

**MEETING OF THE
INSURANCE ADVISORY COMMITTEE
JUDGE WELSH HEARING ROOM
MONDAY, MARCH 31, 2004 AT 3:00 PM**

MINUTES

Present: Ray Duarte, Brian Shea, James Meads, John Fitzgerald, Pam Hudson, George Thomas, Keith Bergman

Also attending: Chris Boudreau and John Moran of Boston Mutual Life Insurance

Absent with excuse: Susan Avellar, Brenda Costa

Absent: Police Union representative

1. The meeting was called to order at 3:07 PM. Mr. Thomas was welcomed as a new member. He represents the School Custodial Workers Union.
2. Mr. Meads moved to accept the minutes of March 15, 2004. Mr. Shea seconded. So voted 5-0-0.
3. Presentation: Mr. Boudreau and Mr. Moran, from Boston Mutual Insurance Company, described the Boston Mutual program for pre-tax insurance deductions. They explained that there are several different types of insurance which may be deducted from an employee's paycheck on a pretax basis. These include life, disability, accident and cancer.

Each employee can choose any or all of these benefits. Retirees are allowed to stay on the program provided they are actively employed when the Town adopts the program. Those already retired at the time that a municipality adopts this program may not join.

Boston Mutual makes all arrangements to sign employees up for the various types of insurance offered. There would be no administrative cost to the town associated with offering this benefit.

Disability insurance has a 12-month waiting period for pre-existing conditions. If the premiums are paid pretax, then any benefits are taxable. For this reason, it may be more advantageous to pay disability premiums from after-tax income.

4. Other Business: John Fitzgerald handed out a schedule of new insurance rates for FY 2005, as well as a schedule for the April 28th Health Fair for active employees. The Retiree Health Fair will take place on Tuesday, April 20, at 2 PM in Room 6 at the Grace Gouveia Building.

Mr. Fitzgerald explained that Cape Cod Municipal Health Group has discontinued the Carveout A + B plan for retirees as of July 1, 2004. There was a brief discussion of the specific items covered under the other insurance options offered by the Town. It was also reiterated that employees on Master Health are being encouraged to switch to a less expensive option during the open enrollment period.

Mr. Fitzgerald will set a date for another meeting at 3 PM on a Wednesday in May.
The meeting was adjourned at 4:20 PM.