HAMPSHIRE COUNTY GROUP INSURANCE TRUST

Insurance Advisory Committee
Meeting Notice and Agenda
July 30, 2025
10:00 A.M.
ZOOM Meeting

Call to Order	RC
FY26 Cashflow and 10/1 rate increase (vote)	JS
Adjournment	RC

Meeting Schedule

Executive Committee – August 27, 2025, 9:00 a.m. ZOOM
Executive Committee – September 24, 2025, 9:00 a.m. ZOOM
Insurance Advisory Committee – July 16, 2025,10:00 a.m. ZOOM

Joseph Shea is inviting you to a scheduled Zoom meeting.
Join Zoom Meeting
https://us02web.zoom.us/j/85804791124?pwd=FmFLaxlCN5SUL24hnH7EN7Yx2PL70o.1

Meeting ID: 858 0479 1124
Passcode: 926278

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Find your local number: https://us02web.zoom.us/u/kehOCqQ1sa

Medex 20% increase, 1/1/26

20% increase on 10/1/25.

A rate increase for 7/1/26 will be determined in January 2026

	July	August	September	October	November	December	January	February	March	April	May	June (TBD)	
Premium	8,350,000	8,350,000	9,820,000	9,820,000	9,820,000	10,070,000	10,070,000	10,070,000	10,070,000	10,070,000	10,070,000	10,070,000	
Stop Loss reimbursement	400,000	200,000	150,000					100,000	100,000	200,000	250,000	250,000	
CVS Rebate			2,100,000			2,100,000			1,800,000			1,800,000	
BCBS Funding	(6,069,200)	(6,069,200)	(7,000,000)	(7,500,000)	(6,069,200)	(7,000,000)	(6,200,000)	(7,500,000)	(6,200,000)	(6,200,000)	(7,500,000)	(7,000,000)	
CVS Claims	(2,900,000)	(2,900,000)	(2,900,000)	(2,200,000)	(2,200,000)	(2,200,000)	(2,200,000)	(2,200,000)	(2,200,000)	(2,200,000)	(2,200,000)	(2,200,000)	
CanaRx	(10,500)	(10,500)	(10,500)	(10,500)	(10,500)	(10,500)	(11,000)	(11,000)	(11,000)	(11,000)	(11,000)	(11,000)	
Fed Pcori Fee	(40,000)												
Hamp Retirement Assessment	(130,000)												
HCGIT Op Epenses	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	
Blue Medicare Rx fee	(640,000)	(640,000)	(640,000)	(640,000)	(640,000)	(640,000)	(704,000)	(704,000)	(704,000)	(704,000)	(704,000)	(704,000)	
Stop Loss Premium	(204,500)	(204,500)	(204,500)	(204,500)	(204,500)	(204,500)	(204,500)	(204,500)	(204,500)	(204,500)	(204,500)	(204,500)	
Net cash	(1,304,200)	(1,334,200)	1,255,000	(795,000)	635,800	2,055,000	690,500	(509,500)	2,590,500	890,500	(359,500)	1,940,500	5,755,400

Confident

Confident first 6 months, will have next 6 month # from Feds in September

Fairly confident

Fluctuates

Premium assumptions : Medex increase of 20% for 1/1/26.

Premium assumption: Active plan increase of 20% on 10/1/25

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DATA INFORMATION

GLP1 USEAGE

	# of Users	Cost	# of Users	Cost
January 2025	**WL = 280**	$422,965.44	**T2 = 143**	$188,107.00
April 2025	**WL = 333**	$456,011.36	**T2 = 143**	$170,524.65
May 2025	**WL = 359**	$512,511.38	**T2 = 142**	$172,407.90
June 2025	**WL = 370**	$542,596.91	**T2 = 158**	$193,528.25

CVS Claims/Rebate

	Total Claims Paid	Quarterly Rebate
January 2025	$2,521,423.06	
February 2025	$2,336,446.36	
March 2025	$2,463,244.25	($2,048,459.51)
April 2025	$2,803,529.57	
May 2025	$2,841,767.31	
June 2025	$2,930,300.73	($1,934.243.40)

