

# **Acton Health Insurance Trust**

Thursday, January 4, 2024 – 8:28 AM

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## **Member Attendees:**

Chair: Steve Noone, Finance Committee  
Clerk: Andrew Schwartz, School Committee  
Yanxin Schmidt  
Melissa Andrew, ABRSD Treasurer  
Theresa O’Leary, Town Tax Collector (Remote)  
Alissa Nicol, Acton Select Board Representative

## **Non-Member Attendees:**

Peter Light, Superintendent  
Andrew Shen, Deputy Superintendent  
Sheri Matthews, Director of Finance and Operations, ABRSD  
Marianne Fleckner, Director of Finance for Acton  
Steph Krantz, District Assistant Treasurer  
Diane Laflash, Gallagher Representative  
Marian Gil, Gallagher Representative  
Lucy MacCallum, Gallagher Representative  
Thomas Begin, Assistant Town Manager

## **Minutes:**

- Call to Order
  - Meeting was called to order at 8:15 am by the Chair.
  - One Trustee is remote and all votes must be roll call
- Approval of Minutes
  - Motion – Alyssa
  - Second – Andrew
  - Edit Requested – Add time of dismissal to the document
  - Voted Andrew – yes, Alissa – yes, Theresa – yes, Melissa -Yes, Steve – yes
- November Cash Flow GBS
  - Financial report has been redesigned to provide additional visibility to data
    - Current run is 16% over projection for the year
    - One more month of MedEx reviews prior to the shift to Aetna (December reporting)
    - 1.6% over previous year
    - Medicare catches up in ‘chunks’, a wider timeframe view is more valuable for analysis
    - Claims will shift to Aetna
  - Active plan is 21.5% over last year, as known
  - Revenue v Expenses
    - October Rx rebate from Harvard - \$23k
    - Blue Cross Rx rebates to come in January
    - Budget – 8MM actual 10mm Loss ratio of 26%
    - \$2.1mm deficit \$316k pending (expected to arrive in the next few months)
    - Two charts on the bottom of page 3

- Total Plan Cost is broken down into a Per Employee Per Month (contract number, not individual)
- Question from the community – Will this document be available after the zoom?
  - Documents for the meeting can be found at <https://doc.actonma.gov/dsweb/View/Collection-17241/Collection-17437>
- Q: Comment on Claimant 6 -concerned about privacy. Can we please remove dates and protect specific PII
- A: Yes
- Q: Roughly, the town/school split looks to be about 30/70 and is proportional
- A: Yes
- Q: Why does that matter?
- A: It only matters if we choose to split the two groups and pursue individual insurances
- Update on Health Insurance Working Group
  - December 19 initial meeting held
  - Representatives from the District, Town, Unions, joined
  - Reviewed the situation, answered questions
  - Will meet again on January 30
  - Focus would be on potential changes to health insurance delivery if there were to be a change to health insurance provider
    - Q: Is there a difference between the 'active' program v. the 'retiree' program?
    - A: Both the group insurance commission and maia will only take us as 1 group (active and retirees). Logistically, that becomes an issue as we have just moved the retirees, there is a 6 month difference in date for renewal and a new Aetna contract was just signed for at least 12 months
- Discussion of alternative methods of providing Health Insurance GBS
  - Gallagher is working with Mass Strategic Health Group – they have Harvard Pilgrim and Express Scripts
    - Q : Express Scripts as PBM
  - Additionally talking with Mayflower, Maya, Blue Cross and Harvard Pilgrim
  - Blue Cross and Harvard Pilgrim
    - Neither Carrier will allow us to carve out Rx
    - BCBS requires 1000 members for a carveout
    - HP requires 500 members for a carveout
    - Were we to go with one of these groups rather than both, we may be in a better position
  - Funding arrangements
    - Move over as a trust v School/Town
    - Looking at Carveouts
    - Medicare Migration
    - CanRx for prescription programs to receive overseas Rx
    - Reviewing with Optimed for Infusions
    - GIC analysis – potential 4mm savings
      - Move everyone in FY25
      - Maintain up until that point
      - FY24 GIC increase was approx. 5.1%
      - GIC has Harvard Pilgrim
      - BCBS is not in GIC
        - a. Expectation is that the transfer will entice members moving from BCBS to HP will move to higher cost / higher benefit coverage

- Additionally looking at plan designs
    - a. Upfront deductibles (\$200)
    - b. Adjusted percentages (higher than the current plans)
  - Prior to the 30<sup>th</sup>, Gallagher would like to review this analysis
- Q: Have you looked at previous years increased for GIC?
- A: Information for that will be provided for the last 5 years
- Q: With GIC the 5.1% rate increase, are you looking at the same for the other groups?
- A: Gallagher is looking at those for the other groups as well
- Q: To go to GIC, do we need to manage a negotiation process with our constituents (Chapter 69)
- A: In the case of non-informal bargaining, we would need to manage the negotiation process
- Q: Stable enrollment is assumed – is that a good assumption given the issues that occurred during previous discussions around alternative providers. GIC is also considered a non-subscriber focused plan,
- A: Coverage is fine, service is lacking. Offered by the state, we don't have to go into the GIC, but it may be worthwhile for the town/school.
- Q: How far are we away from an estimate from multiple providers of potential savings?
- A: A couple of weeks at least
- Q: Can you provide the data on the 25<sup>th</sup>?
- A: Yes, and in Acton
- Q: Can we have a comparison of both the costs and the services offered for each of these potential vendors?
- A: Yes
- Updates of Cost Saving measures GBS
  - A lot of the savings are based on the direction the trust takes
  - After the direction is decided, additional cost savings can be initiated
  - Q: What is the approximate member size with Mass Strategic
  - A: Each entity is individually rated. Volume only comes into play with regard to the admin band. Multiple groups coming together are not treated as a whole. 3700 subscribers amongst 15 entities (MSG)
  - Q : Please review the ratings
  - A: Maya individually Rated, Mass Strategic individually rated, Mayflower is not individually rated, GIC is not individually rated
  - Q: What is a belly button?
  - A: It's a way of describing subscribers (CVS uses the term 'souls')
- Adjourn
  - Meeting was adjourned at 9:18 *am*
  - Moved : Alisa
  - Seconded : Andrew
  - Voted Andrew – yes, Alissa – yes, Theresa – yes, Melissa -Yes, Steve – yes
  - Next HIT meeting will be hybrid and occur on January 25, 2023 at 8:15 am

#### Handouts:

- Meeting agenda
- Previous Meeting Minutes
- Documents are stored on the HIT Document Site
  - <https://doc.actonma.gov/dsweb/View/Collection-17241/Collection-17437>