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TOWN OF AYER
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Town of Ayer

**Insurance Advisory Committee Meeting Minutes For
Wednesday, September 13, 2023 at 1pm**

Attendance: Christina Zoller (Town Hall/Clerical Union); Ryan Januskiewicz (DPW Union); Captain David Greenwood (Fire Union); Kevin Johnston (Retiree Representative); Amanda Lewis (Non-Union Representative)

Absent: Eric Pearson (Police Superiors); Janet Providakes (APPOA)

Also in Attendance: Robert A. Pontbriand, Town Manager; Tara Fafard, MIIA; Barbara Tierney, Finance Manager; Kerry Cooper, Town Accountant

Call to Order:

The meeting of the Insurance Advisory Committee (IAC) was called to order in the First Floor Meeting Room of the Ayer Town Hall.

Review and Approval of the July 25, 2023 Meeting Minutes:

The IAC reviewed the DRAFT meeting minutes from July 25, 2023.

Motion: A motion was made by D. Greenwood and seconded by A. Lewis to approve the July 25, 2023 meeting minutes. Motion Passed 4-1 (1 abstention; K. Johnston).

Presentation on MIIA Health Insurance Plans and Proposed Plan Rates:

Tara Fafard, Senior Account Executive for MIIA Member Services made a presentation to the IAC regarding the proposed rates effective July 1, 2024. Her presentation consisted of the following handouts: Ayer Proposal Cover Letter; Ayer FY 2025 Prospective Rates; Ayer MIIA FY 2025 Rate Comparison of Minuteman Nashoba Health Group versus MIIA; and Benefit Summaries for both active and retiree plans.

Tara Fafard stated that one of the challenges is that we are looking at this year's Minuteman Nashoba Health Group rates not knowing what their new rates will be until March of 2024 and we are looking at next year's MIIA rates which we know. So, in part you must make a decision blindly which is the hard part.

Tara Fafard advised that the rates would be effective for July 1, 2024 for both active and retirees. Active employee rates are guaranteed for FY 2025 renewal, the average of the Trust as approved by the board of trustees. Retiree rates are guaranteed for 18 months. The first renewal would be January 1, 2026.

Tara Fafard provided an overview of the rate comparison. HMO Blue would match the Harvard/Tufts plans with minor tweaks. Overall people with Tufts would see a 1% decrease in premium; Harvard plans would see a 6.39% decrease in premium and Blue Cross and Blue Shield

plans would see an increase of 7.82%. When Blue Cross and Blue Shield took over Fall there was an increase as Minute Man Nashoba Health Group appears to be underfunded.

Tara Fafard advised that based on trends in the industry there will at least be a 7% increase for Minuteman Nashoba Health Group next year. When you factor in inflation and the renegotiation of contracts it will be at least an 8% to 10% increase next year.

Tara Fafard advised that in terms of retiree plans, MIIA offers Medicare PPO Blue and there would be a 9.997% decrease in premium cost. The plans would have an 18-month renewal period with no rate change until January 2026.

K. Johnston asked if the Medex 2 is a national plan?

Tara Fafard said yes. She further advised that if the Town switched to MIIA from MNHG the Town would realize an approximate savings of \$21,468. She also reviewed the various reimbursement programs offered by MIIA.

Tara Fafard advised that during the transition there will be no disruption for retirees and active plans. We hold both active meetings and a remote Town Hall meetings so that everyone gets all the information and their questions answered.

K. Johnston stated that Minuteman Nashoba Health Group remains one of the smallest if not the smallest group purchasing entities in the State. The landscape of value has changed.

Tara Fafard advised that the only claims we received for our rate analysis were from Blue Cross and Blue Shield. Tufts and Harvard did not release their claims history for the Town.

K. Johnston stated that it would be helpful to see what the four recent Towns (that are the size of Ayer) that left MNHG saw as their increase when they left.

Tara Fafard stated I have given you a lot of information to review. If you have any questions or need anything from me, please do not hesitate to contact me.

[Tara Fafard left the meeting]

K. Johnston stated that we do not need to make this potential move more appealing.

D. Greenwood stated that everyone is going to high deductible plans, at least the young people.

K. Johnston stated that we should stay with a GIC Plan Model and that the biggest concern with Seniors is the transition, but MIIA seems to have a good transition plan and a lot of support for that.

D. Greenwood stated that there are tradeoffs, when Sterling left MNHG and went to MIIA they saw a significant increase. I could find out more information as to why.

K. Johnston stated that the concern is always the third year when you join MIIA.

Discussion on Next Steps with Respect to the Town's Health Insurance and Due Diligence:

In terms of next steps, the IAC decided to send everyone the information from Tara and to schedule another meeting of the IAC at which time the IAC will discuss a plan to make sure all employees and retirees receive the information regarding the potential change and to further discuss next steps.

Scheduling of Next Meeting:

The IAC scheduled the next meeting for Wednesday, September 27, 2023 at 1pm at Town Hall.

Motion: A motion was made by David Greenwood and seconded by Kevin Johnston to adjourn the meeting at 2:45pm. **Motion passed 5-0.**

The meeting adjourned at 2:45pm.

