

**Berkshire Health Group
(BHG)**

Board Meeting #22- 01

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

Meeting Minutes

Board and Alternates Present:

Sharon Harrison, Board Chair
Erika Snyder, Board Vice-Chair
Greg Boino
Lyndsay Broom
Joe Bergeron
Maureen Senecal
Chris Desjardins
Rachel Vadnais

Berkshire Hills RSD
Hoosac Valley RSD
Central Berkshire RSD
Town of Lenox
Mt. Greylock RSD
Northern Berkshire Voc. RSD
Southern Berkshire RSD
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
Erika Snyder Board Vice-Chair
Greg Boino
Lyndsay Broom
Joe Bergeron
Maureen Senecal
Chris Desjardins

Berkshire Hills RSD
Hoosac Valley RSD
Central Berkshire RSD
Town of Lenox
Mt. Greylock RSD
Northern Berkshire RSD
Southern Berkshire RSD

Approval of the minutes of June 28, 2021 (meeting #21-08):

Maureen Senecal motioned to approve the Board meeting minutes of June 28, 2021 as presented.

Erika Snyder seconded the motion.

Motion

A roll call vote was taken

Sharon Harrison	yes
Erika Snyder	yes
Greg Boino	yes
Lyndsay Broom	yes
Joe Bergeron	yes
Maureen Senecal	yes
Chris Desjardins	yes

The motion passed by unanimous vote.

Rachel Vadnais joined the meeting at this time.

Treasurer's Report:

Treasurer Jim Kelley, CPA reviewed his reports as of June 30, 2021 (unaudited figures). The overall cash position decreased by a net of approximately \$2,347,000 during June. This was mainly due to drawdown of Cash as member assessment revenue decreased by approximately \$2,600,000 because of the premium holiday in June. The Schwab money market account decreased by a net of \$169,000 during June as Cash was redeployed to additional investments. Reinsurance receivables increased by \$50,000 during June and stands at approximately \$142,000. The investment account balance at MMDT stood at approximately \$4,311,000 representing the actuarial reserve balance. The investment account at Schwab decreased by a net of approximately \$25,000 in June. The group experienced an unrealized gain for June of approximately \$85,000. The group experienced an overall loss for June of \$2,257,000 with the health fund generating a \$2,257,000 loss and the dental fund a loss of \$113,000. The investment fund generated a \$113,000 profit for June. The surplus at the end of June was \$20,708,436. For the twelve months ended 06/30/2021, the group has experienced a YTD profit in investments of \$1,759,000. The Health Fund realized a loss of \$2,389,000 with claims as a percentage of member assessment revenue running at 99%. The Dental Fund had a YTD loss of \$93,000 with claims as a percentage of member assessment running at 96%.

Treasurer's Contract Discussion:

Jim Kelley presented a Treasurer's contract for review and approval. He has been performing Treasurer duties for 20+ years without a contract but the audit Management Letter has strongly suggested it the last few years. The only change is a 2% cost of living increase of \$575 and a \$600 increase for taking on three additional tasks. The monthly Treasurer's fee will be \$2,494.37. This would be effective August 1, 2021.

Joe Bergeron motioned to accept the Treasurer's contract as presented.

Motion

Erika Snyder seconded the motion. There was a roll call vote.

Sharon Harrison	yes
Erika Snyder	yes
Greg Boino	yes

Lyndsay Broom	yes
Joe Bergeron	yes
Maureen Senecal	yes
Chris Desjardins	yes
Rachel Vadnais	yes

The motion passed by unanimous vote.

Acceptance of June warrant summary:

The June warrant summary was reviewed.

Maureen Senecal motioned acceptance of the June warrant summary as presented.

Motion

Erika Snyder seconded the motion. There was a roll call vote

Sharon Harrison	yes
Erika Snyder	yes
Greg Boino	yes
Lyndsay Broom	yes
Joe Bergeron	yes
Maureen Senecal	yes
Chris Desjardins	yes
Rachel Vadnais	yes

The motioned carried by unanimous vote.

GBS reports:

Joseph Anderson reviewed the *FY21 Funding Rate Analysis* with data through June 2021. He said that the composite expense-to-funding ratio for health plans was 92.9 % and was 91.2 % for dental.

Mr. Anderson said that the format for the financial report would be changing for the next meeting. Gallagher has revised reporting formats to be uniform across the platform.

