

**GATEWAY HEALTH GROUP BOARD OF DIRECTORS  
MEETING MINUTES OF APRIL 16, 2014  
CARVER TOWN HALL**

**Attendance:**

Marion: Gary Carreiro, Chair (arrived after the start of the meeting); Anita Donovan  
Southeastern Regional Vocational Technical School District: Mark Morris, Vice-Chair  
(arrived after the start of the meeting)

Carver: Pat Meagher, Michael Milanoski

Lakeville: Rita Garbitt

Mattapoissett: Brenda Herbeck

Old Rochester Regional School District: Laura Kearns

Old Colony Vocational Technical School District: Bruce Kaiser (arrived after the start of the meeting)

GHG Treasurer: Debra Blanchette

EBS Foran: Edd Byrnes, Kevin Paicos

Meagher (previous Chair) opened the meeting at 9:40am.

**Review of Minutes**

Motion to accept the minutes of February by Garbitt

Seconded by Kearns

Approved Unanimously

**Treasurer's Report**

Blanchette distributed the March bank summary reports and expense warrants for February and March. Report showed a "healthy" balance totaling over \$1 million.

Motion by Garbitt to accept the Treasurer's report

Seconded by Kearns

Approved Unanimously

**Agenda items taken out of order waiting for members to arrive**

**Byrnes Report**

Byrnes estimated FY 2016 rate increase to be about 9%, which reflects a 6% medical care inflation and a 3% ACA per member fee. The Group has a solid surplus currently, but not enough to fund the ACA fee at this time.

**Audit**

Byrnes and Blanchette have supplied all information requested. Carreiro will contact auditors to inquire on status of the audit report.

**New York Life – Brokerage Letter**

It was determined that one "Broker of Record" letter from the Group would be sufficient to give the NY Life reps the ability to coordinate all the carriers. Carreiro had composed a letter from the Group. Blanchette questioned the "compensation" reference in Carreiro's letter. NY Life reps would be paid by the carriers, which would not affect the Groups rates.

Matt Capone from NY Life reiterated that their goal is to help employees have a better understanding about the benefits they have. They will offer comparisons of plans as well as free financial planning assistance to employees.

Motion by Garbitt to authorize Carreiro to sign the brokerage letter as Chairman of the Gateway Health Group

Seconded by Kaiser

Approved Unanimously

### **Mayflower Group/Gateway Comparison**

Meagher stated that he has compared Plymouth County Health Group's rates to Gateway's since the formation of Gateway in 2005, and has determined that the Group on a whole enjoyed a "premium avoidance" of over \$10 million over the first 7 years. Since the formation of the Mayflower Group, it has been more difficult to compare rates because of the varying plans, i.e. co-pays, and deductibles. Upon the request of some residents, Carver contracted with Longfellow Benefits to do an analysis of their health insurance situation. Meagher shared the results of their comparison of Mayflower's rates to Gateway's for each Gateway member unit. Meagher felt Longfellow showed integrity and fairness in their report. He has noticed the gap between rates has been increasing since 2013, not in Gateway's favor. It is known that Mayflower had a 0% increase for FY 2015, and that they used surplus to fund the ACA fees. Meagher met with Tom O'Brien, Ply. Co. Treasurer and Chair of Mayflower Health Group, who stated that Mayflower would love to get the members of Gateway back in the group, but there would probably be a significant buy-in associated with that.

Milanoski stated that Carver has made no decision based on the results of the Longfellow's report. If one Gateway entity withdrew, especially a large entity, it would be detrimental to the rest of Group. Whether Mayflower's and Gateway's rates will each trend the same way in the future is an unknown factor, but something to be considered. Paicos stated that plan design and claims were the biggest factors in determining rates, but because of the size of the Group, its geographical composition and management's response to the marketplace, the Group has been able to maintain reasonable rates. Paicos stated that education of employees as to why the Group must continually contemporize its plans is crucial for smooth transitions. The Group, as a whole, should be looking at all its options to improve without sacrificing quality.

Since the deadline to withdraw from the Gateway Group is December 31, it was decided that Byrnes would prepare an RFP for self-insured and premium based services for the Group to review by the next meeting, so it will be ready for distribution by October. As time is of the essence, Byrnes must meet with every IAC to review the RFP and present the Medex III vs. Medex II proposal, before the end of the school year. Byrnes will provide a comparison by entity to the Mayflower Group and to the GIC at the next meeting, also.

### **Old Business**

### **New Business**

### **Next Meeting**

Next meeting date was set for May 28th at 9:30am in the Carver Town Hall.

Motion by Kaiser to adjourn at 11:40am.

Seconded by Garbitt

Approved Unanimously