

The Insurance Advisory Committee
Meeting Minutes
APPROVED: November 1, 2021

Date: October 26, 2021

Time: 3:45

Place: Zoom Virtual Meeting

Members present: Liz Allard – Non-Union Employee Personnel Board Representative, Lindsay Ames – Finance Department Representative; Lisa Gagnon – Library Representative, Peter Murphy – Teachers Representative; Janet Vellante – Retirees Representative, Nick Ammesmaki – DPW, Mary Zadroga – Non-Union School Employees Representative.
Absent: James Babu – Police Representative

Others in attendance: Marie Sobalvarro – Assistant Town Administrator/HR Director, Adam Thornton – Blue Cross Blue Shield of Massachusetts; Tara Fafard – Massachusetts Interlocal Insurance Association.

Liz Allard called the meeting to order at 3:46 p.m.

Approve Minutes of September 21, 2021 of October 5, 2021

Liz Allard asked if anyone had any questions, corrections or clarifications to the minutes. Seeing none Liz Allard entertained a motion to accept the minutes of the September 21 and October 5 meeting.

Lisa Gagnon made the motion and Janet Vellante seconded to approve the minutes of the September 21 and October 5 meeting as presented.

Final Questions and Comments

Peter Murphy, HTA representative had asked for a drug distribution report in order to allow members to evaluate the difference in cost for the prescriptions they are currently taking. Without the drug distribution report, they are not able to determine the overall increase in cost for the new health plan. If the insurance premium increase is too costly and goes over a certain threshold the change in health care providers has to be bargained with the union. Without the drug distribution report, they are not able to determine the full cost. Peter Murphy was in contact with the MA Teachers Association health benefits representative who said the MNHG voted to offer the same Blue Cross Blue Shield plans being offered by MIIA. The preliminary rates for the MNHG Blue Cross plans are slightly higher than what is being offered by MIIA. Teachers are interested in staying with Tufts/Harvard Pilgrim as an option. Peter Murphy also wondered why the town did not follow the normal process using a consultant and issuing an RFP.

Adam Thornton from Blue Cross Blue Shield explained that he was unable to get the drug list from the carriers to be able to prepare an analysis for us. They were able to get limited information for the top 20 drugs by plan but that information would be considered confidential and would not be shared out.

Marie Sobalvarro responded regarding the drug distribution list. In order to get a drug distribution list, you would need over 100 participants and for Harvard that would only be the Fallon plans and Fallon did not respond to the request.

Peter Murphy asked how can we be sure our rates don't sky rocket after the first two years. Tara Fafard explained that each community is rated separately. Not every town has the same plan and the same rate. If the community runs well on their claims, they will get a lower increase on their rates. MIIA also has a rate range with a minimum and a maximum increase each year. This year the maximum increase was 6.8% the minimum increase was negative 6% and the average was 2.9%. The first-year renewal rate will be based on the Trust average. MIIA has a 60-day renewal clause.

Discuss Recommendations to the Select Board

Nick Ammesmaki representing the DPW reported that the DPW would not be in favor of a change to MIIA.

Mary Zadroga representing the Non-Union School employees reported that according to survey data (70% in favor, 30% not in favor) and general comments from constituents the Non-Union School employees would be in favor of a change to MIIA.

Janet Vellante representing the Retirees reported that she was able to get a letter out to all the Massachusetts retirees with no feedback. Due to the availability and cost of the Blue Cross Blue Shield plans she would be in favor of the switch to MIIA.

James Babu representing the Police reported that most of his constituents have Fallon plans which will no longer be available so the switch to Blue Cross makes sense. He talked to colleagues from other towns who have switched from MNHG to MIIA and have been happy with it. The Police support the change to Blue Cross.

Lindsay Ames representing the Finance Department reported that she has talked to everyone in the Finance Department and shared all of the information and the Finance Department does not have a problem with changing.

Peter Murphy representing the HTA reported that the HTA does not feel they have the necessary information to make an informed decision.

Lisa Gagnon representing the Library reported that they are in favor of the change. They were the only group that voted in favor of the change last year and had the change happened last year they would be seeing a rate decrease of 10% this year. They unanimously support the change to Blue Cross Blue Shield again this year.

Liz Allard representing the Non-Union Employee Personnel Board reported that the group she represents (Town Hall, Fire, Police and Council on Aging) were in favor of the change to MIIA.

Mary Zadroga and Liz Allard will compose a letter to the Select Board. The IAC decided to take a formal vote so that the letter could be composed with a directive.

Janet Vellante made the motion and Lisa Gagnon seconded to vote to approve the move to MIIA.

VOTE: Liz Allard (Aye), Lindsay Ames (Aye), James Babu (Aye), Lisa Gagnon (Aye), Janet Vellante (Aye), Nick Ammesmaki (Nay), and Peter Murphy (Nay).

Set date/time for next meeting

Liz Allard will be in touch with the Select Board Chair to let him know they will be receiving the letter in advance of their November 16th meeting. The IAC will meet again on November 1st at 4:00 p.m.

Lisa Gagnon made the motion and Janet Vellante seconded to adjourn the meeting at 4:15 p.m.

Respectfully submitted:

Mary Zadroga