

Town Retiree Health Insurance Advisory Committee

April 13, 2022

Meeting called to order at 7:05 PM on April 13, 2022 via Zoom.

Present: Peter Cheimets, Personnel Board Representative; Committee Chair
Richard Mucci, Select Board Representative
Brian Vernaglia, Finance Committee Representative
John Frongillo, Employee Representative
Stacie Ward, Ex-Officio; Town Comptroller
Sheila Tracy, Ex-Officio, Treasurer

Not Present: Janice Dolan, Retiree Representative
Ginny Laats, Retiree Representative
John Brouder, Citizen Representative, Secretary

Members of the public and other attendees present:

Ken Lombardi, Insurance Consultant of NFP
Meredith Mason-Crowley (Precinct 1 Town Meeting Member, retired teacher)
Alreda Canavan (retired school administrator)

1. **Welcome:** Chair Cheimets welcomed the Retiree Health Insurance Advisory Committee (the Committee) and called the meeting to order. He recognized there were 2 members of the public who joined the meeting. They were interested in the discussion about the Town Meeting warrant article regarding the bylaw.
2. **Minutes:** The minutes of the February 16, 2022 meeting will be reviewed and approved by the Committee at the next meeting.
3. **New Business:** Chair P. Cheimets called for a motion to take the agenda out of order and discuss “New Business” first since the members of the public were in attendance and were interested in discussing the Town Meeting article regarding the bylaw. J. Frongillo moved, B. Vernaglia seconded, all were in favor to call the “New Business” item out of order. Chair P. Cheimets explained the history of the committee, the concept and the membership to the attendees from the public. There was discussion about the need for continued communication and retiree representation in relation to health insurance matters. M. Mason-Crowley recommended that the Committee consider the appointed School employee be a School teacher (i.e. union member). The Committee had weighed that option in the past few months when developing the committee makeup and felt leaving it up to the School Committee (the appointing authority) would be best, but the article is going to Town Meeting, so a motion can be made to request that change. After the discussion, M. Mason-Crowley thanked the committee and left the meeting. A. Canavan also left the meeting.

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4. **Discuss the status of the health insurance negotiations and potential options:** Chair P. Cheimets called on Ken Lombardi, the Town's long-term insurance consultant for NFP to discuss the process and status of the Town's insurance negotiations. He explained that Harvard Pilgrim Health Care (HPHC) is the Town's current insurance provider (in addition to a Tufts retiree Medicare Advantage plan) and MIIA, an insurance trust consisting of many other Massachusetts Municipalities came to the Town requesting to provide a quote. The Town received a favorable quote and decided to look into the plan details. K. Lombardi continued to explain that he was working with the Town, HPHC, MIIA, the Insurance Advisory Committee (IAC), unions and employees to identify, quantify and explain the coverage details, enhancements and disruptions if the Town was to transition to the MIIA plan. Since this is a retiree specific group he pointed out the Medicare Supplemental plans and how MIIA's plan doesn't have co-pays like the existing HPHC plan does. The primary issue with changing the provider comes down to the prescription drugs that are covered. He explained how the Massachusetts laws work and how the drug formularies are derived and change every year. He stressed that there is a process to follow if a drug isn't covered but is a necessity. He also explained that MIIA's proposal includes keeping the plus-1 HMO plan available to retirees (this is not available to employees) and assistance with shifting non-Medicare eligible retirees to the Medicare plans (i.e. a buy in that comes with a penalty). This is a benefit for the retirees and the Town. It also impacts the OPEB liability positively. He concluded that essentially this is all good news to the Town, but there might be a few "twists" in relation to the limited network plan. There are a handful of members on the limited plan that might need to shift to the broader HMO plan, but the impact is negligible (due to the proposed cost decrease and because they have the plus-1 plan option – it is a little more impactful for the employees).

There were a handful of questions and answers regarding some of the specifics, confirming pharmacy coverage, the plus 1 coverage and whether or not we have to use CVS (since the prescription drug administrator is "CVS Caremark"). K. Lombardi reiterated the drug process in Massachusetts, confirmed the plus-1 plan is still available to non-Medicare eligible retirees and that the retirees can use any pharmacy to fill their prescriptions. Additional questions were asked about emergency care and dependents who are under 26 and live out of state (for school primarily). K. Lombardi explained that the coverage for both of these is the same as the current plan. It was noted that emergency care is covered anywhere.

K. Lombardi closed the discussion stating that if anyone has any questions about coverage, providers, prescriptions, etc, he is fielding those calls and getting answers to help with the process. The Town has already had 2 IAC meetings, the next one is scheduled for this Friday (4/15/22) in hopes to get final feedback from the union representatives. If that is positive, then the unions will call their members together and take a vote. The Town needs all of the unions to sign an MOU approving the change to make it happen. The Committee thanked him for all of his work, information and continued efforts to see the Town through the process.

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5. **Discuss the minor edit to the bylaw:** Chair P. Cheimets asked S. Ward about the minor bylaw change. She mentioned that the language “Insurance Advisory Committee (IAC)” was missing from the bylaw article that was submitted to the Town Manager’s Office, so she added the language prior to the warrant articles being printed. J. Frongillo made a motion to accept the change as written in the updated article and B. Vernaglia seconded it. It was approved unanimously.
6. **Next Meeting:** The next group meeting is scheduled for Wednesday June 15, 2022.
7. **Motion to Adjourn:** Motion to adjourn was made by J. Frongillo, seconded by B. Vernaglia and approved unanimously; meeting adjourned at 7:55.

Respectfully Submitted,
Stacie Ward

Documents Distributed:

- DRAFT Minutes from February 16, 2022 Meeting
- IAC Handout March 22 2022
- BCBSMA Municipal 2022 – The Value of Integration Handout
- Spring Town Meeting Article 7 (*on screen, not physically handed out*)