BCBS Claims

	Level Monthly	Variance	Total Claims Paid
January 2025	$5,569,600.00	**$ 884,154.80**	$6,453,754.80
February 2025	$5,569,600.00	**$ 487,931.86**	$6,057,531.86
March 2025	$5,569,600.00	**$ 392,934.78**	$5,962,534.78
April 2025	$5,569,600.00	**$ 216,783.98**	$5,786,383.98
May 2025	$5,569,600.00	**$2,874,310.34**	$8,443,910.34
June 2025	$5,569,600.00	**$1,596,657.06**	$7,166,257.06
Total additional funds owed to BCBS In the last 6 months:		**$6,452,772.82**	

TRUST FINANCIAL RESERVE CASH

	CD Account Balance	Investment Account Balance
January 2025	$6,233,987.90	$8,224,068.06
February 2025	$5,555,405.94	$7,228,416.19
March 2025	$3,923,230.27	$6,953,131.67
April 2025	$3,839.051.76	$6,851,991.84
May 2025	$2,047,431.42	$5,154,766.73
June 2025	$1,253,632.84	$3,364,488.66
Current Remaining Bal	**Approx. $1.2 million**	**Approx. $3.3 million**

Member Unit Deposit Total (73 units): **$4,463,551.96**

Plan Counts/Rates

	HMO/Network Blue NE			PPO/Blue Care Elect Pref		Medex	
	Indiv	Emp+1	Family	Indiv	Family	Reg	Low-1
	$711.00	$1,655.00	$2,040.00	$819.00	$2,237.00	$416.00	$394.20
January 2025	1,334	697	1,178	383	492	2,792	60
February 2025	1,327	694	1,179	383	495	2,792	59
March 2025	1,335	683	1,178	385	495	2,802	57
April 2025	1,337	686	1,170	387	498	2,816	53
May 2025	1,333	681	1,171	391	498	2,819	52
June 2025	1,333	679	1,171	395	496	2,808	61
	$839.00	$1,953.00	$2,407.00	$983.00	$2,684.00	$416.00	$394.20
July 2025	1,351	709	1,198	394	496	2,860	61
August 2025	1,335	705	1,197	393	491	2,880	61

12,440 people covered by the Trust (subscribers, spouses and dependents)

Rate History

Increases FY-21 to FY-26

	2020	% INC	2021	% INC	2022	% INC	2023	% INC	2024	% INC	2025	% INC
MEDEX	$337.00	-5.3%	$327.00	-3.0%	$327.00	0.0%	$342.00	4.6%	$360.00	5.3%	$416.00	15.3%
	2020 - 2021	% INC	2021 - 2022	% INC	2022 - 2023	% INC	2023-2024	% INC	2024-2025	% INC	2025-2026	% INC
HMO INDIV	$633.26	0.0%	$620.60	-2.0%	$620.60	0.0%	$658.00	6.0%	$711.00	8.0%	$839.00	18.0%
HMO EMP+1	$1,474.70	0.0%	$1,445.20	-2.0%	$1,445.20	0.0%	$1,532.00	6.0%	$1,655.00	8.0%	$1,953.00	18.0%
HMO FAMILY	$1,817.80	0.0%	$1,781.52	-2.0%	$1,781.52	0.0%	$1,889.00	6.0%	$2,040.00	8.0%	$2,407.00	18.0%
PPO INDIV	$729.84	0.0%	$715.24	-2.0%	$715.24	0.0%	$758.00	6.0%	$819.00	8.0%	$983.00	20.0%
PPO FAMILY	$1,993.26	0.0%	$1,953.40	-2.0%	$1,953.40	0.0%	$2,071.00	6.0%	$2,237.00	8.0%	$2,684.00	20.0%

Has there ever been a mid-year increase in the past = yes, once.

A mid-year increase was required in 2002.
Below is the history of increases IY-01 to IY-05 that surrounded that mid-year increase.

