

**MEETING OF THE
INSURANCE ADVISORY COMMITTEE
JUDGE WELSH HEARING ROOM
THURSDAY, FEBRUARY 16, 2006 AT 3:00 PM**

MINUTES

Present: Ray Duarte, Brian Shea, James Meads, John Fitzgerald, Kevin Littlefield, Linda O'Brien

Also attending: Pam Hudson, Keith Bergman, Joyce Matthews, Maureen Hurst, Town Counsel Darren Klein

Absent with excuse: Susan Avellar

Absent: Brenda Costa, Adam Langlois

1. The meeting was called to order at 3:05 PM.
2. John Fitzgerald explained that the Cape Cod Municipal Health Group (CCMHG) is a self-insured entity, and that its reserve fund had performed well enough so that the CCMHG Board was able to take \$6 million from reserves to keep the FY 2007 premiums down and avoid changes in co-pays and other services.

Presentation: Mr. Bergman spoke about town subsidies to premiums, saying that the Board of Selectmen has introduced the idea of reducing the town's percentage contribution to premiums on two types of plans: PPO and MasterMedical.

The Town is faced with a \$315,000 shortfall in the FY 2007 budget. The Selectmen are also discussing a Proposition 2 ½ override. The town could save between \$200,000 and \$400,000 – potentially the entire shortfall – by voluntary switches of health insurance plans by employees.

Mr. Bergman thanked Mr. Meads for his efforts to accomplish such voluntary switches on the part of retirees.

Mr. Bergman explained that the Selectmen's proposal regarding changes to the employee/Town split on premiums requires the approval of all unions. One of the first steps in that process is to meet with the IAC and consult with it to find out what reactions employees have to the Selectmen's proposal. Discussion ensued about the savings and about possible formats for Informational Workshops.

Linda O'Brien stated that, if the school and police representatives do not attend the meetings, then there will be no response. She pointed out that only AFSCME representatives were present at the meeting and that AFSCME has the fewest number of members on MasterMedical.

Jim Meads stated that retirees are worried that they are being singled out for an increase.

Brian Shea asked whether there was a long-term strategy other than voluntary changes, as the voluntary change route will become exhausted at some point.

3. Other Business: John Fitzgerald stated that he would like to step down as chairman and called for nominations for a new chairman. As there were no nominations, the meeting as adjourned at 4:50 PM.