHAMPTON, MA 01060**

**TO:** All Trust Member Units

**RE: Minutes of March 19, 2025**

Executive Committee Meeting

Via Zoom Teleconference

**MEMBERS PRESENT**:

Rich Carmignani, Jr. Jessalyn Zaykoski Deb Kuhn

Emily Russo Donna Whiteley Michele Turner

Paula Harrison Joanne Misiaszek

**OTHERS PRESENT:**

Joseph Shea Cynthia Graves Jessica Hebert

**CALL TO ORDER**

In compliance with the Governor’s orders suspending certain provisions of the open meeting laws due to Covid-19, this meeting was held via Zoom telephone/video conference.

Chairman Rich Carmignani Jr, called the meeting to order at 9:01 a.m. with a quorum present.

**APPROVAL OF MINUTES**

Rich Carmignani Jr requested that the minutes of February 13, 2025 be approved, unanimous consent.

**FINANCIAL REPORT FOR JANUARY & FEBRUARY**

The Financial Report for the month of January was presented reflecting a starting balance of $2,823,338.94 with a total monthly income received of $7,700.958.78 and monthly expenses of $9,754,827.98 with a total net monthly income of ($2,053,869.20) and an ending month balance of $769,509.74 with accounts receivable of $394,750.51 leaving a total of $20,506,792.73.

*Investments and CD’s for January 2025*

The investments portfolio value was $7,950,739.57 with a market change of $273,328.49 leaving a total of $8,224,068.06. The starting balance in CD’s was $6,207,626.75, with interest earned of $26,361.15 leaving a balance of $6,233,987.90

The Financial Report for the month of February was presented reflecting a starting balance of $769,509.74 with a total monthly income received of $6,975,794.05 and monthly expenses of $8,070,435.64 with a total net monthly income of ($1,094,641.59) and an ending month balance of $1,374,868.15 with accounts receivable of $518,891.07 leaving a total of $19,561,088.64.

*Investments and CD’s for February 2025*

The investments portfolio value was $8,224,068.06 with a market change of $4,348.13 leaving a total of $7,228,416.19. The starting balance in CD’s was $6,233,987,.90, with interest earned of $21,418.04 leaving a balance of $5,555,405.94

*January & February Expenditures*

The expenditures for the months of January and February were reviewed.

Claims continue to rise, and our reserves continue to deplete as we draw down money from our CD and Investments. Stop loss reimbursements are starting to come in, we have 3 people total, but nothing significant enough to impact the bottom line of our cash flow.

Chairman Rich Carmignani Jr requested that the full financial report, including the expenditures be approved, unanimous consent.

**Wellness Update:**

Michele was unavailable and will give an update at our April meeting.

**Weight Loss Drugs February Activity**

Per Joe, there has been a slight dip in the dollar amount and the number of users, although February is a short month, which may be the reason for this. The numbers are still high, running at half a million dollars a month. Joe will continue to monitor and provide updates.

**Discussion on GLP-1 Benefit Change & Discussion on High Deductible Plan**

These two agenda items were discussed simultaneously. At the previous EC meeting, there were 3 options presented; discussion was now continued on them. The options and new discussion were as follows:

1. **Either carving out the Weight Loss GLP1’s altogether or adding a 50% coinsurance for them.**

This was discussed at length. The EC evaluated the cost savings this would provide the Trust. A coinsurance would still allow members access to the medications, just at a shared cost verses carving them completely out. It was also discussed that members with Type 2 diabetes have a medical necessity to take certain GLP1 drugs and should not be penalized therefore wanting to exclude them from this possible change.

1. **To add a separate High Deductible Plan ($2,000/$4,000) while still offering our current plans.**

Joe believes if a high deductible plan is offered, it should be at a much higher level, $5,000/$10,000. This topic was discussed at length due to the request at the last IAC meeting. The EC reviewed the impact a plan like this would have on the Trust as younger folks would be most likely to migrate toward this which would in turn mean larger increases to the current HMO/PPO plans. This type of plan would also cause units additional work in obtaining and maintaining employee HSA’s. While implementing this type of plan would save money for some on one side, it would cost more for those on the other side and potentially have a greater financial impact on the Trust and units in the end. It was determined that this would not be beneficial for the Trust.

1. **Adding deductibles to current plans to make them more GIC like.**

It was discussed that adding minimal deductibles (400/900) to be more GIC like would have no real impact on the Trust’s bottom line. It was discussed that the GIC was able to maintain their benefits at this level because the state covers any deficits they face. So far this year, the GIC is facing a $240million deficit, which is expected to continue rising by July 1st, that the state will be covering.

The EC continued to discuss the 3 options, including making a change to the GLP1 drugs and adding GIC like deductibles to our current plans at the same time so units can negotiate with their unions all at once. In the end, it was determined that the most pressing issue for the significant loss in reserves to the Trust and the rate increase in premiums to our subscribers was due to the GLP1 drugs and that should be the focus at this time.

A motion was made by Paula to cover medically necessary GLP1’s for type 2 diabetes ONLY and to implement a 50% coinsurance on all other GLP1 diagnosis effective 1/1/2026. This motion was seconded by Emily. A roll call vote was taken, all were in favor.

**Claim Data Requests**

Joe advised that the Claim Data requests are very time consuming, the information required must be captured manually over a 24-month period in our office as we do not have computer software that will support this type of reporting. It is Joe’s recommendation that we limit these requests to once every two years per unit. This will be discussed more in our May meeting.

**Other Last Minute Items**

Joe advised that a decision should be made soon by the Governor’s office regarding the open meeting law. It looks like it will be extended to 6/30/2027, more to come once a final decision is made.

**ADJOURNMENT**

Chairman Rich Carmignani, Jr. adjourned the meeting at 10:07 a.m.

Respectfully submitted,

Jessica Hebert

**Meeting Schedule**

Insurance Advisory Committee – April 16, 2025, 10:00 a.m., via ZOOM

Executive Committee – May 28, 2025, 9:00 a.m., via ZOOM

Executive Committee – June 18, 2025, 9:00 a.m., via ZOOM