

**Berkshire Health Group
(BHG)**

Board Meeting #21- 06

Monday, April 26, 2021 at 9:30 a.m.
Meeting by Virtual Participation

Meeting Minutes

Board and Alternates Present:

Sharon Harrison, Board Chair
Crystal Wojcik
Greg Boino
James Brosnan
Maureen Senecal
Chris Desjardins
Lyndsay Broom
Jason Hoch
Roslyn Broch

Berkshire Hills RSD
Town Of Adams
Central Berkshire RSD
Northern Berkshire Voc. RSD
Northern Berkshire Voc. RSD
Southern Berkshire RSD
Town of Lenox
Town of Williamstown
Town of Williamstown

Guests present:

James Kelley, CPA
Richard Butler
Heidi Fountain
Jonathan Payson
Chris Collins
Jim Riley
Joseph Anderson
Karen Quinlivan

BHG Treasurer
Berkshire Medical Systems
Blue Cross Blue Shield
Blue Cross Blue Shield
CanaRx
CanaRx
Gallagher Benefit Services, Inc. (GBS)
Gallagher Benefit Services, Inc. (GBS)

Sharon Harrison, Board Chair, called the meeting to order at 9:34 AM.

She disclosed that the meeting was being recorded and asked if there were any objections. There were none.

Ms. Harrison asked for a roll call of Board members who will be voting. The following voting members were present:

Sharon Harrison, Board Chair
Crystal Wojcik
Greg Boino
Lyndsay Broom
James Brosnan
Chris Desjardins
Jason Hoch

Berkshire Hills RSD
Town Of Adams
Central Berkshire RSD
Town of Lenox
Northern Berkshire RSD
Southern Berkshire RSD
Town of Williamstown

Approval of the minutes of March 29, 2021 (meeting #21-05):

James Brosnan motioned to approve the Board meeting minutes of March 29, 2021 as presented with one spelling correction.

Jason Hoch seconded the motion.

Motion

A roll call vote was taken

Sharon Harrison	abstain
Crystal Wojcik	yes
Greg Boino	yes
Lyndsay Broom	yes
James Brosnan	yes
Chris Desjardins	yes
Jason Hoch	yes

The motion passed by majority vote.

Treasurer's Report:

Treasurer Jim Kelley, CPA reviewed his reports as of March 31, 2021 (unaudited figures). The overall cash position increased by a net of approximately \$769,000 during March. The Operating Account increased by a net of \$394,000 mainly due to increased advanced collections. The Schwab money market account increased by a net of \$375,000 during March as Cash was accumulated awaiting additional investment. The investment account balance at MMDT increased by approximately \$1,000 which represented interest income for the month of March. The investment account at Schwab decreased by approximately \$183,000 in March, of which, \$375,000 was investments converted to cash. The group experienced an unrealized gain for March of approximately \$106,000 and a realized gain of \$55,000 for the month. The group experienced an overall loss for March of approximately \$305,000 with the health fund generating \$460,000 loss and the dental fund a loss of \$34,000. The investment fund generated a \$190,000 profit for March. The surplus at the end of March was \$23,396,850. For the nine months ended 03/31/2021, the group has experienced a YTD profit in investments of \$1,167,000. The Health Fund realized a profit of \$802,000 with claims as a percentage of member assessment revenue running at 89%. The Dental Fund had a loss of \$4,000 with claims as a percentage of member assessment running at 90%.

Discussion of cash investment:

Sharon Harrison, Board Chair reminded everyone of the options for cash investment discussed at the last meeting. She asked Jim Kelley, Treasurer to go over the options for cash investment again. The pros for Adams Community Bank are it is a local bank with FDIC insurance and will have guarantee on the first \$250,000. If \$14M is invested, it will have DIF insurance. The con is the DIF insurance could be questionable if there were to be a catastrophic failure. ACB had low capitalization relative to peers. It was 8.59 relative to 13.12 for small banks. Non performing assets doubled in the last 12 months from \$3.9M to \$8.1M. There was a comment in the Veribanc report that they rely on large deposits so they could be vulnerable for liquidity. Promontory Capital is fully FDIC insured. It is spread out over many institutions to get that insurance. The current interest rate is only .1%. There is not a lot of return but no risk.

Jim Brosnan said that there were two pieces to consider. One was who is going to handle money versus Peoples United Bank, the current holder. Many communities use Adams Community Bank as their local bank. The first issue would be changing the banking relationship from Peoples to Adams Community Bank.

The second would be investments. Perhaps an RFP could be put out later for further investment options. There are many companies out there that can provide advice. His suggestion would be to move money to Adams Community Bank.

Sharon Harrison said that the cash balance at MMDT is all that they are looking to move and invest at this time.

Jim Kelley said that there is approximately \$6M in that fund that the group is looking for another investment home for. The group is fully collateralized on cash right now.

James Brosnan said that his approach was to keep funds in the local area. He was not concerned of bank failure in the local area and any increased risk.

Sharon Harrison asked what the returns were at Adams Community Bank vs. Promontory Capital.

Jim Kelley said that the difference was substantial. He said he thought ACB was over 1%.

James Brosnan motioned to authorize the Treasurer to move the MMDT amount in excess of actuarial reserve to Adams Community Bank.

Motion

Jason Hoch seconded the motion. There was a roll call vote.

