



Department of Human Resources

Town of Milford, MA

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INSURANCE ADVISORY COMMITTEE

March 8, 2023

ATTENDANCE:

MEMBERS PRESENT: Jim Curley, Vice Chairman; Leslie Pettinari, Steve DaCruz, Cherie Peterson, Nathan Hathway, Thomas Parente, Melissa Tomas (for Chris George), Danielle Petrowski

MEMBERS ABSENT: Peter Filosa, Chairman; Jackie Gorman

OTHERS PRESENT: Laura Krovocheck, Michelle Hughes, Kristin Melpignano, HR Director, Jack Nicolas, KD Benefits Broker (via Zoom)

Quorum Present: Meeting called to order at 3:07 by Jim Curley

APPROVAL OF MEETING MINUTES FROM 12/14/22:

Motion to approve the minutes as presented by Leslie Pettinari, seconded by Cherie Peterson. Unanimous.

Discuss Insurance Renewal Rates for 2023:

Mr. Nicolas presented the following renewal information for the group:

- All rates for ancillary insurance products such as life, LTD, STD, critical illness, etc. are the same for the upcoming plan year. We are not forced to keep these products; they can be cancelled at any time and the rates are the same.
- Those who wish to enroll in life and supplemental life products will be subject to more documentation (Evidence of Insurability) than if they had enrolled in the prior cycle, as there was a guaranteed issue at that time.
- Dental Insurance: the self-funding mechanism was introduced last year as was an enhanced plan design. The Town is running below on the expected claims, so the broker is recommending a 3% reduction in the premiums charged to employees. Due to administrative, customer service, and dropped dentist issues, it is also recommended that the Town move from Delta Dental to Blue Cross/Blue Shield dental. The plan design will be identical to that of the current one. There was a question about the number of dentists that belong to the recommended BC plan, and it was stated that BCBS has a network of approximately 94% of the dentists in the state of Massachusetts.

Motion to change the dental carrier from Delta to Blue Cross made by C. Peterson/2nd by L. Pettinari; unanimous.

- Medical Insurance: Mr. Nicolas walked the group through the documentation that displayed the stages of negotiations with Blue Cross. The renewal rate was initially offered at 4.6% but was negotiated down to 2.1%, which included a rate reduction for the addition of the dental plan. There is also a reduction included for instituting the Pillar Drug program, which assists employees with the costs of prescription drugs, somewhat similar to GoodRx. There was a general discussion of the lack of support for the current “tiered” system of hospitals and the associated cost, but to remove this proviso would increase the cost of medical insurance with BC by about \$2 million. Mr. Nicolas stated that he would be setting a path toward a self-insured financial arrangement for medical insurance, but that it would take time. He is also aware of the numerous committees and individuals that would need to be consulted in this process but believes that this could potentially have significant savings for both the Town and its employees.

Motion to accept the medical insurance renewal rate of 2.1% made by C. Peterson/2nd by S. DeCruz; unanimous.

Discuss best dates and times for future meetings: Most members of the committee were flexible; school employee participants must come after school, so the current Wednesday at 3 p.m. date/time works for the majority.

Motion to adjourn at 4:12 by S. DaCruz/2nd by M. Tomas; unanimous.