

HAMPSHIRE COUNTY GROUP INSURANCE TRUST

Insurance Advisory Committee

Meeting Notice and Agenda

July 17, 2019

10:00 A.M.

Deerfield Town Hall

South Deerfield, MA

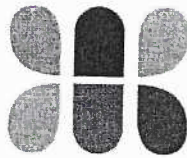
Call to Order	RK
Approval of Minutes of April, 2019	RK
Financial Report (Vote) Month of June, 2019 Income & Expenses & Operating Expenses For Trust and Wellness Initiative	KK
Wellness Update	MK
Rx Savings Analysis	JG
HCG/HCGIT Updates	JS
New Website	JS
Audit FY18	JS
PCORI Fee	JS
Reinsurance & Renewal Update (vote)	JS
Benefit Change Savings/Mitigation Unit Updates	JS
Budget Discussions (vote)	JS
Executive Session – March	JS
Executive Committee Election (vote)	JS
Adjournment	RK

Meeting Schedule

Executive Committee – September 25, 2019, 9:00 a.m., 98 King Street

Insurance Advisory Committee – October 9, 2019, 10:00 a.m., Deerfield Town Hall

Executive Committee – November 20, 2019, 9:00 a.m., 98 King Street



HAMPSHIRE COUNCIL
OF GOVERNMENTS

HAMPSHIRE COUNTY
GROUP INSURANCE TRUST

TO: All Member Trust Units

RE: **Minutes of April 17, 2019**
Insurance Advisory Committee
Deerfield Town Hall

MEMBERS PRESENT:

Rebecca Herzog
Lisa Blackmer
Meg McWherter
Barbara Hancock
Russ Kaubris
Paula Light
Maureen Humphrey
Sharon Strzegowski
Megan Young
Paul McLatchy III
Barbara Miller
Michelle Hill
Lynn Sibley

Cathy Levreault
Marguerite Willis
Leann Fanion
Lisa Lamarche
Linda Gross
Deborah Kuhn
Joan Zuzgo
Eileen Seymour
Melissa Murphy
Angelina Bragdon
Michael Sullivan
Stephanie Douglass

Lisa Banner
Donna Foglio
Jan Warner
Melissa Zawadzki
Deborah Frentzos
Allan Kidston
Patricia Rutkowski
Gabriele Voelker
Sues' Anne Jason
Monica Walton
Jennifer Day
Eileen Tela

OTHERS PRESENT:

Joseph Shea
Michele Komosa
Jessica Lewerenz
Mildred Colon

Karen Karowski
Heidi Fountain
Cheryl Clark

Cynthia Smith
Rich Datz
Bruce Turner

CALL TO ORDER

Chairman, Russ Kaubris, called the meeting to order at 10:03 a.m. with a quorum present of 83.88% of the weighted vote.

APPROVAL OF MINUTES

A motion to accept the minutes of January 30, 2019 was made by Michael Sullivan and seconded by Monica Walton. The motion was carried unanimously.

FINANCIAL REPORT

Month of March 2019

Karen Karowski presented the Financial Report showing a starting cash balance for March of \$9,139,968.78 with a total monthly income of \$6,246,387.96. The monthly expenses totaled \$5,576,414.91 leaving a total net monthly income of \$669,973.05. The accounts receivable balance was \$120,943.59 which if paid on time would have left us with a balance of \$34,717,676.03.

Investments and CD's for March 2019

Karen also reported that the investments portfolio value was \$10,420,080.27 with a market change of \$150,345.18 leaving a total of \$10,570,425.45. Karen also reported a starting balance in CD's of \$9,700,249.59, leaving interest earned of \$17,802.17, with a balance of \$9,718,051.76.

On a motion by Michael Sullivan, seconded by Lisa Banner, the financial report was approved unanimously.

WELLNESS UPDATE

Michele gave an update on the Wellness Initiative program:

- **Spring Challenge** – The Spring Challenge began on Monday (April 15th) and will run for 5 weeks. There are currently 417 registered users for the challenge, an all-time high.
- **Benefits and Health Fairs** – There are currently 3 units scheduled to host a benefits and health fair this month. Michele encouraged other units to host a health fair or wellness event at their unit as well.
- **Wellness Concepts Inc** – Michele stated there has been increased interest in hosting various worksite wellness events or seminars for employees such as food & mood, best sleep practices, antioxidants & cancer prevention and a mindfulness series to name a few. Anyone interested should contact Michele.
- **AHealthyMe** – The Ahealthyme campaign continues to go strong and will end June 30, 2019. Participants with over 100 points will be awarded their gift cards shortly after that.
- **Mini Grants** – The new year for mini grants will begin July 1st. Any newly interested participants should reach out to Michele for more information about them.
- **Bulletin Boards** – These were distributed to those present at the IAC meeting. The Summer bulletin board materials will be distributed at the next IAC meeting in July.

For more information on any of these programs contact Michele Komosa by phone at 413-584-1300 ext 173 or email at mkomosa@hampshirecog.org.

EXECUTIVE COMMITTEE OPENING

Joe explained there was an opening on the Executive Committee for a member to represent towns with under 5,000 residents. For this election, the term would begin immediately and go until reelection time in October. Deb Kuhn nominated Sharon Strzegowski of Hatfield, and Melissa Zawadzki nominated Lisa Blackmer of Buckland for the open position. There were no other nominations and a vote was taken. The vote concluded Lisa Blackmer to be the new Executive Committee member representing towns under 5,000 residents.

OPEN ENROLLMENT

Joe reviewed the open enrollment process for all units. Joe pointed out that on page 4 of the open enrollment packet is a snapshot of the benefits changes and page 8 was a sample letter for units to use when notifying their employees of the open enrollment. Joe stated the open enrollment period will be May 1 to May 20, 2019 for coverage effective July 1, 2019 to June 30, 2020. All health insurance enrollment/change forms and required documentation should be sent directly to the Trust no later than May 28, 2019. **Please do NOT send any forms to BCBS.** If there are no changes to be made, then nothing needs to be done.

It is also the Guardian Voluntary Dental plan open enrollment for all units. The Guardian open enrollment period and coverage dates coincide with the health insurance but regular Guardian enrollment procedures should still be followed with all Guardian dental forms being sent to John Garrish.

It is the unit's responsibility to notify their employees of the open enrollment period, as now would be the time to enroll, make any plan changes or add dependents, including adult children, to existing plans without providing documentation of a qualifying event. Open Enrollment packets were handed out at the meeting and will also be sent to all units via email.

