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BOARD OF SELECTMEN
Executive Session Minutes
Joseph F. Bilotta Meeting Room, Town Hall
March 20, 2018 Session I

Board of Selectmen: Jamie Toale, Chairman; Robert Ebersole, Vice Chairman; Phyllis Luck, Member; Damon McQuaid, Member

Not present: Paula Bertram, Clerk

Also present: Town Manager Heather Lemieux

Mr. Toale called the meeting to order at 6:32 p.m.

Motion: D. McQuaid

2nd: P. Luck

To enter Executive Session under M.G.L. c. 30 §21, Reason #3: To discuss strategy with respect to collective bargaining or litigation, if an open meeting may have a detrimental effect on the government's bargaining or litigating position, and the Chair declares so. (Public Employees Committee Negotiations for Health Insurance Changes) and to return to open session.

Vote: Mr. McQuaid- aye, Ms. Luck –aye, Mr. Toale- aye

Ms. Lemieux introduced Sue Shillue, President of Cook & Company and reported they have been meeting with the Public Employees Committee (PEC) which is composed of representatives from each of the unions, including the school's and one retiree representative. We have discussed possible plan changes in order to mitigate health insurance costs. Ms. Shillue presented a rate proposal they had presented to the PEC to modify the plan design. The rates would be in effect July 1, 2018. She addressed the HMO Blue or Network Blue orates as these cover the bulk of the employees' coverage. If there are no changes to the plan, there would be a 6.82% increase in rates. This plan does not have an upfront deductible; it does have an out of pocket maximum which most people will not hit through the plan year. Primary office visit payments and hospital copayments are tiered, based on cost and quality. Specialists are a flat \$25 copayment. An emergency room visit is a \$100 copayment. Hospital out-patient surgery is \$150. High tech imaging (CAT scans) is \$100 and there are two prescription drug programs. One is if you go to the pharmacy and you get a 30 day supply. You can also order through mail order and get a 90 day supply.

Ms. Shillue referred to the Group Insurance Commission (GIC) plan, which provides and administers health insurance and other benefits to the Commonwealth's employees and retirees, their dependents and survivors; specifically sections 21- 23 of c. 32B, to highlight the differences between this plan and the Town's. The benchmark plan has the highest enrollment and is often used during coalition bargaining for comparison. She presented copayment differences between the GIC plan and the current Town plan.

Mr. Ebersole entered the meeting.

Basically the town would be adding a calendar deductible of \$250/person and capped at \$750 per family. Office visits under the benchmark plan do not have payment tiers for primary care office visits. The flat fee is \$20.00 visit. Specialist office visits would go from \$25 to \$35. The emergency room would be \$100 after the deductible is satisfied. Hospital admissions would go to \$300/\$700 after the deductible is satisfied. Out-patient surgery would be the same but you have to satisfy the deductible; same with hi-tech imaging. Prescription drugs co-payments would stay the same. Overall the biggest difference is adding in the calendar year deductible, not having tiering on the primary care visit copayment and increasing co-payments for hospitalizations. She stated they reviewed the benefit structure with the PEC in previous meetings but have not presented a proposal. Some feedback from the teachers is they liked having the tiered primary care office co-payments. Another question asked is there a possibility of keeping the hospital co-payments at the \$200/\$400 level. That is a possibility and it would add .2 percent to the premium rates. We would be looking at a 3.61 percent increase.

They moved on to Medicare plans, Parts A & B. Anyone 65 and older would enroll in a Medicare supplement plan either in Medex or Managed Blue for Seniors Medex combined with Medicare A & B. The biggest difference with the Medicare plans is with the prescription drugs. Copayments are currently \$10/\$20/\$35 for retail and \$20/\$40/\$70 for mail order. We would be proposing the benchmark copayments which would be \$10/\$25/\$50 and \$20/\$50/\$100.

Ms. Shillue presented the financial implications of these changes. If you don't make any benefit changes you have the rate of \$831/individual and \$2187/family and breaking that down the contribution split is Town 75%/employee 25%. Without any benefit changes the total cost of the package next fiscal year will be \$6.5 million; the Town share is \$4.872 million. Employees would be contributing \$1.664 million. She showed the benchmark plan rates that would save the Town \$153,000. The employees' premium share would be \$52,000. Ms. Shillue stated in past agreements the Town provided a mitigation fund as part of the bargaining. Possibly we could go with this presentation and offer keeping the \$200/\$400 hospital copayment in exchange for not offering the mitigation plan. Would the Board be in agreement with this proposal? The Board concurred. Ms. Shillue stated currently the Town is paying 75% of the Medicare Part B premium which on average is \$135/month for every enrolled retiree and spouse. It's becoming more uncommon for municipalities to reimburse retirees and spouse for the Medicare Part B premium. We want to address this when it comes time to negotiate a new agreement. Ms. Shillue recommended working with an actuary to reduce the OPEB liability. The Board was interested in finding out what the actuary benefits of each of the different categories would be. Ms. Lemieux stated they had what they needed for direction for their meeting with the PEC on the 26th.

Motion: R.Ebersole

2nd: D. McQuaid

To exit Executive Session and enter Open Session

Vote: Mr. McQuaid- aye, Ms. Luck -aye, Mr. Toale- aye, Mr. Ebersole- aye

The meeting was adjourned at 7:01 p.m.

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Respectfully submitted,



Elaine M. Peterson

Executive Assistant to the Town Manager

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**LUNENBURG TOWN
CLERK OFFICE**

BOARD OF SELECTMEN
Interim Town Manager Screening Subcommittee
Executive Session Minutes
Ritter Building, 960 Massachusetts Avenue
August 25, 2016

Subcommittee members: Jamie Toale, Tom Alonzo, Paula Bertram

The meeting was called to order at 6:00 p.m. by Mr. Toale.

Mr. Toale stated the following reason for entering **Executive Session; Per M.G.L. C. 30a, §21**; To consider or interview applicants for employment by a preliminary screening committee, if the Chair declares that an open meeting will have a detrimental effect in obtaining qualified applicants. This shall not apply to any meeting regarding applicants who have passed a prior preliminary screening. (Interim Town Manager applications review)

Motion:T. Alonzo

2nd:P. Bertram

To enter Executive Session and adjourn immediately afterwards

Vote: Mr. Alonzo- aye, Ms. Bertram – aye, Mr. Toale- aye

The Board interviewed Adam Burney at 6:00 p.m. and Stephen Delaney at 7:00 p.m.
After the applicants exited, the members discussed the interviews.

Motion:T. Alonzo

2nd:P. Bertram

To adjourn the meeting at 9:00 p.m.

Vote: Mr. Alonzo- aye, Ms. Bertram – aye, Mr. Toale- aye

Respectfully submitted,



Elaine M. Peterson

Executive Assistant to the Town Manager