**HAMPSHIRE COUNTY GROUP INSURANCE TRUST**

**88 KING STREET**

**NORTHAMPTON, MA 01060**

**TO:** All Trust Member Units

**RE: Minutes of July 15, 2025**

Executive Committee Meeting

 Via Zoom Teleconference

**MEMBERS PRESENT**:

Shelley Poreda Michele Turner Jessalyn Zaykoski

Joanne Misiaszek Donna Whiteley Rich Carmignani, Jr

**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 9:01a.m. with a quorum present.

**JUNE FINANCIALS**

The Financial Report for the month of June was presented reflecting a starting balance of $1,726,324.83 with a total monthly income received of $4,221,529.26 and monthly expenses of $7,457,997.59 with a total net monthly income of ($3,236.468.33) and an ending month balance of $1,289,856.50 with accounts receivable of $4,456,131.78

leaving a total of $15,249,801.28

*Investments and CD’s for June 2025*

The investments portfolio value was $5,154,766.73 with a market change of $209,721.93 and a withdrawal of $2 million, leaving a total of $3,364,488.66. The starting balance in CD’s was $2,047,431.42, with interest earned of $6,201.42 and a withdrawal of $800k, leaving a balance of $1,253,632.84.

*June Expenditures*

The expenditures for the month of June were reviewed.

It was discussed that the investments and CD account balances are our true reserves and expendable cash. All other money within our financials is accounted for. Joe explained we continue to draw down our reserves to cover our ever increasing claims.

Motion to accept June financials made by Shelley Poreda and seconded by Donna Whiteley. These were accepted by unanimous consent.

**FY26 CASHFLOW AND RATE DISCUSSIONS**

Joe explained that overall claims continue to rise for medical and RX. From January through June of 2025, we owed BCBS alone an additional $6.5 million in claims. Joe inquired with BCBS to see if there was a reason for the large growth and they stated we are showing 65 members that have claims over $100k; a number that is traditionally half that. We also have a new claimant over $500k, which we should see a stop loss reimbursement from. And the GLP1 usage continues to rise at 10% per month.

Joe stated we set the new year rates in January, with 6 months left in the current year. After setting rates in January for 7/1, the claims in those 6 months have been horrendous. Joe explained, when setting rates, trying to predict out expenses for the next 18 months is difficult at best since claims are so unpredictable. With the continued increase to claims and losses to our reserves, Joe has reached out to our currently used banks seeking a line of credit to no avail. He has also reached out to local state legislators requesting assistance or guidance on possible grants, loans, lines of credit, or any programs to help us with our situation. Joe has a meeting scheduled with them next week. There were recommendations from the EC to reach out to the Division of Local Services for state aid or a revenue anticipation loan. Joe said he would follow up on this suggestion.

Joe explained given our current financial state and rising claims, the rest of our reserves could be depleted by August or September without intervention. Joe stated while the GLP1 carveout will be helpful, it will not be enough, so we will need to have a midyear rate increase to be sustainable. Joe presented a 10% midyear increase at a minimum, effective for 10/1, but stated this still may not cover us throughout the fiscal year. Joe’s projection also included a 20% increase to the Medex rate effective January 1st and at least another 10% increase for 7/1/26.

Joe suggested we have another EC meeting following the meeting with the state to further discuss our financial situation, with another IAC meeting to follow that to vote on a midyear increase.

**ADJOURNMENT**

Chairman Rich Carmignani, Jr. adjourned the meeting at 10:08a.m.

Respectfully submitted,

Jessica Hebert

**Meeting Schedule**

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

Executive Committee – August 27, 2025, 9:00 a.m., via ZOOM

Executive Committee – September 24, 2025, 9:00 a.m., via ZOOM