Minutes recorded and submitted by Robert A. Pontbriand Town Manager.

Minutes reviewed and approved by the IAC on September 27, 2023.

Signed: 
Robert A. Pontbriand, Town Manager

Attachments: Ayer Proposal Cover Letter 2023
 Ayer FY 2025 Prospect Rates
 Ayer MIIA FY 2025 Rate Comparison



September 11, 2023

Town of Ayer
c/o Mr. Robert Pontbriand
Town Manager
1 Main St.
Ayer, MA 01432

RE: MIIA Health Benefits Trust 7/1/24 - 6/30/25 Proposal

Dear Robert,

The MIIA Health Benefits Trust is pleased to submit a response to your request for quote for the Town of Ayer.

Please allow me to point out a few of the many ways in which MIIA brings value to our 160 plus members, comprised of cities, towns, school and water districts within the Commonwealth.

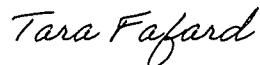
- As the insurance arm of the Massachusetts Municipal Association, the Trust is governed by a Board of Trustees comprised of local government officials.
- MIIA offers a full spectrum of Blue Cross Blue Shield product options to meet the needs of the Town's employees, retirees and their families.
- Rating methodologies such as banded rating, caps on rate increases and pooling of large losses that are designed to provide rate stability over time.
- The lowest administrative costs of any group working with BCBSMA.
- A dedicated Account Executive, who provides quarterly high level claims and utilization review, plan and industry analysis, short and long term strategic planning to help you reach your goals.
- A dedicated Enrollment Representative, who supports the Town with general enrollment and eligibility questions related to MGL Chapter 32B and BCBS underwriting requirements, as well as supplementing benefit and claims support provided by BCBS' Member Services Department and Municipal Unit.

- A full team that supports administrative, regulatory and legislative requirements such as: Affordable Care Act, Section 18, Turning age 65, Dependents approaching age 26, Tracking COBRA periods, Creditable Coverage Notices, Disclosures to CMS, Dependent Audits, Ad hoc reporting requests and many more.
- Extensive employee Wellness Programs, which are custom designed to fit the needs of your employees, and a dedicated Wellness Representative, included with your membership.
- Via BCBSMA, integrated Disease and Pharmacy Management programs, which work toward driving higher efficiency, better care and lower costs.

Proposed rates reflect a -1.92% composite decrease over in force FY24 rates. Our proposed plans match the Town's existing MNHG plans. Please note that the BCBSMA Active Employee plans proposed, HMO Blue New England \$300 Deductible, HMO Blue Select \$300 Deductible, Blue Care Elect Preferred PPO \$300 Deductible and HDHPs. For Retirees we will offer Medex 2 with Blue Medicare Rx (PDP) and Medicare Advantage plans.

Thank you for the opportunity to provide a quote for the Town of Ayer's health plans. We hope the Town will find that participation in the MIIA HBT is the best means of providing health benefits to its employees, retirees and their dependents. We look forward to working together as you move through your decision-making process. Should anyone at the Town or IAC have any further questions please feel free to contact me directly at any time.

Sincerely,



Tara Fafard
Senior Account Executive
MIIA Health Benefit Trust

Enclosed documents: Rate Proposal & Benefit Summaries

MIIA HEALTH BENEFITS TRUST

Ayer

Proposal

07/01/2024 - 06/30/2025

MONTHLY CONTRIBUTION RATES		
PRODUCTS		
Unified Plan Name for FY2025	COVERAGE	RATES
Blue Care Elect \$300 Deductible	Individual	\$ 1,299.00
	Family	\$ 3,468.74
Network Blue NE \$300 Deductible	Individual	\$ 1,082.50
	Family	\$ 2,890.61
Network Blue Select \$300 Deductible	Individual	\$ 941.77
	Family	\$ 2,514.83
Access Blue NE Saver \$2,000 Deductible	Individual	\$ 920.12
	Family	\$ 2,457.02
Access Blue NE Select Saver \$2,000 Deductible	Individual	\$ 800.51
	Family	\$ 2,137.61
Medex 2 (Vis, Hear, Fit) with PDP26 (\$10/\$20/\$35 Rx 2X MO)**	Medex 2	\$ 202.06
	PDP26***	\$ 198.50
	Total	\$ 400.56
Med Advantage Option 26**	Individual	\$ 334.00

* Benefits represent current offerings

Prospective rates are based on continuing the current enrollment.

FY26 active plan rates to be no higher than Average of Trust as approved by the Board of Trustees.

Deductible Funding on Medical plans limited to 50% of the deductible.

**Medex 2 and Med. Advantage will renew January 1st, 2025.

*** PDP26 Rates are guaranteed for 18 months, 7/1/24-12/31/25.

Proposal requires retiree enrollment for July 1, 2024.

Please provide a copy of the in-force PEC or IAC agreement, if applicable.