The new rates were announced as follows:

Plan Type	Current Rates	New Rates	Variance	
Network Blue New England (HMO) July 1, 2019 to June 30, 2020				
Employee Only	\$633.26	\$633.26	0%	
Employee Plus One	\$1474.70	\$1474.70	0%	
Family	\$1817.88	\$1817.88	0%	
Blue Care Elect Preferred (PPO) July 1, 2019 to June 30, 2020				
Employee Only	\$729.84	\$729.84	0%	
Family	\$1993.26	\$1993.26	0%	
Guardian DentalGuard Preferred \$500 Plan July 1, 2019 to June 30, 2021				
Employee Only	\$28.34	\$28.34	0%	
Family	\$81.09	\$81.09	0%	
Senior Plans (Single Rates Only) January 1, 2019 to December 31, 2019				
MEDEX 2 w/PDP	\$346.00	\$355.00	2.6%	
Boston Mutual Life Insurance <u>July 1, 2017 to June 30, 2020</u>				
Basic Coverage	\$1.39/\$1000	\$1.39/\$1000	0%	
Accidental Death & Dismemberment	\$.03/\$1000	\$.03/\$1000	0%	
Optional Life Insurance Coverage will also remain the same in IY-2020.				
Guardian Voluntary Dental (\$1000 Plan) <u>July 1, 2019 to June 30, 2021</u>				
High Plan (PPO)	Employee	\$52.36	\$52.36	0%
	Employee +1	\$99.38	\$99.38	0%
	Family	\$153.86	\$153.86	0%
Core Plan (PPO)	Employee	\$28.86	\$28.86	0%
	Employee +1	\$56.94	\$56.94	0%
	Family	\$106.42	\$106.42	0%

BCBS – VISION, DIABETES CARE, SMART90

Heidi Fountain from BCBS gave a presentation, including handouts on 3 programs from BCBS. The Diabetes Care Value and Smart90 programs will be implemented thru the Trust effective July 1, 2019. The Vision 20/20 plan will NOT be offered thru the Trust. It is an offering individual units may participate in at their own discretion and can contact Heidi directly for more information.

AMERICA FIDELITY – HAS, HRA

Rich Datz from American Fidelity gave a presentation regarding Section 125 services and Flexible Spending Accounts. These services are offered independently to units. Those interested in participating should contact Rich Datz directly for more information.

GOOD RX

Donna Foglio from Charlton, also a member of the Executive Committee, gave a presentation on GoodRx. Donna shared her personal experience how she discovered GoodRx and has used it since. GoodRx is a website or mobile app that finds the lowest cost pharmacy to purchase your prescriptions within a designated area. It has been known to save users up to 80% of the cost of a prescription. It is free to use. For more information visit www.goodrx.com.

NEW BUSINESS/ADMINISTRATIVE

CHESTER

Joe stated on recommendation of the Executive Committee, pending a vote from the IAC, the town of Chester will be joining the Trust July 1st. They are currently with the Berkshire Health Group and have only 12 subscribers. They will enter the Trust with the stipulation that the Trust can terminate their participation after 12 months if their claims are too high making them not a good fit for the Trust.

On a motion by Marguerite Willis, seconded by Michael Sullivan, it was unanimously voted to allow Chester entry as recommended by the EC. The motion was passed unanimously.

TRUSTEE ROLE

Joe explained the current chain of command for the Trust is the Executive Committee of the Trust (EC), the Insurance Advisory Committee of the Trust (IAC) and the HCOG council as the Trustees of the Trust. Joe stated he'd like for the Trust to request a formal separation from the HCOG as the HCOG was having financial issues that look like they could not resolve. The intent was to make the IAC the Trustees of the Trust. However, Joe stated he was notified that morning by the HCOG that there was to be a press release this morning from the HCOG with an announcement of their impending closure due to their financial troubles. This press release indicated that the HCOG would be relinquishing its role as Trustee to the Trust. Joe stated that as this transition takes place, the Trust would have to work to obtain our own server, website, and payroll services among other things which will come at an additional expense to the Trust.

Michael Sullivan made a motion to allow the Trust's Executive Director Joe Shea to take the steps necessary to transition the Trust to be separate from the HCOG, including any associated operational costs. This was seconded by Lisa Blackmer and passed unanimously.

ADJOURNMENT

On a motion by Michael Sullivan, seconded by Lisa Banner it was voted to adjourn the meeting at 11:12 a.m. The motion carried unanimously.

Respectfully submitted,
Cynthia Smith

Meeting Schedule

Executive Committee	May 15, 2019	9:00 a.m.	98 King Street, Northampton
Executive Committee	June TBD, 2019	9:00 a.m.	98 King Street, Northampton
Insurance Advisory Comm.	July 17, 2019	10:00 a.m.	Deerfield Town Hall

