**HAMPSHIRE COUNTY GROUP INSURANCE TRUST**

**88 KING STREET**

**NORTHAMPTON, MA 01060**

**TO:** All Trust Member Units

**RE: Minutes of June 20, 2024**

Executive Committee Meeting

 Via Zoom Teleconference

**MEMBERS PRESENT**:

Rich Carmignani Jr Deb Kuhn Gabriel Voelker

Shelley Poreda Paula Harrison Joanne Misiaszek

**OTHERS PRESENT:**

Joseph Shea Cynthia Graves Jessica Hebert

Michele Komosa

**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 9:00 a.m. with a quorum present.

**APPROVAL OF MINUTES**

Chairman Rich Carmignani Jr requested that the minutes of May 15, 2024 be approved. Motion by Paula Harrison, seconded by Gabriel Voelker, accepted by unanimous consent.

**FINANCIAL REPORT**

The Financial Report for the month of ***May*** was presented reflecting a starting balance of $2,064,310.89 with a total monthly income received of $5,985,246.10 and monthly expenses of $8,194,003.50 with a total net monthly income of ($2,208,757.40) and an ending month balance of $3,855,553.49 with accounts receivable of $884,3616.35 leaving a total of $27,423,921.90

*Investments and CD’s for* ***May 2024***

The investments portfolio value was $10,919,038.49, with a market change of $390,724.74 leaving a total of $10,309,763.23. The starting balance in CD’s was $10,454,109.74 with interest earned of $43,863.03 leaving a balance of $7,497,972.77.

Joe stated our claims continue to rise with a large spike in claims over the last 2 months. Due to this, we have had to move money from our investments and CD to cover our BCBS payment.

*EXPENDITURES*

The expenditures for the month of May were reviewed.

Chairman Rich Carmignani Jr requested that the full financial report, including the expenditures, be approved. Ona motion by Paula Harrison, seconded by Deb Kuhn, these were approved by unanimous consent.

**Wellness Update**

Michele explained the following:

* The Wellness Initiative is winding up the Insurance Year with the completion of A HEALTHY ME. The subscribers who achieved their points will receive a $100.00 gift card.
* The Wellness Initiative spent down the remaining wellness credits from BCBS for FY24. As a reminder, these credits help to fund onsite programs, health fairs, the Wellable program and incentives. Last week BCBS announced the program will again receive 50,000 wellness credits for FY25.
* Learn to Live has sent all forwardable materials for July and August which Michele will disseminate in a timely manner.

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**Open Enrollment FY-25**

Cindy reported open enrollment was busier than past years, a lot of new new additions as well as spouses coming on board. Joe also added that our Medex plan count is up.

**Weight Loss Drugs & Rx Summary**

*RxSummary:* CVS annual review for 1/1/23 – 12/1/23, Rx spend shows net after rebates is 12.9 million dollars, this is a 4.5% increase. Prudent and rebate contracts continue to help with our pharmaceutical spend. Vaccines are being taken advantage of which is a good thing. Specialty Drugs are used by a low number of people but make up 52% of our RX spend; specialty was up 13% from last year and continues to be a double digit increase year after year. Non-Specialty drugs are up 3.6%

*Weight Loss Drugs*: Joe advised *$*2 million has already been spent on Weight Loss Drugs (GLP-1s) over last year and is expected to increase significantly going forward as they become more popular. As an example, Wegovy costs $1300 per month per individual. Joe did point out that there are other medical classes for these drugs other than weight loss including uses for cardiovascular disease, diabetes and arthritis to name a few. These GLP1’s are tier 3 drugs with no rebates in place currently. These will go from shot to pill form at some point, exploding into an even bigger market. Joe is currently working with CVS to curb expenses; he will be meeting with them today to discuss this further and there will be more to come on this topic.

**Faulty Reporting, Assess Units**

Joe continued the conversation about subscribers slipping through the cracks, changes not being reported as they should, resulting in a financial loss to the trust. He would like to see some policy put into place to hold the unit or members directly responsible in these situations where information isn’t reported as it should be. After some talks there was no immediate resolution, this topic will continue to be discussed in our next EC meeting & ultimately be brought to the IAC.

**Audit Report**

Joe presented a draft response to the FY24 audit comment regarding the Trust utilizing a more formal general ledger accounting system. The response states the Executive Committee has discussed this and believes the current systems in place at the Trust are sufficient at this time.

Motion by Paula Harrison, seconded by Gabriel Voelker to accept the response given by Joe on page 23. A roll call vote was taken and passed unanimously.

A further discussion was held regarding the consideration of obtaining a bookkeeper/accountant in the future. Joe stated he would look into to the cost of adding a part time person and we can reevaluate this prior to next years budget.

**2025 Budget**

Joe presented the budget for FY25 in the amount of $876,324.00. Joe explained it is a 4.92% increase from last year showing an increase in salary and retirement as well as increases for IT for necessary system changes to our outdated program.

A motion to accept the FY-2025 budget as presented in the amount of $876,324.00 was made by Shelley Poreda and seconded by Paula Harrison. A roll call vote was taken with all in favor.

**LAST MINUTE ITEMS**

Service interruptions may occur today due to flooring being installed in our office.

**ADJOURNMENT**

Meeting adjourned at 9:59 a.m.

Respectfully submitted,

Jessica Hebert

**Meeting Schedule**

Insurance Advisory Committee – July 17, 2024, 10:00 a.m., via ZOOM

Executive Committee – August 21,2024, 9:00 a.m. via ZOOM **(if needed)**

Executive Committee – September 25,2024, 9:00 a.m. via ZOOM