

MEETING OF THE  
INSURANCE ADVISORY COMMITTEE  
JUDGE WELSH HEARING ROOM  
MONDAY, MARCH 15, 2004 AT 3:00 PM

Present: Susan Avellar, Brian Shea, James Meads, John Fitzgerald, Bruce Miller, Keith Bergman, Pam Hudson

Also attending: Cynthia McNaught, Harvard Pilgrim Health Care; Anne Hart-Davies, Blue Cross-Blue Shield

Absent: Ray Duarte

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1. The meeting was called to order at 3:06 PM.
2. Ms. Avellar moved to accept the minutes of May 7, 2003. Mr. Shea seconded. So voted 4-0-1.
3. Old business: Mr. Fitzgerald suggested that a meeting be planned with a representative from Boston Mutual to discuss pre-tax insurance deductions. He stated that there would be no administrative cost to the town associated with offering this benefit to employees. It was decided that a meeting be held on **Wednesday, March 31, 2004 at 3 PM**. Mr. Fitzgerald will invite Boston Mutual to send a representative. New insurance rates will also be discussed at that meeting.
4. New Business: The rising cost of health insurance has been identified as a pressing issue by the Board of Selectmen and the Finance Committee. Mr. Fitzgerald presented figures showing the savings associated with moving Carve-out A subscribers to Medex and with moving Masterhealth subscribers to the BCBS PPO.  
  
In order for retirees to be eligible for Medex, they would be required to subscribe to Medicare parts A and B. If Town Meeting were to adopt §18 of M.G.L. 32(b), those retirees who are eligible for Medicare would be required to subscribe to both parts. Mr. Fitzgerald reiterated that no plan can be dropped if an employee or retiree cannot be covered another way.
5. Anne Hart-Davies explained the basic differences between Masterhealth and BCBS PPO. The PPO has the advantages of covering well visits and routine screenings and having a simple \$10 co-pay instead of an 80/20 split. Like Masterhealth, the PPO does not require a PCP and it allows you to see out-of-network doctors.  
  
The HMO has the highest level of routine maintenance benefits, the most restrictions and the lowest cost.
6. Cynthia McNaught explained that Harvard-Pilgrim's HMO and PPO benefits are similar to BCBS's. The biggest difference between Harvard Pilgrim and BCBS is that Harvard Pilgrim is a regional network while BCBS is a national network.
7. The meeting was adjourned at 4:30 P.M.