

**Berkshire Health Group
(BHG)**

Board Meeting #26- 03

Wednesday, October 29, 2025, at 9:30 a.m.

By Virtual Participation

Meeting Minutes

Board and Alternates Present:

Sharon Harrison, Board Chair	Berkshire Hills RSD
Erika Snyder, Vice Chair	Hoosac Valley RSD
Ashley Satko	Town of Adams
Greg Boino	Central Berkshire RSD
Gina Dario	Town of Lanesborough
Melissa Falkowski	Town of Lenox
James Brosnan	Northern Berkshire RSD
Dave Fierro Jr.	Town of Williamstown

Not Present:

Mark Pruhenski	Town of Great Barrington
Joe Bergeron	Mt. Greylock RSD
Paul Sullivan	Southern Berkshire RSD

Guests present:

Jim Kelley	BHG Treasurer
Richard Butler	Berkshire Medical Systems
Melanie Medon	Northern Berkshire RSD
Rachel Vadnais	Town of Williamstown
Kristen Behnke	Berkshire Hills RSD
Jodi Hollingsworth	Town of Lanesborough
Amy Lane	Town of Richmond
Heidi Fountain	Blue Cross Blue Shield of MA (BCBS)
Joseph Anderson	Gallagher Benefit Services, Inc. (GBS)
Patrick Flattery	Gallagher Benefit Services Inc. (GBS)
Karen Quinlivan	Gallagher Benefit Services, Inc. (GBS)

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

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

Sharon Harrison
 Erika Snyder
 Ashley Satko
 Greg Boino
 Jodi Hollingsworth
 Lyndsay Patenaude
 Joe Bergeron
 Melanie Medon
 Paul Sullivan
 Rachel Vadnais

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

Approval of the minutes of the September 24th, 2025 (26-02) meeting:

Erika Snyder motioned to approve the minutes of September 24th, 2025, Board meeting as presented.

Greg Boino. seconded the motion.

Motion

The motion passed by majority vote. Melissa Falkowski abstained.

Treasurer’s Report:

Treasurer Jim Kelley reviewed his reports as of September 30th, 2025 (unaudited figures). The operating cash position increased by a net of approximately \$1,567,000 during September, mainly due to a \$1,393,000 decrease in the MMDT investment relative to the previous month. The cash at Schwab decreased by \$307,000 as funds were reinvested during the month. Accounts receivable reinsurance proceeds increased by a net of \$17,000 as reinsurance money was due from BCBS. The balance stands at \$18,0000 at the end of September. Accounts receivable Rx rebates stand at approxomately \$627,000 at month end. No reimbursements have been received year to date. The investment account at MMDT decreased by \$1,393,000 mainly due to timing differences in regards to funding claims. Approximately \$16,000 of interest was earned in September. The account balance as of September 30th is approximately \$3,221,000. The group experienced an unrealized gain on the Schwab investment portfolio for September of \$51,000. The group experienced an overall loss of \$620,000 in September. The Health Fund generated a loss of approximately \$829,000 and the Dental Fund a profit of approximately \$35,000 for the month of September. The Investment Fund experienced a profit of approximately \$174,000 for September. For the three months ended 09/30/2025, the group has experienced a YTD profit in investments of \$26,000. The Health Fund realized a profit of \$ 976,000 with claims as a percentage of member assessment revenue running at 85%. The Dental Fund had a YTD profit of \$30,000 with claims as a percentage of member assessment running at 80%. As far as retained earnings went, the actuarial reserve of about \$6,262,000 at 15% leaves an unencumbered surplus of \$ 3.6M.

Approval of the October warrant:

Erika Snyder motioned to approve the October warrant.

Motion

Greg Boino seconded the motion.

The motion passed by unanimous consent.

GBS Reports:

Mr. Anderson reviewed the *FY26 Funding Rate Analysis* with data through August 31, 2025. He reviewed the historical claims summary as compared to FY25 and pointed out the variance in trends. He said that the composite expense-to-funding ratio for health plans was 91.82% with a surplus of \$571,548 and 99.13% for dental with a surplus of \$2,007. The renewal increase should help and two months does not make a creditable assessment. It is expected to be another challenging year for the renewal season. The trend that Blue Cross will probably use will be in the double digits. This is playing out across the state. The other issue will be the GLP1 drug coverage that is being dropped from the BCBS formulary as of 07/01/2026.