Reinsurance:

Karen Quinlivan reviewed the reinsurance reports. For the FY20 period through June, 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 \$572,897 and there were \$604,997 in reimbursements, leaving a credit balance of \$132,100. The remaining credit balance will be moved forward and applied to FY21. There were 21 claimants on the report of claims between 50% and 100% of the deductible with total claims of \$3,109,301. The FY21 policy period had 3 claimants with updated total paid claims of \$1,199,447. Total excess claims were \$ 374,447. There have been no reimbursements to date so the outstanding reimbursements due are \$274,447. There were 16 members on the report of claims between 50% and 100% of the deductible with total claims of \$3,002,352.

Auditor Selection- RFP:

Joe Anderson said that the RFP went out for fiscal years FY21, 22 and 23. Bill Fraher, the existing auditor is on a path to retirement and his firm was bought out by Roselli and Clark. They are a firm that specializes in municipal entitites in Massachusetts. The RFP solicited bids from Adelson and Co. and Roselli and Clark.

Erika Snyder said that discussion led the reviewing panel of Erika Snyder, Joe Bergeron and Joe Anderson to conclude that continuing with the current auditors would be favorable. The rate was good and they have familiarity with the group already.

Joe Anderson said that there was assurance that Bill Fraher would be there for at least the first year and thereafter, the person taking over would have trained with him. They agreed to hold their rate for the next three years at \$14,000. The other bid came in higher at \$15,000 and had an increase each year. The combination of these factors led the panel to see it made sense to retain the incumbent.

Joe Bergeron agreed with the previous statements from Erika and Joe.

Joe Bergeron motioned retention of the firm of Roselli and Clark for Auditor for FY21, FY22, and FY23.

Maureen Senecal seconded the motion. There was a roll call vote

Motion

Sharon Harrison	yes
Erika Snyder	yes
Greg Boino	yes
Lyndsay Broom	yes
Joe Bergeron	yes
Maureen Senecal	yes
Chris Desjardins	yes
Rachel Vadnais	yes

The motioned carried by unanimous vote.

Wellness program report:

Richard Butler presented the current Wellness Program report. A Blue Cross Blue Shield stipend of \$4,000 will be used to purchase blood pressure cuffs for BHG members following screenings or coaching. Another \$10,000 Of the stipend was used for Fit Bits and prepaid vouchers ranging from \$25 to \$200 to be given out during screenings. Some existing VISA gift cards began to depreciate \$5 per month on July 1st. Recipients were alerted and the remaining cards have been used to purchase gift cards from local stores. Health fairs and Flu clinics are being discussed now for summer and fall. Discussions are underway for Lanesborough, Adams, and Great Barrington. All entities have been notified that flu clinics will be offered and they can reserve a date and time if they are interested. The high dose vaccine will be available for members over age 65. There are currently 16 participants in Hero Coaching. The semi-annual letter for the Diabetes Program was sent out to 130 eligible participants. There are currently 25 participants in the program. The Elements of Earth program encourages members to record a variety of activities that they participate in during July/August. The goal is to reach 16 or more activities that include at least 1 of the four elements (Wind, Water, Earth, and Sun). The town of Williamstown is currently in need of a wellness champion.

BCBS Report:

Heidi Fountain said the there was no notable Covid information to report for June. Cases have continued to drop. It will probably need to be reevaluated in July.

Jonathan Payson said that Blue Cross the fitness and weight loss reimbursements are still being accepted. At the last meeting it was announced that the deadline was 60 days after the end of the Mass. state of emergency. It is actually based off of the federal state of emergency, not the state.

Meeting on –site vs remote discussion:

Sharon Harrison said that she would like to begin in-person meetings in the fall.

Joe Bergeron said that he agreed.

Lyndsay Broom said the Lenox town hall is open to the public with mask wearing suggested.

There was discussion.

A poll will be conducted to see what thoughts are.

Other Business:

CanaRx reported the group is on track for estimated annual savings of \$77,748. Analysis show additional savings potential for approximately \$350,000. Ideas can be presented at the next meeting.

The next BHG Board meetings were scheduled for Monday September 27, 2021 at 9:30 A.M. And Monday, October 25, 2021 at 9:30 A.M.

There was no other business.

Joe Bergeron motioned to adjourn the meeting.

Motion

Maureen Senecal seconded the motion. A roll call vote was taken.

Sharon Harrison	yes
Erika Snyder	yes
Greg Boino	yes
Lyndsay Broom	yes
Joe Bergeron	yes
Maureen Senecal	yes
Chris Desjardins	yes
Rachel Vadnais	yes

The motion carried by unanimous vote. The meeting adjourned at 10:25 A.M.

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