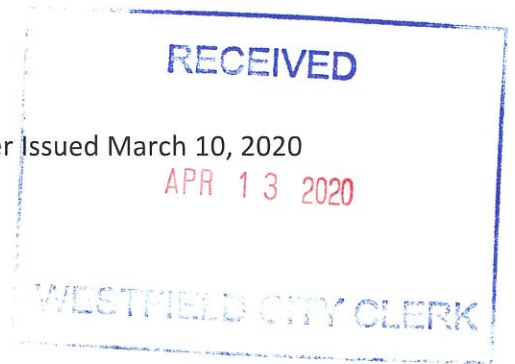


City of Westfield
Health Plan Trustees Meeting
Remote Meeting Pursuant to Governor Baker's Executive Order Issued March 10, 2020
April 3, 2020



Trustees:

Present: Alison Frary, Chris Caputo, Matthew Barnes, Ron Rix
Absent: Jay Kline

Also, in attendance: Russ Denver, James Baxter, Kathy Breton and Marc Criscitelli from HUB International, Dennis Miles

The minutes of this meeting were taken by Matthew Barnes. *M Barnes*

The meeting was called to order by Alison Frary at 10:15 AM.

The City of Westfield recorded the meeting and it was broadcast live on Channel 15.

The following agenda items were discussed at this meeting:

- A motion was made by Ron Rix, seconded by Chris Caputo and voted unanimously to approve the minutes of February 27, 2020 meeting.
- The review of the FY'21 health insurance rates began with Chris presenting the updated trust balance thru February 28, 2020, which is now just under \$14 million. Marc presented the three scenarios for FY'21 rates and reviewed the handouts. The scenarios include a 0% increase with \$100,000 wellness benefit and the trust balance is expected to grow \$709,966, a 0% increase with \$125,000 wellness benefit and the trust balance is expected to grow \$684,966, and a 1.5% increase with \$125,000 wellness benefit and the trust balance is expected to grow \$966,385. Marc feels claims will decrease as elective procedures have been delayed due to the Covid-19 pandemic. Ron began a discussion regarding decreasing the FY'21 rate. Chris asked if wellness benefits can be paid using trust funds. Matt asked for an explanation of how the wellness benefits would be spent and Dennis will obtain that information for a future meeting to discuss approving a wellness benefit. This decision can be made separate from deciding the rate increase. Chris Caputo made a motion to delay a decision about wellness benefits until a future meeting. The motion was seconded by Ron Rix and approved unanimously. The discussion returned to rate decreases and Alison was concerned that a rate decrease would lead to a larger rate increase in the future. Marc mentioned that private employers are reluctant to implement rate reductions. Ron Rix made a motion to reduce rates by 2% for FY'21, there was no second, motion failed. Chris asked for the change in trust balance under a 1%, 2% and 5% rate reduction for FY'21.
- Discussion of trust reserves policy began with Russ talking about the run out policy. The reserves policy is meant to be a guide if the trustees were asked for a premium holiday to determine if it was fiscally responsible. Concerns were raised that following this policy with a rate decrease now, given the balance of the trust, a premium holiday would still be allowed and the trust would lose assets too quickly. Suggested changes to the policy

included removing references to premium holiday and removing section 3 of the policy. Chris asked for runoff calculations from HUB at 1/1 and 7/1. Chris Caputo made a motion to discuss this policy at the next meeting, seconded by Ron Rix, approved unanimously.

- Marc presented the calculated change in trust balance under the following scenarios:
 - 1% rate reduction – balance will increase about \$622,000
 - 2% rate reduction – balance will increase about \$437,000
 - 5% rate reduction – balance will decrease about \$128,000
- A motion was made by Matthew Barnes, seconded Chris Caputo and voted unanimously to adjourn the meeting at 11:00 AM.