Hampshire County Group Insurance Trust

88 King Street, Northampton, MA 01060

EXECUTIVE COMMITTEE MEETING MINUTES

TO: All Trust Member Units

RE: Minutes of July 22, 2026 Executive Committee Meeting Held Remotely via Microsoft Teams

MEMBERS PRESENT	GUESTS PRESENT
Shelley Poreda — *Chair*	Cindy Graves
Emily Russo — *Vice Chair*	Michele Komosa
Joanne Cleveland	Christine Zdonek
Paula Harrison	Danielle Chaplick
Andrew Levine	Marianna Gil
Paul McLatchy III	
Stacy Stewart	
Donna Whiteley	

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 10:02 a.m. with a quorum present.

MEETING MINUTES

> **MOTION:** On a motion by Andrew Levine, seconded by Paul McLatchy III, the minutes of the June 17, 2026 and June 23, 2026 Executive Committee meetings were approved as presented.
>
> **Result: Approved by unanimous consent.**

FINANCIAL STATEMENT & WARRANT

The Chair reviewed the June financial package and FY26 budget update. The June statements showed an approximately $2.6 million monthly loss on the current cash-basis presentation and an ending cash balance of approximately $1.88 million. June receivables totaled approximately $4.8 million, largely reflecting member-unit payments that could not be made until July 1 after the units had completed their twelve FY26 payments. Those receivables had been collected by the date of the meeting, bringing total assets including receivables to approximately $11.7 million.

Based on the year-end projection, including the June receivables, the Trust is expected to close FY26 with an approximately $500,000 positive balance, subject to final year-end entries. The Committee discussed that these funds are still needed for monthly cash flow and are not currently available for investment. A final FY26 actual report will be presented to the Insurance Advisory Committee in September once all activity has been recorded.

The Committee also reviewed the quarterly CVS pharmacy rebate. Danielle Chaplick explained that the prior rebate was higher than expected and included a reconciliation, which reduced the current payment. Rebates received through the end of calendar year 2026 will continue to reflect prior-year activity because of the reporting lag. Hilb also noted that the recent rebates no longer include GLP-1 weight-loss utilization, and that improved rebate terms under the Employers Health arrangement are expected to be reflected in future periods.

On FY26 stop loss activity, Hilb reported that approximately $670,000 had been reimbursed to date, with another approximately $110,000 in the pipeline. Because the FY26 policy includes twelve months of run-out, additional reimbursement may still be received.

Run out claims for the units that left the Trust will be tracked separately from regular Trust expenditures. Deposits will first be applied against those claims, with units invoiced directly if the deposits are exhausted or refunded if the deposits exceed their final liability after 18 months. The Committee noted the timing lag between claim dollar release, preparation of the member-unit invoice, and payment.

The Chair and Cindy Graves are also working with the new Treasurer to transition the financial reporting from the existing cash-basis spreadsheets to QuickBooks and an accrual-basis presentation.

> **MOTION:** On a motion by Stacy Stewart, seconded by Paul McLatchy III, the warrant for June in the amount of $7,912,765.72 was approved as presented.
>
> **Result: Approved by unanimous consent.**

BENEFITS ADMINISTRATION SYSTEM UPDATE

Danielle reported that the operations group recommends conducting a competitive procurement for a benefits-administration system before making a final selection. Although Employee Navigator continues to appear to be a strong fit, the procurement will allow the Trust to compare pricing and functionality with other comparable systems and to incorporate member-unit feedback from the prior demonstration, including whether enrollment can support employer-entered, member-entered, or mixed workflows.

Hilb expects to prepare and release the request for qualifications in August, receive responses in September, narrow the field to a small number of finalists, and schedule demonstrations before presenting a recommendation to the Insurance Advisory Committee in the fall. The target remains a January implementation, with some flexibility into February if needed to avoid conflict with peak open enrollment activity.

AUDIT UPDATE

Cindy reported that the FY25 auditors completed their on-site work in June and had continued to request follow-up information. The auditors were targeting completion of the FY25 audit by the end of July, after which the FY26 audit will be scheduled. The auditors also advised that the Trust may begin using QuickBooks prospectively from July 1, 2026 while final FY26 information is later entered as needed.

STAFFING UPDATE

Cindy reported that Kathy LeBeau has begun serving as Treasurer and is working to establish QuickBooks, transfer the existing spreadsheet information, and obtain access to the Trust bank accounts. Karen Karowski has completed her part-time service with the Trust. Deb is working reduced hours while helping train Michele, with plans to continue phasing out Deb's hours as Michele assumes the remaining responsibilities.

The Chair recognized the progress made during the past several months in implementing items identified through Hilb's initial operational assessment and thanked Cindy, Michele, the Executive Committee, and Hilb for their work through the transition. Committee members echoed the improvement in the Trust's financial and operational position and emphasized the importance of continuing the collaborative, transparent approach as additional work is completed.

OTHER BUSINESS

At the Committee's request, Hilb reviewed the Medicare renewal process ahead of the fall release. The market for the Trust's Medicare arrangement is limited, particularly for bundled medical and prescription coverage. The BCBS Medicare renewal is expected in early September, and the Trust cannot wait until then to decide whether to market the plan. The Committee supported moving forward with a Medicare RFQ. Hilb will launch the procurement and expects to present the market results together with the renewal in late September.

Joanne Cleveland relayed feedback received after the recent public presentation regarding whether the Trust should revisit the deductible for FY28. Danielle noted that Hilb had originally recommended a $500 individual / $1,000 family deductible, but the Trust adopted the lower $250 / $500 level as an incremental first step. The current GIC benchmark deductible remains $500 / $1,000. The Committee discussed that future plan design options could include increasing the deductible toward the benchmark or introducing other plan designs such as HDHPs. Hilb will begin evaluating FY28 concepts in the late fall after the Medicare renewal cycle is completed and will return to the Executive Committee with options for discussion.

Paul McLatchy asked about beginning a review of the Trust Agreement. Hilb reported that the first draft of the JPA review had been completed and redline recommendations would be presented at the next meeting. The Committee discussed addressing the changes in phases so that higher-priority and more straightforward amendments can be considered first, while more complex provisions may be assigned to a working group for additional review.

ADJOURNMENT

There being no further business, Chair Shelley Poreda adjourned the meeting at 10:47 a.m. The next Executive Committee meeting is scheduled for August 19, 2026.

Prepared By:

Marianna Gil, Hilb Group