



**HAMPSHIRE COUNTY
GROUP INSURANCE TRUST**

**98 KING STREET
NORTHAMPTON, MA 01060**

TO: All Trust Member Units

RE: Minutes of December 18, 2019
Executive Committee Meeting
HCGIT Office

MEMBERS PRESENT:

| | | |
|--------------------|---------------|------------------|
| Russ Kaubris | Lisa Banner | Michael Sullivan |
| Donna Foglio | Lisa Blackmer | Michelle Hill |
| Rich Carmignani Jr | Denise Cashin | |

OTHERS PRESENT:

| | | |
|-------------------|----------------|----------------|
| Joseph Shea | Cynthia Smith | Karen Karowski |
| Michele Komosa | Heidi Fountain | Maura McNamara |
| Elizabeth Collins | | |

CALL TO ORDER

Chairman Russ Kaubris called the meeting to order at 9:01 a.m. with a quorum present.

APPROVAL OF MINUTES

A motion to accept the minutes of November 20, 2019 was made by Michael Sullivan seconded by Lisa Blackmer and passed unanimously.

FINANCIAL REPORT

Financial Report

Karen presented the Financial Report for the month of November reflecting a starting balance of \$6,794,092.23 with a total monthly income received of \$5,047,493.65 and monthly expenses of \$6,593,839.51 with a total net monthly income of (\$1,546,345.86) and an ending month balance of \$5,247,746.37 with accounts receivable of \$1,546,776.42 leaving a total of \$35,620,600.35.

Investments and CD's for November 2019

Karen also reported that the investments portfolio value was \$11,176,961.18 with a market change of \$183,022.80 leaving a total of \$11,359,983.98. Karen also reported a starting balance in CD's of \$12,854,653.41, with interest earned of \$22,139.85, leaving a balance of \$12,876,793.26.

A motion to accept the Financial Report as written was made by Michael Sullivan, and seconded by Lisa Blackmer. The motion passed unanimously.

MEMBERSHIP IN THE HAMPSHIRE COUNTY RETIREMENT SYSTEM

Joe explained while the Trust was under the HCOG, we participated in the Hampshire County Retirement System (HCRS) thru the HCOG. Since the HCOG started their closure, the Trust had requested to become an independent entity for continued participation in the HCRS. Special legislation was required due to time constraints to allow this.

Michael Sullivan made a motion to “Move that the Hampshire County Group Insurance Trust, in accordance with Chapter 125 of the Acts of 2019, shall accept the applicable provisions of chapter 32 of the General Laws and thereby cause all eligible employees of the Hampshire County Group Insurance Trust to become members of the Hampshire County Retirement System as of July 1, 2019.” This was seconded by Rich Carmignani Jr and passed unanimously.

TOWN OF TEMPLETON

Joe reported that since the Town of Templeton has under 100 lives insured, they cannot provide any claims experience data for review, but they were able to provide some additional information which included their claims, premiums and loss ratios for FY18. In review, their premium rates are much higher than the Trust’s. Using the information they provided with our rates, it created a large loss ratio making them not a good fit for the Trust.

On a motion by Michael Sullivan, seconded by Lisa Banner it was voted to decline the Town of Templeton entry to the Trust at this time.

Joe also noted that the Town of Leicester reached out with a preliminary inquiry about the Trust; more information to follow if they decide to pursue entry and provide the necessary data for review.

Rich Carmignani Jr also expressed the need for formal procedures/guidelines to be put in place for these inquires. It should include a formula that the decision to accept/decline entry is based on.

HCG UPDATE

Joe explained the Trust mailed all the HCOG retirees the required 21 day letter for the cancellation of their Medex coverage with the Trust effective 1/1/20. All the HCOG retirees are being enrolled with the GIC effective 1/1/20. Joe also reported the HCOG has still not been officially closed by the state so they are continuing to carry one active employee on insurance coverage.

BCBS IY19 OVERVIEW

Heidi Fountain, Elizabeth Collins and Maura MacNamara from BCBS gave a presentation on the Trust’s claims, costs and overall performance for medical and prescription coverage over the last year. This information was compared to the Trust’s performance the previous year and BCBS’s benchmark for their municipal and self-insured accounts. The information showed positive results from the prescription analysis we had John Garrish do, but showed specialty drugs accounted for half of our pharmaceutical expenses. We were below the benchmark for well visits at about 52%, and about a quarter of our insured have been treated for a behavior health condition where depression, stress and outpatient mental health utilization were at an all-time high.

EXECUTIVE SESSION

Michael Sullivan made a motion to enter executive session per MGL 30A, section 21, paragraph 4, to discuss contract negotiation with non-union personnel for the Insurance Director and not return to open session after. This was seconded by Lisa Banner and a roll call vote was taken where all members present voted in favor.

Respectfully submitted,
Cynthia Smith

Meeting Schedule

Executive Committee – January 15, 2020, 9:00 a.m., 98 King St, Northampton
Insurance Advisory Committee – January 22, 2020, 10:00 a.m., Deerfield Town Hall
Executive Committee – February 19, 2020, 9:00 a.m., 98 King St, Northampton