

**Berkshire Health Group  
(BHG)**

**Board Meeting #23- 03**

Monday, October 24, 2022 at 9:30 a.m.  
Meeting by Virtual Participation

**Meeting Minutes**

**Board and Alternates Present:**

Sharon Harrison, Board Chair  
Erika Snyder  
Crystal Wojcik  
Greg Boino  
Lyndsay Patenaude  
Joseph Bergeron  
Paula O'Neil  
Chris Desjardins  
Rachel Vadnais

Berkshire Hills RSD  
Hoosac Valley RSD  
Town of Adams  
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  
Judy Moniz  
Chris Collins  
Jim Riley  
Joseph Anderson  
Karen Quinlivan

BHG Treasurer  
Berkshire Medical Systems  
Blue Cross Blue Shield of MA (BCBS)  
Blue Cross Blue Shield of MA (BCBS)  
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  
Crystal Wojcik  
Greg Boino  
Joseph Bergeron  
Paula O'Neil  
Chris Desjardins  
Rachel Vadnais

Berkshire Hills RSD  
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Northern Berkshire RSD  
Southern Berkshire RSD  
Town of Williamstown

**Approval of the minutes of September 26, 2022 (#23-02) meeting:**

Eeika Snyder motioned to approve the Board meeting minutes of September 26, 2022 as presented.

Greg Boino seconded the motion.

Motion

A roll call vote was taken

Sharon Harrison	yes
Erika Snyder	yes
Crystal Wojcik	yes
Greg Boino	yes
Joe Bergeron	yes
Paula O'Neil	yes
Chris Desjardins	abstain
Rachel Vadnais	yes

The motion passed by majority vote.

**Treasurer's Report:**

Treasurer Jim Kelley, CPA reviewed his reports as of September 30, 2022 (unaudited figures). The overall cash position increased by a net of approximately \$444,000 during September primarily due to increased advance payments of member assessments for the month. Reinsurance receivables decreased by a net of \$47,000 during September and the balance stands at approximately \$34,000. Prepaid expenses increased by approximately \$50,000 mainly due to accrual of the settle-up credit with BCBS. The investment account at MMDT at the end of September stood at approximately \$2,433,000. The group experienced an unrealized loss on the Scwab investment portfolio for September of \$446,000 and realized gains of \$102,000 overall. The Health Fund generated a profit of approximately \$94,000 and the Dental Fund a profit of approximately \$44,000 for the month of September. The Investment Fund experienced a loss of approximately \$321,000 for September. For the 3 months ended 09/30/2022, the group has experienced a YTD loss in investments of \$262,000. The Health Fund realized a loss of \$30,000 with claims as a percentage of member assessment revenue running at 93%. The Dental Fund had a YTD profit of \$69,000 with claims as a percentage of member assessment running at 68%. As far as retained earnings went, the actuarial reserve of about \$4,855,000 at 15% leaves an unencumbered surplus of 13.6M.

*Lyndsay Patenaude, voting member joined the meeting at this time.*

**Acceptance of the October warrant summary:**

The warrant summary was reviewed.

Joe Bergeron motioned acceptance of the October warrant summary as presented.

Motion

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

Sharon Harrison	yes
Erika Snyder	yes

Crystal Wojcik	yes
Greg Boino	yes
Lyndsay Patenaude	yes
Joe Bergeron	yes
Paula O'Neil	yes
Chris Desjardins	yes
Rachel Vadnais	yes

The motion passed by unanimous vote

### **GBS reports:**

Joseph Anderson reviewed the *FY23 Funding Rate Analysis* with data through September 30, 2022. He reviewed the historical claims summary as compared to FY22 and pointed out the variance in trends. He said that the composite expense-to-funding ratio for health plans was 98.37 % and 77.78 for dental respectively.

### Reinsurance:

Karen Quinlivan reviewed the reinsurance reports. The FY22 policy period through September had 5 claimants in excess with updated total paid claims of \$ 2,033,141.96 and excess claims of \$658,141.96. The aggregating specific has been met. There were \$524,177.73 in reimbursements and there is an outstanding reimbursement balance due of \$33,964.23. There were 14 claimants at or above 50% of the deductible with total claims of \$2,668,789.50. The FY23 policy period through September had 2 claimants at or above 50% of the deductible with total claims of \$ 425,397.19.

### **CY23 Senior Renewal:**

Joseph Anderson reviewed Medex claims and enrollment experience from July 2020 through June 2022. There was a 11.8% increase in claims for FY22 compared to FY21. The Blue Medicare Rx PDP rate decreased for CY23 from \$169.75 to \$169.35. The Blue Cross Administrative Fee went up from \$27.71 to \$28.26. The Blue Cross calculation on the medical only/self funded portion stayed the same at \$ 157.13. The CY23 total calculated rate increased to \$361.08. The GBS recommendation is to hold the rate at the current amount of \$362.00 for CY23

Joe Bergeron motioned to accept and adopt the recommended rate of \$362.00 for Medex 2 for CY23.

