

**GATEWAY HEALTH GROUP BOARD OF DIRECTORS**  
**MEETING MINUTES OF SPECIAL MEETING**  
**October 17, 2018**  
**CARVER TOWN HALL**

**Attendees:**

Lakeville: Clorinda Dunphy  
Mattapoisett: Sarah Piehler  
Marion: Gary Carreiro, Chair, Annita Donovan  
Old Colony VTSD: Sarah Griffith  
Old Rochester RSD: Patrick Meagher, Susana Cunningham  
GHG Treasurer: Debra Blanchette  
NFP: Edd Byrnes, Mary Whitters

Carreiro opened the meeting at 9:40 AM

**Review of Minutes:**

Review of Minutes from the September Board Meeting.

It was noted by Blanchette that she misspoke at the September meeting. The September Stop Loss adjustment payment was \$112,733.11 not \$140,000.00 as stated. The previous month (August) had an adjustment of approximately \$140,000.00.

Griffith motioned to approve Minutes as amended

Seconded by Piehler.

Approved unanimously by Board

**Treasurer's Report:**

Blanchette distributed the Treasurer's Report and the September Expense warrant (signatures required).

The Gateway Health Group checking account appears to have a balance of \$635,376.37. However, in reality this balance does not include a payments made on September 26, 2018 for \$378,000.00.

Also includes the October payment by Old Rochester RSD of \$366,000.00.

Blanchette noted that still waiting on the payment from Old Colony VTSD.

Griffith mentioned that payment was caught up in bi-weekly warrant timing.

Discussion ensued regarding timing of entities Health care payments to Treasury.

Ideally, the 10<sup>th</sup> of each month would be best timing to have payments into Blanchette.

Health Care premium payments are due to the carriers on the 1<sup>st</sup> of each month with a 30 day grace period.

Motion to accept the Treasurer's report.

Griffith motioned to approve

Seconded by Cunningham

Approved unanimously by Board

**Altus Dental:**

Byrnes (NFP) gave a brief opening statement regarding the acceptance of Altus Dental as the dental carrier for Gateway Health Group entities.

“There are two plans to choose from and each entity can opt to add ortho. Currently only Mattapoissett has ortho coverage. There should be no disruption to current dental coverage and the rates are equal or better to current. Only Carver will have an increase in premium rates and it is minimal. Lower Premium rates due to a larger pool or plan participants.”

Carreiro entertained the motion to vote on adopting Altus Dental as new carrier as of July 1, 2019.

Motion approved by Piehler

Seconded by Donovan

Approved unanimously by Board

Byrnes will send Carreiro the BOR for his signature.

**Renewal Rate Increase Discussion:**

Byrnes distributed a Renewal Pricing Summary to all present Board members. He used 22 months of trend to calculate the needed increase and surplus. (8.00% Medical Trend and 9.50% Rx Trend)

According to his calculations a 2.25% needed increase for July 1, 2019 and a built in surplus of 3.00% totaling an increase of 5.25%.

If claims experience remains level will decrease a point per month between now and the time the actual rates are set.

Byrnes theorized one approach would be to take the \$1,447,390.00 of large claims out of the calculation not giving credit to pooling and take a 6% - 7% rate increase. By doing this Gateway Health Group would develop a surplus.

Blanchette asked what is meant by lasering the high cost claimant for \$900,000.00 as seen on the results page of the summary. This meant that Gateway Health Group would be responsible for paying the first \$900,000.00 of this claimants claims not the \$135,000.00 that is currently set for all claimants.

This was requested in the BCBS renewal on 7/1/18. Gateway Health Group rejected that and paid the increase as it was less costly for the trust to pay the large rate increase rather than absorb the \$900,000.00 laser amount.

Byrnes suggest to ask entity budget groups for a 10% increase and it should realistically come in less.

Board discussion followed regarding how to lower the premium rates and to guard against monies lost in FY 20.

Byrnes will underwrite several scenarios and present to Carreiro.

Byrnes will have initial proposed rate increase calculated by mid-December.

**SERSD Update:**

Carreiro updated Board on the SERSD payment situation.

The complaint by Gateway Health Group against SERSD was filed and sent by Dee Moschos's office.

Dee Moschos did ask Carreiro for all cost incurred.

Meagher questioned what the Board should do if SERSD wanted to compromise on payment.

Carreiro said there should be no compromise on dollar amount owed the Board by SERSD.

They should pay what is owed plus legal fees incurred by the Board.

The thing that may impede progress on this is that technically there was nothing signed but they operated under the same benefits that the rest of the Board entities did. They took part of the same benefits and rates. This may be a point that the separate attorneys may not agree upon and may have to then go before the judge.

Byrnes will contact Rick LaFond to see if he can recover the original signed agreement from SERSD.

Blanchette also mentioned she may have some original documents.

These documents, if found, will be sent to Dee Moschos's office.

The Board agreed the next GHG Board Meeting will be Wednesday, December 12th at 9:30 AM

Meeting adjourned at 10:50 AM

Respectfully Submitted:

Mary Whitters