HAMPSHIRE COUNTY GROUP INSURANCE TRUST

INCOME AND EXPENSE REPORT

ITEMS	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
Starting Cash Balance	\$9,688,392.89	\$6,789,815.67	\$6,528,665.56	\$6,020,587.64	\$6,350,559.70	\$7,851,605.77	\$8,273,846.10	\$8,389,069.77	\$8,917,731.75	\$9,139,968.78	\$9,809,941.83	\$9,836,170.60	\$9,835,518.68
Adjustments													
Total Starting Balance	\$9,688,392.89	\$6,789,815.67	\$6,528,665.56	\$6,020,587.64	\$6,350,559.70	\$7,851,605.77	\$8,273,846.10	\$8,389,069.77	\$8,917,731.75	\$9,139,968.78	\$9,809,941.83	\$9,836,170.60	\$9,835,518.68
MONTHLY INCOME													
Total Premium Collected	2,689,047.40	9,351,439.96	5,257,563.01	5,796,704.10	6,496,556.25	6,000,688.16	5,691,212.39	6,077,920.61	5,785,571.98	6,242,875.41	5,712,566.76	6,033,505.92	1,717,380.76
Interest Income (MMDT)	1,913.09	2,187.25	2,477.15	2,432.15	3,081.00	2,984.67	3,540.06	3,443.89	3,187.16	3,512.55	4,047.50	3,706.58	3,482.24
Other Income or Adjustments		(4,127,982.00)			(50,000.00)				14,772.00				
BCBS SR Premium Collected													
TOTAL MONTHLY INCOME	2,690,960.49	5,225,645.21	5,260,040.16	5,799,136.25	6,449,637.25	6,003,672.83	5,694,752.45	6,081,364.50	5,803,531.14	6,246,387.96	5,716,614.26	6,037,212.50	1,720,863.00
MONTHLY EXPENSES													
BCBS Admin Cost (estimate)													
Claim Deposit	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	4,999,002.21	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00
Reinsurance (Ind.&Agg.)	106,702.75	(8.83)	210,749.16		106,003.46	106,576.21	106,517.57	106,143.43	105,891.95	105,985.68	105,992.62	105,789.68	105,662.07
BCBS Settlement					(647,035.12)							427,485.79	
Recon adjust w/Finance													
BCBS Sr Premium Paid													
Other Exp. & Claim Settlement	427,695.64	456,848.82	433,197.72	439,555.96	446,632.18	446,085.51	443,313.26	443,535.56	470,861.24	464,477.30	471,186.95	472,311.87	467,008.42
Total Plan Expenses	5,534,398.39	5,456,839.99	5,643,946.88	5,439,555.96	4,905,600.52	5,551,663.93	5,549,830.83	5,549,678.99	5,576,753.19	5,570,462.98	5,577,179.57	6,005,567.34	5,572,670.49
Total Unit Operating Expenses	35,139.32	29,955.33	124,171.20	29,608.23	42,990.66	29,768.57	29,697.95	3,023.53	4,540.92	5,951.93	113,205.92	32,297.08	59,243.71
TOTAL MONTHLY EXPENSES	5,569,537.71	5,486,795.32	5,768,118.08	5,469,164.19	4,948,591.18	5,581,432.50	5,579,528.78	5,552,702.52	5,581,294.11	5,576,414.91	5,690,385.49	6,037,864.42	5,631,914.20
TOTAL NET MONTHLY INCOME	(2,878,577.22)	(261,150.11)	(508,077.92)	329,972.06	1,501,046.07	422,240.33	115,223.67	528,661.98	222,237.03	669,973.05	26,228.77	(651.92)	(3,911,051.20)
BALANCE													
Cash Balance	6,789,815.67	6,528,665.56	6,020,587.64	6,350,559.70	7,851,605.77	8,273,846.10	8,389,069.77	8,917,731.75	9,139,968.78	9,809,941.83	9,836,170.60	9,835,518.68	5,924,467.48
Adjustments													
ENDING MONTHLY BALANCE	6,789,815.67	6,528,665.56	6,020,587.64	6,350,559.70	7,851,605.77	8,273,846.10	8,389,069.77	8,917,731.75	9,139,968.78	9,809,941.83	9,836,170.60	9,835,518.68	5,924,467.48

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HAMPSHIRE COUNTY GROUP INSURANCE TRUST

Fund And Investment Information

FUNDS	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
Post Employee Ben. S.B.	67,808.38	67,103.86	66,399.34	65,694.82	64,990.30	114,285.78	113,581.26	112,876.74	112,876.74	112,876.74	112,876.74	112,876.74	112,876.74
Funding					50,000.00								
Expenses	704.52	704.52	704.52	704.52	704.52	704.52	704.52						
Total	67,103.86	66,399.34	65,694.82	64,990.30	114,285.78	113,581.26	112,876.74	112,876.74	112,876.74	112,876.74	112,876.74	112,876.74	112,876.74
Accrued Vac & Sick Time	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96
Income													
Expenses													
Total	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96	31,317.96
Member Deposits		4,127,982.00	4,173,665.34	4,196,507.01	4,219,348.68	4,242,190.35	4,265,032.02	4,287,873.69	4,310,715.36	4,331,277.03	4,354,118.70	4,376,960.37	4,399,801.96
Deposits		45,683.34	22,841.67	22,841.67	22,841.67	22,841.67	22,841.67	22,841.67	20,581.67	22,841.67	22,841.67	22,841.59	
Total Member Deposits		4,173,665.34	4,196,507.01	4,219,348.68	4,242,190.35	4,265,032.02	4,287,873.69	4,310,715.36	4,331,277.03	4,354,118.70	4,376,960.37	4,399,801.96	4,399,801.96
Investments													
CD's	9,600,671.09	9,608,299.03	9,617,286.52	9,626,347.23	9,634,539.42	9,645,222.84	9,655,196.71	9,665,605.25	9,683,091.76	9,700,249.59	9,718,051.76	9,737,731.68	9,756,835.33
Deposit													
Interest	7,627.94	8,987.49	9,060.71	8,192.19	10,683.42	9,973.87	10,408.54	17,486.51	17,157.83	17,802.17	19,679.92	19,103.65	17,288.86
Balance	9,608,299.03	9,617,286.52	9,626,347.23	9,634,539.42	9,645,222.84	9,655,196.71	9,665,605.25	9,683,091.76	9,700,249.59	9,718,051.76	9,737,731.68	9,756,835.33	9,774,124.19
Portfolio Value	10,331,109.30	10,288,236.23	10,433,709.26	10,495,979.62	10,444,012.83	10,091,718.72	10,184,102.07	9,798,355.68	10,235,783.33	10,420,080.27	10,570,425.45	10,770,795.08	10,491,885.34
Deposit													
Interest	(42,873.07)	145,473.03	62,270.36	(51,966.79)	(352,294.11)	92,383.35	(385,746.39)	437,427.65	184,296.94	150,345.18	200,369.63	(278,909.74)	394,408.32
Market Change													
Total	10,288,236.23	10,433,709.26	10,495,979.62	10,444,012.83	10,091,718.72	10,184,102.07	9,798,355.68	10,235,783.33	10,420,080.27	10,570,425.45	10,770,795.08	10,491,885.34	10,886,293.66
Accounts Receivable	3,701,497.60	178,228.24	826,330.02	984,823.05	379,640.96	309,366.46	519,839.85	353,495.58	367,757.29	120,943.59	373,082.42	250,390.30	4,545,619.76
Total With Accounts Receivable	30,486,270.35	31,029,272.22	31,262,764.30	31,729,591.94	32,355,982.38	32,832,442.58	32,804,938.94	33,645,012.48	34,103,527.66	34,717,676.03	35,238,944.85	34,878,626.31	35,674,501.75

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HAMPSHIRE COUNTY GROUP INSURANCE TRUST

FISCAL YEAR 2019 OPERATING EXPENSES (July 1, 2018 to June 30, 2019)

