

**GATEWAY HEALTH GROUP BOARD OF DIRECTORS
MEETING MINUTES OF SPECIAL MEETING
MARCH 27, 2019
CARVER TOWN HALL**

Attendees:

Carver: Brad Brothers, Kathy Kay, Meg Lamay and Ann Maddeford
Lakeville: Rita Garbitt and Clorinda Dunphy
Marion: Annita Donovan and Katherine Milligan
Mattapoisett: Sarah Piehler
Old Colony VTSD: Eileen Reece
Old Rochester RSD: Patrick Meagher, Paul Kitchen and Susana Cunningham
NFP: Edd Byrnes, Kevin Paicos and Mary Whitters

Meagher opened the meeting at 9:35 AM

Review of Minutes:

Review of Minutes from the February Board Meeting.
Minutes accepted by Garbitt
Seconded by Brothers
Whitters will post to website

Treasurer's Report:

Treasurer Blanchette was not present at meeting.
Donovan presented warrants to be signed by Board members.
Donovan also relayed Treasurer's Report information.
Cash flow currently \$151,644.25. The \$34,000 check from Stop Loss was received and another \$36,000 is expected from Stop Loss for the month of February.

Board Chairperson

Meagher has volunteered to continue on as interim Chairperson for the next one or two meetings giving volunteers a chance to come forward and letting the Board decide how to pursue.

Edd Byrnes Update:

Discussion Renewal Pricing.

Byrnes explained of the three approaches he used to determine the rate pricing.

- a. Renew as Gateway always does. Taking full credit for large claims and adding 3% surplus – resulting in a 8%
- b. During October, November and December not taking any credit for large claims – resulting in a 8%
- c. January only taking 50% credit for the large claims – resulting in 6 to 6.5%

BCBS running fabulously with a 2% rate increase but the small HPHC population is a 20% rate increase.

HPHC will be terming as a carrier but the claims will remain. The plan combined is running at 3% and with 3% for surplus it would result in a 6% rate increase. All entities budgeted for a 9% increase. Byrnes recommends a 7.5% increase.

Meagher concerned about covering level monthly payments. Wants to make sure that Gateway is able to pay this.

Level monthly for BCBS is annually \$18,300,000. Byrnes calculation with 7.5% rate increase is \$18,400,000. Produces a \$100,000 surplus. Byrnes believes that at the end of the year it will produce more than the 3% looking for.

BCBS contracts reimburse the providers at a lower level. Claims cost per person is less than HPHC. Even if those few HPHC members bring their bad claims over to BCBS they are still going to be reimbursed at a lower level on average than they were being reimbursed with HPHC. The claims experience will improve from this perspective.

Motion to set rates at 7.5%

Accepted by Garbitt

Seconded by Brothers

Discussion of the Motion

Brothers asked Byrnes if he calculated how much 8% would leave for a surplus balance.

Byrnes replied approximately another \$90,000. Discussion followed.

Kitchen suggested Board rely on Byrnes's recommendation of 7.5%.

Vote ensued on what number to set the rate at.

Brothers opposed to 7.5%. All other Board members voted for 7.5%.

7.5% is the new rate for FY20.

Byrnes will distribute the new rate sheets to all entities.

Selerix Migration:

Carver working actively with Selerix to initiate a 7/1/19 start date with Selerix.

Byrnes is working on populating the Medical and Dental part of workbooks.

Garbitt and Dunphy (Lakeville) expressed displeasure with Steve Karas (Aflac). They had been told at prior informational meetings that they would be able to keep their Aflac representative and now they are being told that they cannot.

Byrnes has agreed to check in with Karas to remedy this situation.

Reece asked if there has been communication with employees informing them that they to the change to Altus as of 7.1.19?

Byrnes will send a correspondence piece to the entities for them to then send to employees.

Old Colony has opted out of the Selerix benefit admin platform but has agreed to allow Aflac speak to employees about Worksite products.

Marion and Old Rochester will be implementing an FSA with Aflac.

Maddeford asked about the Life insurance part of Selerix. Mass Mutual will remain carrier for whole life product. However, Boston Mutual will add a Life product that replicated the MA Teachers plan. Maddeford has asked Aflac in the past for the benefit summaries and rates for their worksite products. She has not received. Byrnes will address this with Karas.

Maddeford spoke of concern over the Selerix integration with her payroll company, Harpers. She is concerned whom will be responsible for the cost of glitches that may occur with the integration process. It was suggested that maybe the EDI files may be viewed by entities prior to being sent to Selerix.

A discussion ensued amongst Board members about a possible delay in start date of Selerix implementation.

Old Business/New Business:

Altus Implementation 7.1.19

The following plan designs are what each entity has decided to implement effective 7.1.19.

Name of Entity	Altus Plan Design
Carver	Plan B w/o Ortho
Lakeville	Plan B w/o Ortho
Marion	Plan B w/o Ortho
Mattapoissett	Plan B w/ Ortho
Old Colony	Plan B w/o Ortho
Old Rochester	Plan A w/o Ortho

Barry Perkins or Lisa Stabile will be the representatives from Altus Dental. Retirees may chose these plans or a separate Altus Retiree Trust Dental Plan.

Gateway Health Group Website

Piehler mentioned she was trying to use the Gateway website and was unable to connect. She was probably using the old website link. Whitters will send the new link to all entities.

Update on SERSD

Paicos reiterated that SERSD counterclaimed with Fraud charge against the Gateway Board. There is no evidence to support this claim. Moschos could file a motion of false claim however will probably use his time to prepare the logistics of the case for when it goes to litigation.

Update on search for new JPA members

Paicos spoke about the possibility of Freetown / Lakeville joining the JPA.

Byrnes has completed a comparative analysis and it was determined that plan designs differ, their copays are higher and the deductibles are higher. Their rates are however substantially better. They have a few existing large claims. The Board would have to offer the current rates and current plan designs if they offered to bring them into the JPA. It is not favorable to the Board to offer Freetown / Lakeville JPA membership this year.

Freetown may be a better fit, however, they are smaller than 100 lives and therefore no claims experience is available to analyze.

Paicos will keep dialog going with these two entities.

Board members agreed the next meeting will be Wednesday, May 22nd, 2019 – 9:30 AM at Carver Town Offices.

Meeting adjourned 11:23 AM

Respectfully Submitted:
Mary Whitters