**HAMPSHIRE COUNTY GROUP INSURANCE TRUST**

**88 KING STREET**

**NORTHAMPTON, MA 01060**

TO: All Member Trust Units

RE: **Minutes of January 29, 2025**

 Insurance Advisory Committee

 Via Zoom Teleconference

**MEMBERS PRESENT:**

Paul Mclatchy III Catherine Levreault Joanne Misiaszek

Cara Leach Lynn Dyer Don Humason

Meg McWherter Rachel Emerson Paula Harrison

Jan Warner Sarah Kimball Rich Carmignani Jr.

Emily Russo Jennifer Eichorn Russ Kaubris

Linda Gross Ashley Manley Shelley Poreda

Deborah Kuhn Maureen Humphrey Joan Zuzgo

Patricia Rutkowski Tammy Wendolowski Virginia Gabert

Sharon Ashleigh Ryan Mailloux Eileen Seymour

Gabriele Voelker Jessalyn Zaykoski Michele Turner

Amber Robidoux Sues’Anne Jason Ben Gelb

Betty Barlow Angelina Bragdon Kari Scytkowski

Barbara Miller Donna Whiteley Jennifer Day

Nadine Cignoni Rosalind Serrano Carolyn Manley

Amy Schrader Sharon Strzegowski

**OTHERS PRESENT:**

Joseph Shea Cynthia Graves Jessica Hebert

Michele Komosa Patrick McIntyre Nadine Coughlin

Jordan Burns Tom Stark Patrick Burns

Kristen Cormier Gloria Congram Cindy Schofield

Mary Houle Scott Szczebak

**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.

Rich Carmignani, Jr. called the meeting to order at 10:01 a.m. with a roll call that presented a quorum of 90.21% of the weighted vote.

**APPROVAL OF MINUTES**

Rich Carmignani requested that the minutes of October 9, 2024 be approved. They were accepted by unanimous consent.

**FINANCIAL REPORT**

The Financial Report for the month of December was presented reflecting a starting balance of ($534,684.82) with a total monthly income received of $7,906,420.69 and monthly expenses of $6,548,396.93 with a total net monthly income of $1,358,023.76 and an ending month balance of $2,823,338.94 with accounts receivable of $973,065.29 leaving a total of $22,838,917.22

*Investments and CD’s for December 2024*

The investments portfolio value was $9,300,329.19 with a market change of ($349,589.62) leaving a total of $7,950,739.57. The starting balance in CD’s was $7,180,335.67, with interest earned of $27,291.08 leaving a balance of $6,207,626.75.

Joe stated it’s been a very challenging year as we’ve lost over $8 million due to the rise in claims and GLP1 use. Unfortunately the increase in GLP1 use does not appear to be slowing down.

Chairman Rich Carmignani Jr requested that the full financial report, including the expenditures, be approved, accepted by unanimous consent.

**WELLNESS**

Michele provided the following updates:

* Our first half of the IY, we offered 9 onsite seminars and cooking classes as well as 4 Wellness Challenges, one through Wellable and 3 through A HEALTHY ME. On January 27th, A HEALTHY ME kicked off a financial health challenge, details were sent out to all units prior to the launching.
* We will be attending 5 Benefits and Health Fairs this spring. Michele will be coordinating extra wellness workshops through Wellness Concepts Inc.
* During Open Enrollment the Wellness Initiative will be offering a My Blue Challenge. This challenge is to encourage subscribers to register on My Blue and will only be held during the 3 weeks of Open Enrollment.
* Learn to Live - Every month L2L offers mental health webinars. Michele forwards these webinars to all units. February materials will be sent out next Monday, February 3rd.

**Open Enrollment Dates**

Open Enrollment dates will be from 4/17/2025 – 5/9/2025. Joe explained that we are moving away from the longer Open Enrollment and getting back to pre-Covid protocols, shortening the time allowed.

**Fax Machine**

Joe announced that we will be doing away with our fax machine as of March 1, 2025, based on the lack of use and age of equipment.

**Weight Loss Drugs**

Joe stated use and cost for GLP1s has doubled over the last year. We will continue to see significant growth in GLP1’s as they are now being prescribed for several other medical reasons besides just weight loss. Joe explained these are costing the Trust approximately $17,000 per user per year. The Executive Committee has had discussions on implementing copays for the GLP1s, but since it’s a plan change, units would have to ensure they adopt sections 21-23 and would need to negotiate with their unions for the change. It was too late to make this change for this year, but the EC will continue to evaluate this situation.

**FY2-26 Rate Discussion and Vote**

Joe explained that a double-digit rate increase was necessary based on an overall surge in medical claims with significant growth in PPO plans. BCBS recommended an average increase of 9.6%, adding an additional 1.5% increase for their admin fee. On the Pharmacy side, the GLP1 usage and claims continue to rise, going up 10% in one month (doubled in 1 year). With claims on the rise, we have seen a significant loss to our reserves going from $30 million in assets down to $22 million with 5 1/2 months left to go in this fiscal year. Per Trust policy, we should have 3 months of reserve on hand and right now, we only have 1 month. Claims increasing and the GLP1 usage boom have impacted everyone, not just the Trust. Other entities are also seeing significant increases this year, in the 15-20% plus range. This was followed by a very long and thoughtful debate discussing all scenarios and their impact not only on the Trust, but the Towns and Subscribers.

A motion was made by Ryan Mailloux to increase rate by 18% on the HMO and 20% on the PPO, this was seconded by Emily Russo. A roll call vote was taken, passing with 87.69% of the weighted vote in favor, 2.51% not in favor.

It was also determined that we should be proactive in the coming year with discussions related to possibly adding a high-deductible plan and or a 4th Tier to our Pharmaceutical plan for GLP1’s.

**OTHER LAST MINUTE ITEMS**

None

**ADJOURNMENT**

Chairman Rich Carmignani, Jr. adjourned the meeting 11:09 a.m.

Respectfully submitted,

Jessica Hebert

Executive Committee – February 2025, TBD

Executive Committee – March 19, 2025, 9:00 a.m., via ZOOM

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