ITEM CODE	BUDGET ITEMS	FY-2018		FY-2019		FY-2019												FY-2019											
		7/1/17-06/30/18		FY-2018		FY-2019												FY-2019											
		Actual YTD		Actual YTD		Actual YTD												Actual YTD											
WAGES & BENEFITS																7/1/18-6/30/19	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	
5110	SALARY*		301,319.00		302,055.44	315,000.00	23,895.86	23,895.86	23,895.86	35,843.79	23,895.86	23,895.86	23,895.86	23,895.86	23,895.86	96,842.34	24,590.08	37,285.12				314,040.63							
5145	LONGEVITY		575.00		400.00	575.00	400.00															400.00							
5130	OVERTIME				-																								
5120	TEMP. EMPLOYEE SAL				-																								
481	FICA (.082)				-																	-							
5168	MED TAX (0146)		5,393.61		4,185.37	5,500.00	336.20	330.40	330.40	495.58	338.47	330.40	330.40									-							
5181	CONTRIBUTORY RET.		74,104.00		72,788.11	80,000.00		80,566.50																					
5189	EMP. ASST. PROG. EAP				-																								
5184	HEALTH INSURANCE		47,622.00		39,425.60	49,860.00	3,161.92	3,161.92	3,161.92	4,742.88	1,580.96	3,161.92	3,161.92																
5185	LIFE INSURANCE		320.00		306.72	320.00	25.56	25.56	25.56	51.12	25.56																		
5189	UNEMP HEALTH INS TAX				15.35																								
TOT. WAGES & BENEFITS			429,333.61		419,176.59	451,255.00	27,819.54	107,980.24	27,413.74	41,133.37	25,815.29	27,413.74				110,906.94	28,118.12	40,971.72				437,572.70							

ITEM CODE	BUDGET ITEMS	FY-2018		FY-2019	
		7/1/17-06/30/18	Actual YTD	Budgeted	
NON SALARY EXPENSES					
					7/1/18-6/30/19
5300	ADM. CONT. SERVICES (FS&PP)		47,000.00		12,500.00
					14,400.00
	Parking				300.00
5305	ADM. CONT. SERVICES (A&D)				10,000.00
5320	LEGAL		1,202.50		10,000.00
5340	TELEPHONE/INTERNET		-		3,600.00
5400	FOOD SUPPLIES		500.00		500.00
5420	OFFICE & COMPUTER SUPPLIES		1,500.00		1,500.00
5580	MISC. EXPENSES		500.00		500.00
5590	NEWSPAPER/MAGS/BOOKS		-		-
5420	POSTAGE (Shippo)		300.00		-
5275	POSTAGE METER RENTAL		-		-
5380	MINI GRANTS/WEELNESS		25,000.00		15,362.42
5420	STATIONERY & OFF. SUPP.				-
5780	SURETY BONDS		800.00		550.00
5340	TELEPHONES				-
5320	TRAINING		1,500.00		-
5710	TRAVEL IN/OUT of STATE		3,000.00		990.93
5188	UTILITIES				-
	TOT. Indirect Costs				-
Total Non-Salary			80,100.00		68,114.37
		1,915.84	15,971.01	1,974.54	1,837.34
		3,733.33	2,064.26	2,583.63	4,540.92
		5,731.98	2,079.03	3,959.01	18,052.04
					64,242.93

ITEM CODE	BUDGET ITEMS	FY-2018	FY-2018
		7/1/17-6/30/18	Actual YTD
I.T.		JUN	Budgeted
		7-1/6-30	7/1/18-6/30/19
6000	COMPUTER HARDWARE	2,000.00	1,359.91
6420	COMPUTER SOFTWARE	-	-
5420	COMPUTER SUPPLIES	500.00	903.42
5850	DESK TOP PCs	-	-
5300	MISC PROF & TECH SERV.**	10,000.00	3,300.00
TOTAL DATA PROCESSING		12,500.00	5,563.33
TOTALS		521,933.61	492,854.29

TRANSACTION REPORT JUNE FY-19

\$ 9,835,518.68

11.

JUNE		CD-(Florence Savings-15 mos.2.30%)			\$	3,315,775.68
30		CD-Interest (renewed 1/2/2019)		5,799.43	\$	3,321,575.11
30		Total			\$	3,321,575.11
JUNE		CD-Easthampton Savings			\$	6,441,059.65
30		12 mos. @2.35%		1,940.36	\$	6,443,000.01
30		12 mos. @2.4%		5,950.41	\$	6,448,950.42
30		12 mos. @2.4%		1,959.15	\$	6,450,909.57
30		12 mos. @2.0%		1,639.51	\$	6,452,549.08
		Total			\$	6,452,549.08
JUNE		Portfolio Value JUNE 1, 2019			\$	10,491,885.34
		Additional Investment			\$	10,491,885.34
30		Investment Earnings/Loss		394,408.32	\$	10,886,293.66
		Total			\$	31,128,881.99

MONTHLY ACCOUNTS RECEIVABLE

HAMPSHIRE COUNTY GROUP INSURANCE TRUST

FOR JULY 2019 PREMIUMS

AS OF JUNE 30, 2019

JULY PREMIUMS NOT PAID

TO AVOID LATE ASSESSMENT FEE

INVOICE MUST BE PAID BEFORE:

JULY 16, 2019

ATHOL	173,417.90	
BELCHERTOWN	603,112.42	
BELCHERTOWN WATER	4,269.02	
CHARLTON	156,715.40	
CHESTER	13,652.52	
CHESTERFIELD	10,550.02	
CHESTERFIELD/GOSHEN RSD	25,599.26	
CUMMINGTON	3,990.76	
DUDLEY	101,061.70	
GATEWAY RSD	257,858.09	
GRANBY	163,513.03	
HADLEY	182,601.80	
HCOG	39,589.08	
HCGIT	5,635.92	
HAMPSHIRE RSD	220,275.44	
HOLLAND	59,102.80	
MIDDLEFIELD	3,925.84	
ORANGE	231,312.44	
SHFD #1	80,615.65	
WESTHAMPTON	44,313.54	
WILLIAMSBURG	78,601.82	
ASHFIELD	8,168.96	
BERNARDSTON	9,864.76	
BUCKLAND	18,252.14	
CHARLEMONT	7,998.50	
CONWAY	58,701.84	
EASTHAMPTON	567,725.22	
FCSWM	3,814.24	
FRCOG	55,107.80	
FRRS	3,451.22	
FRTA	4,767.28	
FRONTIER RSD	183,129.12	
LEVERETT	60,210.86	
MONTAGUE	124,935.88	
NEW SALEM/WENDELL	57,130.60	
PIONEER RSD	201,322.66	
SHELBURNE	19,361.16	
SOUTH HADLEY	560,333.84	
SOUTHWICK	80,104.62	
WARWICK	10,348.03	
WENDELL	4,084.48	
WHATELY	47,092.10	
	4,545,619.76	

