

**Berkshire Health Group
(BHG)**

Board Meeting #23- 01

Tuesday, July 25, 2022 at 9:30 a.m.
Meeting by Virtual Participation

Meeting Minutes

Board and Alternates Present:

Sharon Harrison, Board Chair
Crystal Wojcik
Greg Boino
Lyndsay Patenaude
Paula O'Neil
Rachel Vadnais

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

Guests present:

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

BHG Treasurer
Town of Stockbridge
Berkshire Medical Systems
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 9:30 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 Patenaude
Paula O'Neil
Rachel Vadnais

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

Approval of the minutes of June 21, 2022 (#22-09) meeting:

Greg Boino motioned to approve the Board meeting minutes of June 21, 2022 as presented.

Rachel Vadnais seconded the motion.

Motion

A roll call vote was taken

Sharon Harrison	yes
Crystal Wojcik	yes
Greg Boino	yes
Lyndsay Patenaude	yes
Paula O'Neil	yes
Rachel Vadnais	yes

The motion passed by unanimous vote.

Treasurer's Report:

Treasurer Jim Kelley, CPA reviewed his reports as of June 30, 2022 (unaudited figures). The overall cash position decreased by a net of approximately \$1,520,000 during June primarily due to the drawdown of cash related to the premium holiday in June. The holiday resulted in approximately \$2,500,000 less member assessment revenue for the month. Reinsurance receivables decreased by a net of \$254,000 during June and the balance stands at approximately \$36,000. Prepaid expenses increased by approximately \$498,000 as the group has a quarterly settle –up credit with BCBS of approximately \$625,000 at month end . The investment account at MMDT at the end of June stood at approximately \$1,320,000. The group experienced an unrealized loss on the investment portfolio for June of \$651,000. The group experienced an overall loss for June of \$2,389,000. The Health Fund generated a loss of approximately \$1,965,000 and the Dental Fund a loss of approximately \$115,000. The Investment Fund experienced a loss of approximately \$310,000 for June. For the 12 months ended 06/30/2022, the group has experienced a YTD loss in investments of \$810,000. The Health Fund realized a loss of \$2,638,000 with claims as a percentage of member assessment revenue running at 99%. The Dental Fund had a YTD loss of \$85,000 with claims as a percentage of member assessment running at 96%. As far as retained earnings went, the actuarial reserve of about \$5,000,000 at 15% leaves an unencumbered surplus of 13.7M.

The audit will proceed when more solid reinsurance figures and the IBNR calculation is adjusted.

Acceptance of the July warrant summary:

The warrant summary was not available at the time of the meeting.

GBS reports:

Joseph Anderson reviewed the *FY22 Funding Rate Analysis* with data through June 30, 2022. He reviewed the historical claims summary as compared to 2021 and pointed out the variance in trends. He said that the composite expense-to-funding ratio for health plans was 95.17 % and 93.62 for dental.

Reinsurance:

Karen Quinlivan reviewed the reinsurance reports. For the FY21 period through June, there were 4 claimants with claims above the the \$275,000 specific deductible. The aggregating specific deductible (ASD) of \$100,000 has been met. Total excess claims were \$533,744 and there were \$442,343 in reimbursements, leaving an overpayment credit balance of \$8,599.67. There were 15 claimants on the report of claims between 50% and 100% of the deductible with total claims of \$2,747,834. The FY22 policy period through June had 3 claimants in excess with updated total paid claims of \$ 1,440,943 and excess claims of \$615,943.

The aggregating specific has been met. There were \$470,880 in reimbursements and there is an outstanding reimbursement balance due of \$45,062. There were 14 claimants at or above 50% of the deductible with total claims of \$2,715,729.

BCBS Level Monthly Deposit:

Joe Anderson said that the level monthly deposit for Blue Cross increased by \$143,000 from the prior year. The remittance that was paid recently was the amount from the prior year and there is a balance due. The new amount represents a 4.9% increase. It is right in the ballpark. A special warrant can be issued for the \$143,000 if the Board approves the increase.

Rachel Vadnais motioned to approve a special warrant for the increase to the level monthly deposit of \$143,000

Motion

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

Sharon Harrison	yes
Crystal Wojcik	yes
Greg Boino	yes
Lyndsay Patenaude	yes
Paula O'Neil	yes
Rachel Vadnais	yes

The motion passed by unanimous vote.

Wellness program report:

Richard Butler presented a current Wellness Report. Summer Bingo has individuals engaging in a variety of 36 activities over the next two or three months. Results will come back in August. It is self-directive which appears to be the mechanism that works best right now. So far, there have been 84 Omron Automated Blood Pressure Cuffs distributed. Hero coaching is a bit quiet but there were several people from Laconia and Mt. Greylock wellness fairs that are interested in signing up for the summer. The mass mailing for the next fiscal year went out three weeks ago and four or five people have responded to participate in Diabetes coaching. There are about four or five different sites that have already designated their health fair and vaccination flu clinics. It is a little uncertain whether a booster will be available by Berkshire Health Systems but the flu shots will be available. The schedule is September 28 at Mt. Greylock, October 4th at Mt. Everest, October 6th in Williamstown and October 18th at Monument Mountain.

The FY23 Wellness stipend release was discussed.

Sharon Harrison said that the group had talked about giving it out earlier in the year and then requesting at the end of this fiscal year unit reports on spending for both FY22 and FY23. Stipends were released late in FY22 so there may be some carryover. Ms. Harrison asked for a motion to release \$2,000 per unit.

Lyndsay Patenaude motioned to release the FY23 Wellness stipends of \$2,000 per unit.

Motion

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

Sharon Harrison	yes
Crystal Wojcik	yes
Greg Boino	yes
Lyndsay Patenaude	yes
Paula O'Neil	yes
Rachel Vadnais	yes

The motion passed by unanimous vote.

BCBS Report:

Heidi Fountain suggested that the level monthly deposit could be an annual item on the agenda at renewal because it does change every year.

CanaRx Report:

Jim Riley said that as of the halfway mark at the end of June actual savings for the group was just over \$51,000 compared to \$32,000 for the same time period last year. This continues to be a positive trend with a projection of \$103,000 savings for the year compared to \$88,000 last year.

Other Business:

The next BHG Board meetings was scheduled for Monday September 26, 2022 at 9:30 A.M. It will be virtual and at that time there can be discussion about future meetings going forward.

There was no other business.

Sharon Harrison adjourned the meeting by unanimous consent at 10:00 A.M.

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