

INSURANCE ADVISORY COMMITTEE MINUTES
THURSDAY, FEBRUARY 22, 2018
3:30 P.M. IN THE SELECTMEN'S MEETING ROOM, TOWN HALL

Members: Matthew Waugh, Chair, Police Union Representative
Michael Cassidy, Fire Dept. Representative
Kirsten Erbse, School Dept. Representative
Elizabeth Greendale, Town Hall Representative
Leslie McDonnell, Library Representative
Robert Nemet, DPW Representative
Mary Bousquet, IAC Liaison

Absent: Terry Stewart, Retiree Representative

Guests: Nicole Costa, Assistant Treasurer
Jeff Ritter, Town Administrator

Mr. Waugh called the meeting to order at 3:33 P.M. in the Selectmen's Meeting Room of Town Hall.

1. Ms. Greendale made the motion to approve the minutes of the November 17, 2017 meeting. Seconded by Mr. Nemet. Vote: Unanimous. Mr. Cassidy abstained from the vote.

Mr. Waugh turned the meeting over to Mrs. Bousquet. Mrs. Bousquet reviewed the recently approved FY 2019 health insurance rates which have increased as follows: Harvard Pilgrim 6.5%, Blue Cross Blue Shield 6.5%, Tufts 8%, and Fallon 9%. Mrs. Bousquet went on to explain that the increase this year was caused by a substantial increase in claims. An updated comparison of savings was provided to the Committee by Mrs. Bousquet using the new FY 2019 rates, the original savings projection, and a potential Opt Out option.

Mrs. Bousquet stated that in accordance with Massachusetts General Laws Chapter 32B, Sections 21-23, the town must share 25% of the total \$21,981.00 in savings with employees. The savings based on a change to the Benchmark plan only would entitle employees to an annual share as follows: Individual \$23.25, Family \$58.13. The savings can vary based on the option to offer High Deductible plans and the number of possible enrollments.

Mrs. Bousquet continued to explain that the Insurance Advisory Committee must vote on the following motions and inform the Board of Selectmen of the outcome on Monday February 26, 2018 in order to begin the PEC process. As part of the two-step PEC process, the Benchmark and High Deductible health insurance plans will be separately bargained. Negotiations will take place between the Board of Selectmen and the union representatives. Mrs. Bousquet informed the Committee that Terry Stewart has volunteered to represent the Town's retirees during this process, pending approval of the Retired State, County, and Municipal Employees Association of Massachusetts.

2. Ms. Greendale made the motion that the Insurance Advisory Committee approve the elimination of the Rate Saver health insurance plans effective July 1, 2018. Seconded by Mrs. McDonnell. Vote: Five in favor; one objection – Mr. Waugh.
3. Mr. Cassidy made the motion that the Insurance Advisory Committee approve to continue offering of the Benchmark health insurance plans for July 1, 2018, and agree to enter into negotiations with the Board of Selectmen under Massachusetts General Laws Chapter 32B, Sections 21-23. Seconded by Mr. Waugh. Vote: Unanimous.
4. Mrs. Erbse made the motion that the Insurance Advisory Committee has reviewed the mitigation proposal submitted on the Benchmark health insurance plans and make the following recommendations for mitigation to the Board of Selectmen. Seconded by Ms. Greendale. Vote: Unanimous.

5. Mrs. McDonnell made the motion that the Insurance Advisory Committee recommend to the Board of Selectmen that we offer the High Deductible health plans with a health savings account (H S A) in addition to the Benchmark health insurance plans effective July 1, 2018, and agree to enter into coalition bargaining for health insurance with the Public Employee Committee and the Board of Selectmen under Massachusetts General Laws Chapter 32B, Section 19. Seconded by Mr. Waugh. Vote: Unanimous.

Mrs. Bousquet explained to the Committee that the PEC agreement would also negotiate the employee H S A contributions, and that the Town's contribution percentage towards health insurance premiums was not currently up for negotiations during this process.

Mrs. Bousquet went over some of the incentives and issues surrounding the High Deductible plan, however, it was stated that many of these questions will remain unanswered until negotiations begin.

A new Opt-Out Option was brought up by Mrs. Bousquet in which employees would receive an annual incentive in they choose to discontinue coverage under the Town's health insurance as of a specified date. Mr. Cassidy requested information on the Opt-Out incentive currently provided by towns who have already implemented this option. Mrs. Bousquet stated this information was not shared at the most recent West Suburban Health Group meeting, but would follow up with other towns.

Information on the recent Life, Cancer and Accident Insurance open enrollment was provided to the Committee by Ms. Costa.

Mrs. Bousquet informed the Committee that she had recently received the new rates for Altus Dental, and has subsequently scheduled the next upcoming Insurance Advisory Committee meeting for March 7, 2018 at 3:30 PM to discuss these rates and possible alternatives to Altus Dental. The Town's current broker, Life Plus, will be contacting Altus Dental for a review of the higher rates and will provide Mrs. Bousquet with the final figures by Monday February 26, 2018.

6. Mr. Waugh made the motion to explore any other options outside of the West Suburban Health Group for health insurance coverage for FY 2020. Seconded by Mr. Nemet. Vote: Unanimous.

Mr. Waugh expressed concern over the health insurance plan offerings and cost from the West Suburban Health Group, and stated that many co-workers have come to him with complaints in recent years. Mrs. Bousquet informed the Committee that the Town has missed the deadline this year if it wishes to leave the West Suburban Health Group, and discussed alternatives such as MIIA, the GIC, and a move to becoming self-insured. Mrs. Bousquet stated that the Town must provide a one year advance notice to leave the West Suburban Health Group and would also loses its diabetes, wellness, and CanaRX programs.

7. Mr. Cassidy made the motion to adjourn the meeting at 4:19 P.M. Seconded by Mr. Nemet. Vote: Unanimous.

Respectfully submitted,

Nicole Costa

Minutes approved as submitted on March 26, 2018