Signature for Acceptance of Rates	Title	Date
Print Name		

Town of Ayer Rate Comparison for 7/1/24

Enrollment	Tier	MNHG Plan Name	FY24 MNHG Rates	FY24 MNHG Increase	MIIA Plan Name	FY25 MIIA Rate	FY25 MIIA Percent Differential
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Active & Non-Medicare Eligible Retiree Plans

Broad Network

20	Individual	Tufts EPO	\$1,083.00	13.75%	HMO Blue New England \$300 Deductible	\$1,082.50 \$2,890.61	-1.00%
11	Family		\$2,939.00				-6.39%
1	Individual	HPHC EPO	\$1,172.00				
2	Family		\$3,080.00				7.82%
18	Individual	BCBS HMO New England	\$1,004.00				
24	Family		\$2,681.00				

National Network

±	Individual	Tufts POS	\$3,046.00	13.75%	HMO Blue Care Elect \$300 Deductible	\$1,299.00 \$3,468.74	-56.99%
±	Family		\$8,038.00				-48.91%
0	Individual	HPHC PPO	\$2,572.00				
1	Family		\$6,790.00				

Limited Network

1	Individual	BCBS HMO Select	\$934.00	13.75%	HMO Blue Select \$300 Deductible	\$941.77 \$2,514.83	0.83%
0	Family		\$2,489.00				

HSA (High Deductible Plans)

±	Individual	Tufts HMO HSA	\$888.00	13.75%	HMO Blue New England HSA	\$920.12 \$2,457.02	2.43%
±	Family		\$2,409.00				0.54%
±	Individual	HPHC HMO HSA	\$925.00				11.83%
±	Family		\$2,434.00				
9	Individual	BCBS HMO New England HSA	\$822.00				
8	Family		\$2,198.00				
2	Individual	BCBS HMO Select HSA	\$766.00		HMO Blue Select HSA	\$800.51 \$2,137.61	4.51%
0	Family		\$2,049.00				

Medicare Eligible Retiree plans (MNHG Rates Calendar Year 2023)

Medicare Advantage

MIIA CY 2024

7	Individual	Tufts Medi Preferred	\$371.00	4.20%	Medicare PPO Blue	\$334.00	-9.97%
3	Individual	Fallon Plus Premier	\$328.00	0.00%			1.83%
1	Individual	Fallon Plus Central	\$243.00	0.00%			37.45%

Medicare Supplement

126	Individual	Tufts Medi Supp	\$453.00	8.60%	Medex 2 w/PDP	\$400.56	-11.58%
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MIIA Retiree rates are rated at 18 months and first renewal would be 1/1/2026

Employee Pay/Weeks	
52	26
24	21

	Town	Employee
Active Contribution	75%	25%
Retiree Contribution	50%	50%

Town of Ayer Total Cost Analysis for 7/1/24

	MNHG	vs	MIIA
Active Total Monthly Cost	\$180,999.26		\$183,118.84
Retiree Total Montly Cost	\$60,902.00		\$54,144.56
Total Monthly cost	\$241,901.26		\$237,263.40
Total Annual Cost	\$2,902,815.12		\$2,847,160.80
Town Annual Cost	\$1,994,405.34		\$1,972,936.92
Annual Cost Differential to Town		-\$21,468.42	

Actives:	1.17%
Retirees:	-11.10%
Overall:	-1.92%

**Town of Ayer Employee/Retiree Cost Analysis for
7/1/24**

ACTIVE PLANS	TIER	EMPLOYEE		TIER	EMPLOYEE
		PAY WEEKS			PAY WEEKS
		26			26
Tufts EPO	Individual	\$124.96	HMO Blue New England \$300 Deductible	Individual	\$124.90
	Family	\$367.38			
HPHC EPO	Individual	\$135.23		Family	\$333.53
	Family	\$355.38			
BCBS HMO New England	Individual	\$115.85			
	Family	\$309.35			
Tufts POS	Individual	\$351.46	PPO Blue Care Elect \$300 Deductible	Individual	\$149.88
	Family	\$1,004.75			
HPHC PPO	Individual	\$296.77		Family	\$400.24
	Family	\$783.46			
BCBS HMO Select	Individual	\$107.77	HMO Blue Select \$300 Deductible	Individual	\$108.67
	Family	\$287.19		Family	\$290.17
Tufts HMO HSA	Individual	\$102.46	HMO Access Blue New England Saver	Individual	\$106.17
	Family	\$277.96			
HPHC HMO HSA	Individual	\$106.73		Family	\$283.50
	Family	\$280.85			
BCBS HMO New England HSA	Individual	\$94.85			
	Family	\$253.62			
BCBS HMO Select HSA	Individual	\$88.38	HMO Access Blue Select Saver	Individual	\$92.37
	Family	\$236.42		Family	\$246.65

RETIREE PLANS		MONTHLY PAY	MONTHLY PAY		
Tufts Medi Preferred	Individual	\$185.50	Medicare PPO Blue	Individual	\$167.00
Fallon Plus Premier	Individual	\$164.00			
Fallon Plus Central	Individual	\$121.50			
Tufts Medi Supplement	Individual	\$226.50	Medex 2 w/PDP	Individual	\$200.28

****MNGH Rates are based on FY24 (7/1/2023)****