							Mid yr. inc.					
	2000 - 2001	% INC	2001 - 2002	% INC	2002 - 2003	% INC	eff 9/1/02	% INC	2003 - 2004	% INC	2004 - 2005	% INC
MHP INDIV	$321.81	6.21%	$411.92	18.5%	$486.07	15.3%	$522.27	7.5%	$522.27	0.0%	$712.90	36.5%
MHP FAMILY	$800.14	10.67%	$1,024.18	18.5%	$1,208.53	15.3%	$1,317.13	9.0%	$1,317.13	0.0%	$1,797.88	36.5%
HMO INDIV	$186.55	2.50%	$199.98	5.4%	$248.00	19.4%	$284.20	14.6%	$298.41	5.0%	$337.20	13.0%
HMO EMP+1	$395.52	3.00%	$427.16	5.7%	$556.00	23.2%	$628.40	13.0%	$695.00	11.0%	$785.35	13.0%
HMO FAMILY	$531.99	3.50%	$574.55	5.9%	$718.00	20.0%	$826.60	15.1%	$861.60	4.0%	$973.61	13.0%
PPO INDIV	$216.74	-8.80%	$234.51	6.7%	$267.34	12.3%	$303.54	13.5%	$303.54	0.0%	$367.28	21.0%
PPO FAMILY	$578.78	-8.80%	$634.00	7.6%	$722.76	12.3%	$831.36	15.0%	$831.36	0.0%	$1,005.95	21.0%
HNE INDIV	$227.99	14.75%									Discontinued MHP plans eff 4/1/2004. Above was the suggested increase.	
HNE EMP+1	$455.97	14.75%										
HNE FAMILY	$615.57	14.75%										

TRUST INFO & CONSIDERATIONS

Who is the Hampshire County Group Insurance Trust?

The Hampshire County Group Insurance Trust (the Trust or HCGIT) is the benefit manager for your employer sponsored group health insurance. *The Trust is self-insured, meaning we pay all claims from our own funds, which is what we receive in premiums.* The Trust decides the plan coverage, including employee eligibility, covered benefits/exclusions, and policy limits. We provide health insurance coverage to 73 municipal entities across Franklin, Hampshire, Hampden and Worcester Counties. The Trust is contracted with Blue Cross Blue Sheild for medical coverage and CVS Caremark for prescription coverage.

TRUST OPTIONS

PAST/IMPENDING:

- Voted in May to carve out the GLP1 class of drug effective 10/1/2025, except for Type 2 Diabetes necessity. The annual savings to the Trust is approximately $2.8 million once implemented.

PRESENT/IMMEDIATELY:

- Increase rates for 10/1 = at least 20% to keep Trust sustainable.
- Do Nothing = Face potential closure of the Trust in 1-3 months, impacting 73 units. Units would be liable for any remaining claim runoff over the succeeding 12 months. Member claim deposits on file would not cover even 1 month of claims. Units would need to find alternative coverage.

FUTURE OPTIONS:

- Increase rates = always have a steady increase going forward, never allowing zero. Any future reserves would be maintained for potential spikes in claims as we've seen now instead of ever using any to lessen increases.
- Make plan design changes = shifting more liability to individuals by adding deductibles and increasing copays. Historically the majority of units and members do not want this.
    - Implementing GIC like deductibles would have little to no financial impact on the Trust.
    - Adding a high-deductible plan decreases premium income and can skew the claims causing a negative impact to our financial situation.
    - Increasing/adding copays would have the best outcome if a change is made.
- Break Trust group into individual units and set rates per unit according to claims experience. Units with under 50 enrollees could remain in one group together.
- Need to rebuild reserves to be sustainable going forward.

UNIT INFORMATION

Your Role on the Insurance Advisory Committee (IAC)

Every member unit of the Trust has a seat on the IAC, carrying a weighted vote. While you represent your unit at the IAC, *your position on the IAC board is to make the best decisions for the health, sustainability and longevity of the Trust* (not your unit, not your members).

What Changes Can Units Make to Help Claims

- Enforce Stricter Eligibility Policies
    - Cancel members immediately upon their termination of employment – do not allow coverage until the end of the month, for an additional 30 days, or thru their already pre-deductions timeframe.
    - Do not allow coverage at 100% premium payment for anyone. Only Cobra enrollees are allowed be covered and pay you 100% of the premium.
    - Do not allow a person to continue coverage under circumstances that do not require it (Leave Of Absence, Laid Off/Severance Offering...).
    - Do not allow retirees to come back on coverage at any time. Create a policy that only allows continued coverage at the time of their transition from Active to Retired. Once they cancel coverage, they cannot return.
    - Do not cover spouse's of retirees. Especially do not cover a spouse if the employee/retiree is no longer on coverage.
- Offer employee buyout programs.
- Audit your membership and their eligibility.
- Enforce and follow all policies, procedures, deadlines with no exceptions.