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

Sharon Harrison	yes
Erika Snyder	yes
Crystal Wojcik	yes
Greg Boino	yes
Lyndsay Patenaude	yes
Joe Bergeron	yes
Paula O'Neil	yes
Chris Desjardins	yes
Rachel Vadnais	yes

The motion passed by unanimous vote

### **FY23 Premium Holiday:**

Sharon Harrison said that last year it was discussed that this year's premium holiday could occur earlier in the plan year. Some have suggested March or April and others have suggested earlier than that. Ms. Harrison asked for comments.

Erika Snyder asked how others handle this on their end. They like June because they adjust their final few withholdings in the month of June and folks like the little increase in pay at the end of the year. Mid-year it is a process to shut off and turn on deductions.

Joe Bergeron said that Berkshire County Retirement is getting tired of maneuvering around premium holidays so they are going to cut checks to each employee impacted. They vote for June.

Erika Snyder said that she also voted for June.

Rachel Vadnais said that she voted for June as well.

Paula O'Neil said that they would like to offer the premium holiday in December to help with the holidays.

Sharon Harrison said that Jim Kelley and Gene Daponte will need to plan for investments depending on timing.

Joe Anderson said that year-end gives the units time to take care of end of year issues and tie up things neatly.

Erika Snyder motioned to offer the FY23 premium holiday in the month of June 2023.

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

Sharon Harrison	yes
Erika Snyder	yes
Crystal Wojcik	yes
Greg Boino	yes
Lyndsay Patenaude	yes
Joe Bergeron	yes
Paula O'Neil	yes
Chris Desjardins	yes
Rachel Vadnais	yes

The motion passed by unanimous vote

### **Withdrawing Unit- Runout claims provision:**

At the last meeting Joe Anderson said that there is a provision that some other joint purchase groups have whereby if a member unit withdraws, they become responsible to pay all of their runout claims, and in so doing they do not impact the trust. The runout claims can be substantial if a large complex claimant hits at the last month before they withdraw. Sometimes it takes months to adjudicate that claim and there could be several hundred thousand dollars hitting the trust a few months out. There is language that can inform this concept and it could be reviewed to see how it works for the Berkshire geography. A copy of the current Joint Purchase Agreement was provided in the meeting packet along with sample language that may be used for an amendment should the desire be there to add a layer of protection for the trust.

There was discussion regarding the topic. It was decided to keep this as a topic for ongoing discussion. No action was taken at this time.

### **Wellness program report:**

Richard Butler presented a current Wellness Report. WalkTober is ongoing. Recent data supports that 5,000 steps a day are needed to put yourself in an improved state for reduction of non-communicable diseases. Something is better than nothing so very small opportunity is worthwhile to increase activity. There are currently 16 participants for Hero Coaching and there is a healthy list of people for the Fall/Winter. The Diabetes program is moving along with 28 participants for the Spring and another 12 for the Fall. Covid and Flue Shot clinics were held at various sites and \$25 gift card vouchers were distributed for those receiving shots.

Mr. Butler provided the updated Ninth Amendment to the Berkshire Health Group Consulting Agreement. There was no change in the total rate of \$55.49 per hour from the prior contract.

Joe Bergeron Motioned to accept the Berkshire Health Agreement as presented.

Motion
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Rachel Vadnais seconded the motion. There was a roll call vote.

Sharon Harrison	yes
Erika Snyder	yes
Crystal Wojcik	yes
Greg Boino	yes
Lyndsay Patenaude	yes
Joe Bergeron	yes
Paula O'Neil	abstain
Chris Desjardins	yes
Rachel Vadnais	yes

The motion passed by majority vote.

### **BCBS Report:**

Heidi Fountain said that the PBM is changing effective 01/01/2023 to CVS Caremark. Impacted members will be receiving communication from Blue Cross in the coming month. Everyone will be receiving new ID cards. Any member filling prescriptions through mail order will need to contact the PBM and update financial information.

### **CanaRx Report:**

Jim Riley said that that the group has an upward trend with savings. In 2020 the group was at \$58,000 actual savings and in 2021 it was \$88,000. This year the group is on track for \$92,000. There is potential for an additional \$250,000 in savings. Best practices for marketing can hopefully increase the numbers going forward.

### **Other Business:**

The next BHG Board meetings were scheduled for Monday November 28, 2022 at 9:30 A.M in-person at Lenox Town Hall, December 19, 2022, 2022 at 9:30 A.M (virtual), January 30, 2023 9:30 AM, and February 27, 2023 9:30 AM.

There was no other business.

Sharon Harrison adjourned the meeting by unanimous consent at 10:32 A.M.

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