Hampshire County Group Insurance Trust IY-2017 Plan Count

PLAN		2018												2019											
HMO BLUE		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUGUST				
H-Employee Only		331	331	330	333	336	332	524	516	510	514	517	523	529	534	527	533	541	539	541	539				
H-Employee + 1		212	211	209	220	220	218	350	346	342	350	353	352	351	347	345	343	345	345	365	362				
H-Family		296	295	295	295	290	291	562	560	561	571	572	568	564	564	567	569	563	562	577	575				
Total H HMO		839	837	834	848	846	841	1436	1422	1413	1435	1442	1443	1444	1445	1439	1445	1449	1446	1483	1476				
F-Employee Only		916	918	914	911	908	904	688	683	674	676	684	691	699	700	703	701	699	697	686	683				
F-Employee + 1		534	534	528	527	530	527	416	415	410	413	410	407	402	401	404	402	400	401	409	402				
F-Family		933	929	934	934	936	934	681	677	680	678	681	681	681	677	677	677	674	672	679	683				
Total F HMO		2383	2381	2376	2372	2374	2365	1785	1775	1764	1767	1775	1779	1782	1778	1784	1780	1773	1770	1774	1768				
Total Employee Plans		1247	1249	1244	1244	1244	1236	1212	1199	1184	1190	1201	1214	1228	1234	1230	1234	1240	1236	1227	1222				
Total Employee + 1		746	745	737	747	750	745	766	761	752	763	763	759	753	748	749	745	745	746	774	764				
Total Family Plans		1229	1224	1229	1229	1226	1225	1243	1237	1241	1249	1253	1249	1245	1241	1244	1246	1237	1234	1256	1258				
Total H&F HMO Plans		3222	3218	3210	3220	3220	3206	3221	3197	3177	3202	3217	3222	3226	3223	3223	3225	3222	3216	3257	3244				
BLUE CARE ELECT PREFERRED (PPO)																									
H-Employee Only		164	165	162	163	162	162	181	180	180	177	179	180	179	177	177	176	177	178	181	181				
H-Family		257	255	257	256	256	254	259	254	251	250	254	254	251	251	252	252	252	251	247	244				
Total H PPO		421	420	419	419	418	416	440	434	431	427	433	434	430	428	429	428	429	429	428	425				
F-Employee Only		135	132	135	135	135	134	100	100	96	99	101	103	104	105	103	103	103	106	112	109				
F-Family		129	129	126	126	125	125	113	111	111	110	112	112	109	109	109	110	110	110	112	109				
Total F PPO		264	261	261	261	260	259	213	211	207	209	213	215	213	214	212	213	213	216	225	216				
Total Employee Plans		299	297	297	298	297	296	281	280	276	276	280	283	283	282	280	279	280	284	293	290				
Total Family Plans		386	384	383	382	381	379	372	365	362	360	366	366	360	360	361	362	362	361	360	360				
Total H&F PPO Plans		685	681	680	680	678	675	653	645	638	636	646	649	643	642	641	641	642	645	653	650				
MEDEX																									
H-Employee Only		743	741	749	754	755	761	1161	1178	1185	1187	1195	1197	1202	1200	1198	1201	1201	1208	1220	1231				
F-Employee Only		1484	1489	1501	1502	1504	1505	1116	1131	1132	1142	1145	1151	1160	1168	1170	1172	1173	1177	1183	1194				
Total MEDEX Plans		2227	2230	2250	2256	2259	2266	2277	2309	2317	2329	2340	2348	2362	2368	2368	2373	2374	2385	2403	2425				
TOTAL - All Plans		6134	6129	6140	6156	6157	6147	6151	6151	6132	6167	6203	6219	6231	6233	6232	6239	6238	6246	6313	6319				

14.

