

City of Westfield
Health Plan Trustees Meeting
Conference Room 315
September 21, 2023

Trustees:

Present: Alison Frary, Matthew Barnes, Vicki Moro, and Shannon Barry

Absent: Jamie Naughton

Also in attendance: Anne Larkham Personnel Director for the City of Westfield, Russ Denver and Marc Criscitelli from HUB International, Heidi Fountain from Blue Cross Blue Shield

The meeting was called to order by Alison Frary at 10:05 AM.

The minutes of this meeting were taken by Matthew Barnes.

The following agenda items were discussed at this meeting:

- A motion was made by Vicki Moro, seconded by Shannon Barry and voted 4-0 to approve the minutes of the May 11, 2023 meeting.
- Health Plan Trust Balance: Vicki Moro stated the Trust Fund balance at June 30, 2023 was \$15,561,568.81.
- Health Claims Update: Marc Criscitelli reviewed the claims history thru August 2023. The FY'23 cost to funding ratio was 101.9%, expenses exceeded revenue. Thru August 2023, the ration is 103.0%, expenses are exceeding revenues. One good trend was that the net claim per subscriber decreased from \$967 in FY'22, to \$932 in FY'23 and is \$904 thru August 2023. Marc Criscitelli also reviewed the rates of Westfield compared to other communities in Massachusetts. There was a brief discussion regarding high claim diagnosis and prescriptions.
- BCBS Medicare PPO Blue Freedom RX Plan: Alison Frary provided an overview of a new retiree health plan offered by Blue Cross Blue Shield called Blue Freedom. This is a fully funded HMO Medicare Advantage plan that would require eliminating the current Managed Blue plan. This plan would also provide coverage for dental, vision and hearing aids and an additional incentive for weight loss programs. As a fully funded plan, Blue Cross Blue Shield would determine the insurance rates and annual increases. Adopting this plan would require PEC approval. Marc Criscitelli will obtain the rates for the next meeting. Heidi Fountain stated that the plan features low cost sharing, except for prescription drugs and replaces original Medicare. She will confirm that the Health Trust can keep the HNE Medicare Advantage plan currently in place. Matthew Barnes stated that the City would now be sharing in the cost for dental and vision coverage for retirees, a benefit the City does not share the cost of for active employees. Alison Frary stated the Medicare open enrollment begins 10/15/23 and ends 12/7/23. She would like to open the City's open enrollment on 10/16/23 and close it 11/17/23. This would not be enough time to organize a PEC for approval if the Health Trust decides to pursue adopting this plan.

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- Preliminary Retiree Renewal Rate: Marc Criscitelli recommended a 0% rate change to the Medex 2 w/ Blue Medicare RX up to 1% or 1.5% increase to prevent rate increase shock in the future by increasing the rate by a larger percentage. The Managed Blue for Seniors plan will increase 4.7% as determined by Blue Cross Blue Shield. Marc Criscitelli did not have the increase for the HNE Medicare Secure plan and will provide it at the next meeting. Marc Criscitelli stated the Medex 2 plan rate has not increased since 2019. A gym benefit option could be added to the Medex 2 plan, Heidi Fountain will provide a projected cost to the Health Trust at the next meeting. The Health Trust is responsible for setting the rate for the Medex 2 w/ Blue Medicare RX and will wait for a recommendation from the IAC at the next meeting.
- A motion was made by Vicki Moro, seconded Shannon Barry and voted 4-0 to adjourn the meeting at 11:15 AM.