Sharon Harrison	yes
Crystal Wojcik	yes
Greg Boino	yes
Lyndsay Broom	yes
James Brosnan	yes
Chris Desjardins	yes
Jason Hoch	yes

The motion passed by unanimous vote.

GBS reports:

Joseph Anderson reviewed the *FY21 Funding Rate Analysis* with data through March 2021. He said that the composite expense-to-funding ratio for health plans was 88.4 % and was 91.6 % for dental.

Reinsurance:

Karen Quinlivan reviewed the reinsurance reports. For the FY20 period through March, there were 5 claimants with claims above the the \$225,000 specific deductible. The aggregating specific deductible (ASD) of \$100,000 has been met. Total excess claims were \$572,318 and there were \$604,997 in reimbursements, leaving a credit balance of \$132,679. There were 21 claimants on the report of claims between 50% and 100% of the deductible with total claims of \$3,107,570. The FY21 policy period had 1 lasered claimant with updated total paid claims of \$212,601. There were 10 members on the report of claims between 50% and 100% of the deductible with total claims of \$1,863,606.

GBS Contract renewal:

Joseph Anderson said that the GBS contract between Berkshire Health Group and Gallagher Benefit Services expires on June 30, 2021. GBS has proposed a contract for July 1, 2021 through June 30, 2024 with a 2% increase.

James Brosnan motioned to accept the GBS contract as presented with a correction for the Dental fee per subscriber for FY22 to be corrected to \$1.95.

Motion

Greg Boino seconded the motion. There was a roll call vote.

Sharon Harrison	yes
Crystal Wojcik	yes
Greg Boino	yes
Lyndsay Broom	yes
James Brosnan	yes
Chris Desjardins	yes
Jason Hoch	yes

The motion passed by unanimous vote.

Wellness Program Report:

Richard Butler presented the current Wellness Program report. The 21-Day Healthy Lunch Challenge had 14 participants and focused on packing a health lunch that can save money, time and extra calories and fat. The Winter Fitness Challenge had three participants that each won a prize. The Blue Cross Blue Shield Well Concepts Virtual Webinars and Cooking Classes had two programs offered. A virtual webinar on cholesterol counts had 15 register and 7 attend. A virtual webinar on women's health had 14 register and 5 attend. There is a webinar on gut health scheduled for May 4, 2021 at 12:00 PM. Spring fitness classes will be starting soon. There have been 5 new coaching inquiries during April. Promotion will try to increase numbers. There have been 13 participants that have completed their requirements for the Diabetes Care Program since January. Berkshire 150 is a community program that encourages better health through exercise. The goal is to exercise for 150 minutes per week. Members can register as an individual or as a team of up to 20 people. All participants who track, log and submit weekly minutes will be entered into a drawing for one of 10 wellness prizes. Participation has been very high with over 1,000 people registering. In May there will be a Teams of Two Challenge. Studies have shown that social interactions have an overwhelmingly positive effect on physical and emotional well-being and behaviors. It is important to associate with those whose values and habits support a healthy lifestyle. This challenge has participants use the power of partnership to compete against each other in teams of two. Wellness Wednesday in the month of May will focus on mental health. In-person Biometric screenings have returned. The Wellness Champions were informed of the opportunity and there is some interest. Central Berkshire RSD is going to dedicate an entire day to Wellness and having a Wellness Fair on May 12.

BCBS Report:

Heidi Fountain said that as of July 1, 2021 the waiver of cost share for Telehealth will end for non-Covid related claims. Covid related claims will continue to have no cost share. The types of care that will be available through in network BCBS providers will be expanding. As soon as information is available, she will provide. More in network providers moved towards telehealth during the pandemic and now the services available are expanding as well.

Ms. Fountain reminded everyone about upcoming formulary changes for 07/01 with listed medications that will have substitutions. If any employer groups have any open enrollment needs, please contact Heidi or Jonathan Payson directly.

CanaRx Report:

Chris Collins introduced Jim Riley who is a new member of the CanaRx team. Member groups can work with him directly to meet any of their needs to help increase participation in the CanaRx program. Mr. Riley introduced himself and said he would be sending out communication over the next few weeks indicating what service he can provide.

Ongoing items:

One item for consideration is the upcoming vacancy of the Vice Chair position when Jason Hoch departs the town of Williamstown next month.

Sharon Harrison motioned to nominate Erika Snyder as Vice-Chair of the BHG Board.

Motion

James Brosnan seconded the motion. There was a roll call vote.

Sharon Harrison	yes
Crystal Wojcik	yes
Greg Boino	yes
Lyndsay Broom	yes
James Brosnan	yes
Chris Desjardins	yes
Jason Hoch	yes

Other Business:

The next BHG Board meetings are scheduled for Monday May 24, 2021 at 9:30 A.M. and Monday, June 28, 2021 at 9:30 A.M.

There was no other business.

Jim Brosnan motioned to adjourn the meeting.

Jason Hoch seconded the motion. A roll call vote was taken.

Sharon Harrison	yes
Crystal Wojcik	yes
Greg Boino	yes
Lyndsay Broom	yes
James Brosnan	yes
Chris Desjardins	yes
Jason Hoch	yes

The motion carried by unanimous vote. The meeting adjourned at 10:35 A.M.

*Prepared by Karen Quinlivan
Gallagher Benefit Services, Inc.*