Hampshire County Group Insurance Trust

Claim Payments - April 2011 To Present

	CLAIMS		AMOUNT PAID		VARIANCE	CUMULATIVE VAR.
2016 Jan	\$ 6,317,629.42	A	\$ 4,574,800.00	A	\$ 1,742,829.42	\$ (26,151.01)
Feb	\$ 3,854,196.01	A	\$ 4,574,800.00	A	\$ (720,603.99)	\$ (746,755.00)
March	\$ 4,528,228.12	A	\$ 4,574,800.00	A	\$ (46,571.88)	\$ (793,326.88)
April	\$ 6,205,953.06	A	\$ 4,847,100.00	A	\$ 1,358,853.06	\$ 565,526.18
May	\$ 4,546,836.43	A	\$ 4,568,600.00	A	\$ (21,763.57)	\$ 543,762.61
June	\$ 4,037,263.44	A	\$ 4,568,600.00	A	\$ (531,336.56)	\$ 12,426.05
July	\$ 5,044,390.85	A	\$ 4,568,600.00	A	\$ 475,790.85	\$ 488,216.90
August	\$ 4,615,270.49	A	\$ 4,568,600.00	A	\$ 46,670.49	\$ 534,887.39
September	\$ 5,393,378.34	A	\$ 4,568,600.00	A	\$ 824,778.34	\$ 1,359,665.73
October	\$ 3,213,342.52	A	\$ 4,568,600.00	A	\$ (1,355,257.48)	\$ 4,408.25
November	\$ 3,769,413.70	A	\$ 4,568,600.00	A	\$ (799,186.30)	\$ (794,778.05)
December	\$ 5,412,781.89	A	\$ 4,568,600.00	A	\$ 844,181.89	\$ 49,403.84
2017 Jan	\$ 4,369,459.10	A	\$ 4,614,300.00	A	\$ (244,840.90)	\$ (195,437.06)
February	\$ 4,224,033.88	A	\$ 4,614,300.00	A	\$ (390,266.12)	\$ (585,703.18)
March	\$ 5,425,612.68	A	\$ 4,614,300.00	A	\$ 811,312.68	\$ 225,609.50
April	\$ 3,937,343.78	A	\$ 4,614,300.00	A	\$ (676,956.22)	\$ (451,346.72)
May	\$ 4,449,446.02	A	\$ 4,614,300.00	A	\$ (164,853.98)	\$ (616,200.70)
June	\$ 5,149,211.18	A	\$ 4,614,300.00	A	\$ 534,911.18	\$ (81,289.52)
July	\$ 4,846,901.35	A	\$ 4,614,300.00	A	\$ 232,601.35	\$ 151,311.83
Aug	\$ 5,075,129.47	A	\$ 4,614,300.00	A	\$ 460,829.47	\$ 612,141.30
Sept	\$ 5,093,190.74	A	\$ 4,614,300.00	A	\$ 478,890.74	\$ 1,091,032.04
Oct	\$ 3,107,039.21	A	\$ 4,614,300.00	A	\$ (1,507,260.79)	\$ (416,228.75)
Nov	\$ 4,834,990.20	A	\$ 4,614,300.00	A	\$ 220,690.20	\$ (195,538.55)
Dec	\$ 5,159,544.72	A	\$ 4,614,300.00	A	\$ 545,244.72	\$ 349,706.17
2018 Jan	\$ 4,286,736.71	A	\$ 4,635,000.00	A	\$ (348,263.29)	\$ 1,442.88
Feb	\$ 4,849,271.14	A	\$ 4,614,300.00	A	\$ 234,971.14	\$ 236,414.02
Mar	\$ 5,402,471.81	A	\$ 4,635,000.00	A	\$ 767,471.81	\$ 1,003,885.83
April	\$ 3,320,986.14	A	\$ 5,000,000.00	A	\$ (1,679,013.86)	\$ (675,128.03)
May	\$ 4,842,441.31	A	\$ 5,000,000.00	A	\$ (157,558.69)	\$ (832,686.72)
June	\$ 5,185,651.60	A	\$ 5,000,000.00	A	\$ 185,651.60	\$ (647,035.12)
July	\$ 4,422,144.08	A	\$ 5,000,000.00	A	\$ (577,855.92)	\$ (1,224,891.04)
August	\$ 5,849,127.14	A	\$ 5,000,000.00	A	\$ 849,127.14	\$ (375,763.90)
September	\$ 4,241,277.55	A	\$ 5,000,000.00	A	\$ (758,722.45)	\$ (1,134,486.35)
October	\$ 5,696,290.48	A	\$ 5,000,000.00	A	\$ 696,290.48	\$ (438,195.87)
November	\$ 5,837,423.17	A	\$ 5,000,000.00	A	\$ 837,423.17	\$ 399,227.30
December	\$ 4,350,290.11	A	\$ 5,000,000.00	A	\$ (649,709.89)	\$ (250,482.59)
January	\$ 4,743,800.39	A	\$ 5,000,000.00	A	\$ (256,199.61)	\$ (506,682.20)
February	\$ 4,992,711.55	A	\$ 5,000,000.00	A	\$ (7,288.45)	\$ (513,970.65)
March	\$ 6,002,513.39	A	\$ 5,000,000.00	A	\$ 1,002,513.39	\$ 488,542.74
April	\$ 4,691,042.28	A	\$ 5,000,000.00	A	\$ (308,957.72)	\$ 179,585.02
May	\$ 5,951,683.60	A	\$ 5,000,000.00	A	\$ 951,683.60	\$ 1,131,268.62
June	\$ 5,242,909.22		\$ 5,000,000.00		\$ 242,909.22	\$ 1,374,177.84

P = Actuarial Projection of Claims or Anticipated Payments, A = Actual Info. E = Estimate based on some actual information

Hampshire County Group Insurance Trust

Current Savings 4/18-4/19					Prior Discounts	
	AWP	Ingredient Cost	Actual Rate	Contracted Rate		
Retail Generic	\$10,321,172	\$2,160,287	79.1%	79.8%	\$3,385,344	67.2%
Retail Brand	\$4,535,858	\$2,777,643	38.8%	35.8%	\$3,283,961	27.6%
Mail Generic	\$2,726,930	\$443,636	83.7%	81.5%	\$771,721	71.7%
Mail Brand	\$1,257,048	\$654,747	47.9%	47.0%	\$764,285	39.2%
Specialty Brand	\$7,215,680	\$5,663,426	21.5%	18.0%	\$5,989,014	17.0%
Disp Fee Brand	\$10,126	\$9,316	\$0.92	\$0.95	\$10,126	\$1.00
Disp Fee Generic	\$82,833	\$76,206	\$0.92	\$0.95	\$82,833	\$1.00
Total Savings					\$14,287,285	
Total Scripts Prior 12 months: Brand 13,967 Generic 87,516					\$2,502,024	
Total Scripts Current 12 months: Brand 15,677 Generic 91,016						

HCGIT Future Estimate

Current Period 4/18-4/19		2019	
	AWP	Year 2 Estimate	
Retail Generic	\$10,321,172	\$1,847,490	82.1%
Retail Brand	\$4,535,858	\$2,503,794	44.8%
Mail Generic	\$2,726,930	\$430,855	84.2%
Mail Brand	\$1,257,048	\$627,267	50.1%
Specialty Brand	\$7,215,680	\$5,916,858	18.0%
Disp Fee Brand	\$10,126	\$8,607	\$0.85
Disp Fee Generic	\$82,833	\$70,408	\$0.85
Total Savings		\$11,405,278	
Total Scripts Prior 12 months: Brand 13,967 Generic 87,516		\$2,882,007	
Total Scripts Current 12 months: Brand 15,677 Generic 91,016		\$5,384,031	

2020	
Year 3 Estimate	
	82.6%
\$1,795,884	
\$2,322,359	48.8%
\$417,220	84.7%
\$580,756	53.8%
\$5,916,858	18.0%
\$8,607	\$0.85
\$70,408	\$0.85
\$11,112,092	
\$3,175,193	
\$8,559,224	

Pension liability estimated at \$5.9M for dissolving Hampshire Council of Governments

Updated Jul 10, 2019

NORTHAMPTON — An estimated \$5.9 million is needed to maintain pension benefits for Hampshire Council of Governments retirees.

With the council going out of business, the question is who will cover that liability — the state or the three dozen municipal units that make up the Hampshire County Retirement System.

During Wednesday's Hampshire Retirement Board meeting, Chairman Pat Brock told his colleagues that, at the request of Sen. Jo Comerford, D-Northampton, his agency recently provided a best-guess estimate of the potential cost for the retiree pensions. The board hired an actuarial firm that charged \$1,500 for the work.

The projected amount is about \$5.9 million, which would fund the liability for the rest of the 65 retirees' lives.

Brock told the retirement board he was initially "hesitant to get the actuary involved" because of the amount of work, the cost, and the fact that the result would still only be a rough estimate with a wide variance.

Brock said Hampshire Council of Government Chairman Rus Peotter assured him that the council would make one more annual payment, of about \$317,000, for the fiscal year that began on July 1. The payment is due July 31 and would provide pension coverage through June 30, 2020.



Hampshire Council of Governments winds down; fate of historic courthouse remains unclear

Brock also said he is concerned that the retirees could lose their health insurance once the council ceases to exist.

