

Acton Health Insurance Trust

Thursday, May 23, 2024 – 8:15 AM

Member Attendees:

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

Non-Member Attendees:

Andrew Shen, Deputy Superintendent
Sheri Matthews, Director of Finance and Operations,
ABRSD
Marianne Fleckner, Director of Finance for Acton
Steph Krantz, District Assistant Treasurer
John Mangiaratti – Acton Town Manager (Zoom)
Diane Laflash, Gallagher Representative

Minutes:

- Call to Order
 - Meeting was called to order at 8:19 am by the Chair.
 - Approval of Minutes
 - Motion – Andrew
 - Second – Melissa
 - Vote: Melissa – Y, Andrew – Y, Alissa – Y, Theresa – Y, Steve – Y
- Treasurer's Report
 - Treasurer documents are incomplete
 - Discussion of the document will be tabled until Treasurer is able to join and
 - Move to table the document presented by the treasurer
 - Moved - Andrew
 - Second - Steve
 - Vote: Melissa - Y Andrew – Y, Alissa – Y, Thresa Y, Steve – Y
- April Cash Flow GBS
 - HP and BCBS are hitting the trust harder on alternating months
 - HP seems to have submitted claims with higher costs this month than previous months
 - Revenue v. Expenses
 - Increase in revenue in January has helped
 - Currenty at 117% loss ratio (down 1.x% from last month)
 - Reimbursements are still due
 - RX Rebate to come in a few months
 - April Rev v. Expense, 109.6%
 - Q: What will May and June look like?
 - A: I do not have a crystal ball; we hope that May and June will look better. When we get to stoploss, the money in excess we will start to get back. Once that comes back to us we should be in better shape
 - Q: Has there been a cyclical inflation to health care prices?
 - A: No, but everything is expensive and there's a shift in the
 - Medex
 - A credit in April
 - The runout for HIT will be similar to the runout for Medex
 - January – April, 156K in claims. 25k approx. remains within the BCBS deposit
 - Large Claims over 175,000
 - 20 Claimants at 50% currently
 - Received through May: 1.4m
 - Outstanding amount due to Trust : \$202,886

- Q: Harvard Pilgrim seems to have a higher representation
 - A: Yes, and that is in line with the specific cost increases we mentioned earlier. In excess, all the money will come back to us that's due to assist in future claims
 - Previous period is dying down, and looks good for the way that the Runout will go
 - More money due back to the trusts : 4K
- Some additional updates are necessary
 - An addendum will be sent
- Q: For Medicare eligible retirees – are they also covered through StopLoss?
- A: Only self-funded active plans are eligible for stoploss. Aetna is fully insured, there is no stoploss
- A: There is only one retiree who is listed on Stoploss
- The rate increase we did in January is falling short
 - Barring even worse numbers than we'd had lately, we may run between \$1mm and \$1.3mm short
 - Looking at the actuaries and estimates, this is likely
 - The Town and District are both looking at the potential for fulfilling this obligation through multiple means
- Q: Are there any additional ancillary costs that we have not accounted for or talked through that needs to be in the request
- A: Update to come later in this meeting
- Update on Contracts
 - A proposal for continued services from Gallagher
 - A working draft that would allow for further negotiations
 - 24-month contract – to support the Runout
 - Chair has been in contact with Abacus – contract cancellation is allowed, and a graceful transition for those who are on the current amount
 - A potential escrow amount could be passed through to the trust, but amount TBD
 - Discussion with Audit firm
 - If we need to do a full audit, it would be at regular price
 - There's a potential for no additional work
 - If there's work to do, we will be charged for it
 - BUT there may be no additional work to be done
 - An opinion is necessary from counsel
 - Q: Any discussion on ongoing fees for existing relationships?
 - A: Time and materials, Cook and Company has created separate agreements with the Town and the District
- Update on Legal Steps to Dissolve the Trust
 - Select Board made a revised vote
 - Voted on May 20, 2024 to Withdrawal from the Acton Health Insurance Trust effective December 31, 2024 (<https://actonma.gov/DocumentCenter/View/9614>Select-Board-Agenda-May-20-2024-VOTES-RECORDEDpdf>)
 - Some additional amendment may be necessary to ensure alignment between town and district over withdrawal
- Additional Business
 - Next meeting will include a Treasurer's report, celebratory resignation of our illustrious and indefatigable chair Steve Noone and an election for the new Chair and Clerk.
- Adjourn
 - Meeting was adjourned at 9:10 am
 - Moved: Andrew
 - Seconded: Theresa
 - Vote: Steve – Y , Andrew – Y , Melissa - Y , Alissa - Y , Theresa - Y

- Next HIT meeting will be hybrid and occur on June 20, 2024 at 8:15 am. It will be Steve's final meeting as Finance Committee Representative and Chair. Please bring treats (Andrew will be Remote)

Handouts:

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