Reinsurance:

Karen Quinlivan reviewed the reinsurance reports. The FY25 policy period through September had 10 claimants in excess with updated total paid claims of \$ 3,727,211.31 and excess claims of \$977,211.31. The aggregating specific has been met. There were \$858,602.79 in reimbursements and there is an outstanding amount due of \$18,608.52. There were 21 claimants at or above 50% of the deductible with total claims of \$3,894,909.95. The FY26 report through September had no members at 50% or above yet.

Sharon Harrison called attention to the fact that the Gallagher reports were through August not September. Unfortunately the member responsible for the report was on vacation and September could not be obtained prior to the meeting.

CY26 Senior Renewal:

Joe Anderson said that last year when the calculation was done the group was looking at approximately a \$250,000 draw down to the trust. The premium was priced \$11 less than the calculation. As of August, the group was down approximately \$280,000. Claims on Medex are fluctuating up and down month to month. He had sent out an email prior to the meeting that gave an overview of the marketplace. There are two components to the calculation. There is the fully insured drug piece known as the prescription drug plan (PDP). Those costs have been increasing year over year at a significant rate. Medical claims are self-insured so the two pieces need to be added together for the total rate.

The calculation was reviewed. Two years of medical claims were reviewed with the increase from the prior 12 month to the latter 12 months of 9.1%. The BCBS administrative fee increased 2% to \$30.00 and the GBS fee stayed the same at \$6.46. Medical trend increased the projected claims by 10.8%. Medical trend of less than 4% was the prior standard. Now it is a financial exposure to the trust and has doubled since last year. Pent up demand or deferred care in an aging population seems to be hitting at once. The Inflation Reduction Act increased the PDP premium last year by a significant amount due to the catastrophic limit on drugs being reduced from \$8,000 to \$2,000 and those increased carrier costs were passed on to the greater population. Due to increased utilization, the increase this year was almost another \$40 on the PDP.

The Blue Cross calculation came in at \$528.04 after the anticipated claims and fees were added to the PDP fully insured costs. Six different funding scenarios were illustrated with the trust impact subsidizing the rate in \$2 increments down to \$516. The maximum trust impact is \$264,687. There was discussion.

The comparison between Municipal Supplemental plans and Medicare Advantage Plans was discussed as well as the possibility of referring low income members to local counseling services for comparisons and possible help in affording plans.

The consensus was that the group could not sustain a subsidy at this time.

Approval of the CY26 proposed rate:

Melissa Falkowski motioned to approve the \$528.00 recommended rate for Medex for
CY26.

Motion

Dave Fierro Jr. seconded the motion. .

The motion passed by majority vote of 6 to 2.

Wellness Report:

Richard Butler presented his report. Walktober is wrapping up, and steps could be turned into points in that challenge. Those that walked with a buddy could get an extra point. If 45 points were earned, incentive would apply, and 60 points could be entered into a raffle. There is presently an incentive for vaccinations for flu or COVID. There have been 225 members registered so far. There are currently 6 people interested in Hero Coaching. The Diabetes program has 24 participants year to date, and the colonoscopy program has 19.

Sharon Harrison asked if the rider is not approved for GLP1 medication, are there other programs available to assist those members going forward.

Heidi Fountain said she would gather information on programs to present.

Blue Cross Report:

Heidi Fountain said that if anyone has an interest in Blue Cross attending any senior informational sessions, please let them know as well as if they need any print or electronic materials. The December meeting will have the Informatics Report that is presented annually.

CanaRx Report:

Jim Riley had a conflict and did not have a report for the packet.

Sharon Harrison asked for a marketing piece that can be forwarded to member units for distribution to email accounts. It has been requested for some time.

Other Business:

Next meetings are Wednesday December 17th (virtual) and Wednesday January 28th at McCann.

Sharon Harrison is retiring effective December 1st so there is a need to vote for new officers

Greg Boino nominated Erika Snyder for BHG Chair.

Motion

Ashley Satko seconded the motion.

The motion passed by unanimous vote.

Melissa Falkowski nominated Greg Boino for Vice Chair.

Motion

Ashley Satko seconded the motion.

The motion passed by unanimous vote.

There was no other business.

Sharon Harrison, Board Chair, adjourned the meeting at 10:51 A.M.

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