"We have 65 retirees unaware of the insurance crisis in front of them," he said.

Although the Hampshire County Retirement System has no role in health insurance coverage, Brock said Comerford's chief of staff, Jared Freedman, has been in frequent communication because of the concerns about retirees' post-employment benefits, and because of Brock's knowledge of county government in Massachusetts.

Brock said Comerford's office told him the council would make one more payment to the insurance trust, and that would cover the council's obligations through Aug. 31.

Unlike the retirement system, the insurance trust is under no obligation to provide health coverage to the council employees and retirees if payments are not made. The trust says it would terminate coverage if the bill is not paid.

Brock said Comerford and her legislative colleagues are working to transfer the retirees into the state Group Insurance Commission system. Finding a solution to the health coverage problem "should have been done a long time ago," Brock said.

Meanwhile, minutes from the insurance trust's March 20 meeting show Peotter asking the trust to "assume \$2.2 million" of the council's liabilities.

From the council's founding two decades ago, members of the council's Board of Commissioners were the legal trustees of the insurance trust. The commissioners voted to sever the relationship last month.

Now, the members of the trust's Insurance Advisory Committee are the trustees. The advisory committee includes a representative from each of the 70 municipal units that make up the insurance trust.

Effective July 1, 2019, to transfer the role of the Hampshire Council of Governments Board of Councilors as trustees of the Hampshire County Group Insurance Trust and to vest the same in the Insurance Advisory Committee of the Hampshire County Group Insurance Trust and to assign the role of "central administrative office" of the Hampshire County Group Insurance Trust within the meaning of M.G.L. c. 32B, § 12 to the Insurance Advisory Committee of the Hampshire County Group Insurance Trust under the same terms and conditions as provided by Article VII of the Hampshire County Group Insurance Trust Agreement for continuation of the Hampshire County Group Insurance Trust in the event of dissolution of the Hampshire Council of Governments.

The transfer provided by this vote is contingent on the entering into of an agreement between the Hampshire Council of Governments and the Hampshire County Group Insurance Trust providing: (i) that Paragus Strategic IT, Inc. shall host the information technology system(s), including but not limited to all hardware, software, and peripheral equipment, that is owned or controlled by the Hampshire Council of Governments and is utilized by both the Hampshire Council of Governments and Hampshire County Group Insurance Trust until such time as the Hampshire County Group Insurance Trust is able to establish an independent information technology system(s); (ii) that the Hampshire County Group Insurance Trust shall pay all fees, costs, and expenses arising from the foregoing, including but not limited to fees, costs, and expenses associated with returning to the Hampshire Council of Governments its information technology system(s); and (iii) that the Hampshire County Group Insurance Trust shall reimburse the Hampshire Council of Governments for any fees, costs, and expenses incurred by the Hampshire Council of Governments in connection with any of the foregoing, including but not limited to the direct costs, if any, of accessing its electronic data remotely.

The Chair of the Hampshire Council of Governments Board of Councilors is hereby authorized to sign in the name of the Hampshire Council of Governments any and all documents, agreements, and other instruments of every nature which may be necessary or proper for carrying out the foregoing.

Coming soon

www.HCGIT.org

413-587-2609

413-587-2620

413-587-2628

413-587-2637

413-587-4090

413-587-0056 Fax

Stop Loss

Insurance Services

An AmVINS Group Company

GROUP NAME: **Hampshire County Group Insurance Trust**

Effective Date: 7/1/2019

Employees:	3,870	Single:	1,517	Retirees:	included
		Family:	2353	Cobra:	included
	CURRENT	INITIAL RENEWAL	FIRM		
	Gerber Life Insurance	Gerber Life Insurance	Gerber Life Insurance		
CARRIER:	Company (UME)	Company (UME)	Company (UME)		
AM Best Rating:	A (Excellent)	A (Excellent)	A (Excellent)		

Specific Stop Loss:

Covered Benefits:	Medical & Rx Card	Medical & Rx Card	Medical & Rx Card
Individual Deductible:	\$ 275,000	\$ 275,000	\$ 275,000
Named Aggregate Specific Deductible*:	\$ 400,000	\$ 400,000	\$ 400,000
Laser [REDACTED]:			\$ 350,000
*see contingencies			
Annual Max Reimbursement:	Unlimited	Unlimited	Unlimited
Lifetime Max Reimbursement:	Unlimited	Unlimited	Unlimited
Contract Basis:	12/24	12/24	12/24
Rates:			
Single:	\$ 14.27	\$ 16.42	\$ 15.25
Family:	\$ 35.87	\$ 46.70	\$ 43.26
Composite:	\$ 27.40	\$ 34.83	\$ 32.28
Estimated Annual Premium*:	\$ 1,272,596	\$ 1,617,531	\$ 1,499,100
Minimum Annual Premium*:	\$ 1,018,077	\$ 1,294,025	\$ 1,199,280

Annualized Summary:

Premium/Fixed Costs:	\$ 1,272,596	\$ 1,617,531	\$ 1,499,100
Estimated Maximum Costs:	\$ 1,672,596	\$ 2,017,531	\$ 1,974,100

Percentage Change from Current Estimated Fixed Cost:

27.10% 17.80%

Percentage Change from Current Estimated Max Cost:

20.62% 18.03%

Specific Advance:	included	included	included
No New Laser:	included	not included	not included
Rate Cap:	included	not included	not included
TPA:	BCBS	BCBS	BCBS
PPO Network:	BCBS	BCBS	BCBS

▪ Please advise the Plan Sponsor that the rates, factors, group deductible and individual lasers contained in this proposal, and any subsequent revision, may change as they are subject to the contingencies listed below and/or attached and that all requested documentation must be received and accepted by the Carrier.

▪ Please see individual carrier tabs for the contingencies that accompany their rates and terms

▪ *Estimated annual total is based upon assumed enrollment. Actual totals will be determined by actual enrollment.

▪ This proposal reflects receipt of claims data through 5/21/2019.

▪ Quote assumes duplication of current benefits.

Stop Loss Premium rates include 0% commission for B.R. Fox.

