

The Insurance Advisory Committee

Meeting Minutes

APPROVED: November 3, 2020

Date: October 28, 2020

Time: 3:00 PM

Place: Zoom Virtual Meeting

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

Others Present: Marie Sobalvarro - Assistant Town Administrator/HR Director; Adam Thornton – Blue Cross Blue Shield of Massachusetts; Tara Fafard – Massachusetts Interlocal Insurance Association; Deborah Thompson, Director Council on Aging; Pat Natoli & Andrew Perry.

Meeting Convened at 3:05 pm

Minutes: Minutes of the October 13, 2020 meeting were modified to add the groups each committee member is representing. On a Melissa Niland /Lisa Gagnon motion the minutes were approved.

Follow up Question and Comments for Massachusetts Interlocal Insurance Association (MIIA) and Blue Cross Blue Shield Representative (BCBS)

There was a discussion of who would make benefit changes, MIIA or the town and/or town negotiating with the unions.

Discussion points included:

- MIIA does not make benefit changes - the town negotiates benefit changes with unions – this is something that is negotiated internally in the town.
- It was noted that Minuteman Nashoba Health Group (MNHG) has increased plan costs without their towns having any say or even an option to make changes.
- With MIIA the town would have the ability to make changes – this is more of a positive with MIIA.
- The premium shares and co-pay deductibles would be a part of the bargaining process. The town and collective bargaining have more of a voice with MIIA than MNHG.

- If the unions were to negotiate changes to the plan deductibles and co-pays, the new deductibles and co-pays with MIIA would apply to all non-union personnel as MIIA does not separate out plan designs within a town - it is not something MIIA is interested in.

There was a discussion and clarification of the Insurance Advisory Committee (IAC) Role.

Discussion points included:

- IAC was formed under Massachusetts General Law Ch. 32B, Section 3.
- The role of the IAC is to “advise” the Select Board.
- A written recommendation will be presented to the Select Board.
- The Select Board does not have to accept the recommendation.
- The decisions to leave MNHG and go with MIIA is the Select Board’s decision unilaterally.

There was a discussion of the plan designs and dental coverage.

Discussion points included:

- A question that had come up between meetings was the possibility of a two-person plan option in addition to the individual and family option.
 - Adding a two-person plan would increase the premiums for both the single and family plans – it is the same pie – no matter how you slice it.
- The current MIIA plans offered were structured to match the MNHG plans with deductions and co-pays – MIIA took the current plan structure and left it in place.
- There will be employees on Fallon that are losing dental coverage. BCBS offers a stand-alone dental plan.
 - The town is not interested in a stand-alone voluntary dental plan because it would increase OPEB (Other Post-Employment Benefits) liability.
 - The town will not entertain anything at this time that would increase the OPEB liability.

There was a discussion of why is the town making the change now from MNHG to MIIA?

Discussion points included:

- We are currently in a pandemic; this is a very difficult time for employees for this decision to be made.
- The town is constantly shopping for providers.
 - MIIA put a good rate on the table
 - Opportunity to stabilize renewal increases – 2 towns have recently left MNHG.

There was a discussion of whether the decision to leave MNHG and join MIIA can be delayed for a year.

Discussion points included:

- It would not change the timeline/process too much. MIIA would look at the April and May claims, the MIIA rates would not be available until the same time as this year and the MNHG December notification deadline is early.
- It was suggested perhaps MNHG could be advocated to change the leaving notification deadline, but this idea had been discussed at MNHG in the past and it was defeated.
- There is a chance if the town waited a year the MIIA offer may not be the same.

Discussion of Recommendation to the Select Board

There was a discussion by the committee members of the recommendation to the Select Board.

Discussion points included:

- Since the role of IAC is advisory, the Select Board does not have to take our recommendation.
- The non-union town employees are always hit first with the changes the town makes.
- Employees on the Fallon plans and those on the Fallon plan with dental coverage will be financially hit the hardest.
- The Fallon plans are the most affordable plans – the change would likely financially cost the most to those employees that can afford it the least.
- This is an increase on top of another increase.
- What can the IAC suggest to the Select Board to help offset this.
- Committee members will talk with and survey/get a vote from their constituents.

Set Date/Time for Next Meeting

The next Insurance Advisory Committee meeting is scheduled for Tuesday, November 3, 2020 at 3:00.

Adjourn Meeting – Meeting was adjourned at 3:45 pm.

Respectfully submitted,

Lisa V. Gagnon