Prepared By: **Mindi Smith** Date: **6/12/2019**

HAMPSHIRE COUNTY GROUP INSURANCE TRUST

FISCAL YEAR 2019 OPERATING EXPENSES (July 1, 2018 to June 30, 2019)

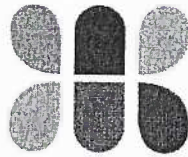
ITEM CODE	BUDGET ITEMS	FY-2018		FY-2018	FY-2019	Proposed	
		7/1/17-06/30/18		Actual YTD	Budgeted	FY-2020	
	WAGES & BENEFITS		JUN		7-1/6-30	7/1/18-6/30/19	
5110	SALARY*		301,319.00		302,055.44	315,000.00	325,000
	TRANSITIONAL						10,000
5145	LONGEVITY		575.00		400.00	575.00	575
5130	OVERTIME				-		
5120	TEMP. EMPLOYEE SAL				-		
481	FICA (.062)				-		
5186	MED TAX (.0145)		5,393.61		4,185.37	5,500.00	5,000
5181	CONTRIBUTORY RET.		74,104.00		72,788.11	80,000.00	88,000
5189	EMP. ASST. PROG. EAP				-		
5184	HEALTH INSURANCE		47,622.00		39,425.60	49,860.00	40,000
5185	LIFE INSURANCE		320.00		306.72	320.00	320
5189	UNEMP HEALTH INS TAX				15.35		
TOT. WAGES & BENEFITS			429,333.61		419,176.59	451,255.00	468,895

ITEM CODE	BUDGET ITEMS	FY-2018		FY-2018	FY-2019	
		7/1/17-06/30/18		Actual YTD	Budgeted	
		NON SALARY EXPENSES		7-1/6-30	7/1/18-6/30/19	
5300	ADM. CONT. SERVICES (FS&PF)		47,000.00	47,268.89	12,500.00	
	Rent				14,400.00	15,000
	Parking			300.00	300.00	1,200
5305	ADM. CONT. SERVICES (Audit)			1,202.50	10,000.00	12,000
	TRANSITIONAL EXPENSES					20,000
5320	LEGAL			-	10,000.00	12,000
5340	TELEPHONE/INTERNET			-	3,600.00	3,600
5490	FOOD SUPPLIES		500.00	372.18	500.00	500
5420	OFFICE & COMPUTER SUPPLIES		1,500.00	2,067.45	1,500.00	2,500
5580	MISC. EXPENSES		500.00	-	500.00	500
5580	NEWSPAPER/MAGS/BOOKS			-		100
5420	POSTAGE (Stamps)		300.00	-	3,750.00	3,500
5275	POSTAGE METER RENTAL			-		
5180	MINI GRANTS/WEELNESS		25,000.00	15,362.42	25,000.00	25,000
5420	STATIONERY & OFF. SUPP.			-		
5780	SURETY BONDS		800.00	550.00	850.00	1,250

5340	TELEPHONES			-	2,400.00	
5320	TRAINING		1,500.00	-	1,000.00	500
5710	TRAVEL IN/OUT of STATE		3,000.00	990.93	3,000.00	3,000
5188	UTILITIES			-	4,000.00	4,000
	TOT. Indirect Costs			-		
Total Non-Salary			80,100.00	68,114.37	93,300.00	104,650

ITEM CODE	BUDGET ITEMS	FY-2018		FY-2018		FY-2019 Budgeted	
		7/1/17-6/30/18		Actual YTD			
	I.T.		JUN	7-1/6-30	7/1/18-6/30/19		
6000	COMPUTER HARDWARE	2,000.00		1,359.91	1,000.00		20,000
5320	COMPUTER SOFTWARE			-			
5420	COMPUTER SUPPLIES	500.00		903.42			500
5850	DESK TOP PCs			-			2,000
5300	MISC PROF & TECH SERV.**	10,000.00		3,300.00	10,000.00		18,000
TOTAL DATA PROCESSING		12,500.00		5,563.33	11,000.00		40,500
TOTALS		521,933.61		492,854.29	555,555.00		614,045

10.5%



HAMPSHIRE COUNCIL
OF GOVERNMENTS

HAMPSHIRE COUNTY
GROUP INSURANCE TRUST

98 KING STREET
NORTHAMPTON, MA 01060

TO: All Trust Member Units

RE: **Minutes of March 20, 2019 – Executive Session**
Executive Committee Meeting
HCGIT Office

MEMBERS PRESENT:

Russ Kaubris
Michelle Hill
Denise Cashin

Lisa Banner
Deb Kuhn

Michael Sullivan
Donna Foglio

OTHERS PRESENT:

Joseph Shea
Michele Komosa

Karen Karowski
Rus Peotter

Cynthia Smith
Jeff Millard

CALL TO ORDER

Chairman Russ Kaubris called the meeting into Executive Session at 9:50 a.m.

DISCUSSION

Chairman of the HCOG, Rus Peotter came to discuss in confidence with the Executive Committee of the Trust a situation the COG is facing. Rus Peotter began with a brief history of the COG, pointing out some of their notable turning points such as when Hampshire County was abolished and when they sold the Hampshire Care nursing facility. He stated these transition periods played large roles in where the HCOG is today. Rus Peotter explained the HCOG is in poor financial standing and is heading toward closing. He stated the councilors are working to re-home current programs and attempting to monetize other assets, however they have been mildly successful in doing so. They have hit many roadblocks and have been exhausting all outlets with the state to attempt to acquire the HCOG's liabilities after closure. With the HCOG running out of options, they have a potential to fall into state receivership which would in essence put the Trust under the state command as the state unwinds the HCOG. To avoid the Trust falling into this position, Rus Peotter offered the Trust the option of the COG Trustees relinquishing their Trustee rights and duties to the Trust's IAC, completely separating the Trust from the COG only if the Trust is willing to assume \$2.2 million of the HCOG's OPEB and Pension liabilities. This was followed by much discussion.

The Executive Committee discussed the legalities of what being a Trust means and what's written in the Trust agreement that protects the Trust's funds from any outside party. The Trust Agreement clearly prohibits using Trust funds for anything other than Trust obligations. The

Executive Committee also discussed and approved seeking legal counsel to decipher the impact the HCOG's situation will have on the Trust as the HCOG moves forward with closing or if they fall into state receivership, including the steps the Trust should take to protect ourselves in this transition. The Executive Committee agreed they would recommend to the IAC to formally request separation from the HCOG making the IAC the Trustees of the Trust. It was then discussed the things the Trust would have to acquire and set up before becoming independent such as obtaining our own tax ID #, payroll services, IT/website, and revising the Trust Agreement.

ADJOURNMENT

The Executive Session was adjourned at 11:06 a.m.

Respectfully submitted,
Cynthia Smith

Meeting Schedule

Insurance Advisory Committee – April 17, 2019, 10:00 a.m., Deerfield Town Hall
Executive Committee – May 15, 2019, 9:00 a.m., 98 King St, Northampton
Executive Committee – June TBD, 2019, 9:00 a.m., 98 King St, Northampton