

TOWN OF NORTH BROOKFIELD  
Minutes of the Meeting of the Board of Selectmen  
and the Insurance Advisory Committee  
Monday, November 30, 2015

Members of the Board of Selectmen met with the Insurance Advisory Committee on Monday, November 30, 2015 in the Police Department Training Room. The meeting was called to order at 3:00 PM by Selectman Mary Walter. Also present was Selectman Robert Smith. Selectman Eric Hevy did not attend the meeting.

Also present were Eugene Caille, Lisa Cutrumbes, Donna Gauthier, Anne Jannette, Laurie Lapierre, Damian Sarrette, and Superintendent Marilyn Tencza. Brian Boyle, Jr., and Barbara Sbrogna also attended the meeting.

The members of the Board of Selectmen met with the Insurance Advisory Committee to discuss the process for soliciting bids for the Town's health care contract for the coming year. Mr. Smith and Mrs. Walter indicated that the Selectmen would like a formal RFP process to obtain written quotes from as many insurance providers, including MIIA, as possible.

Mr. Boyle noted that Mrs. Jannette had informed him in advance of the Board's request, and he distributed a draft of a possible RFP document to those present. After a brief review of the projected timelines in the draft, Mrs. Jannette indicated that because the Town's 'open enrollment' period would be in April of 2016, some of the suggested timelines in the draft would have to be altered. It was also noted that the RFP process would be for health insurance coverage provided by the Town to active employees, not retirees, since the recommendation of the Committee regarding retiree health benefits had already been approved by the Board of Selectmen. (Attachment)

In response to a question, Mr. Smith said that recent media coverage of possible significant increases in premiums in 2016 and beyond was of concern to the Board. A ten percent increase in premium charges would result in an additional budget expense of approximately \$170,000-\$175,000 and a five percent increase \$85,000 or more. Given the serious financial problems facing the Town, he noted, this was a very serious problem. Three years of increases in health insurance premiums would be well beyond the Town's resources.

The Board, he said, hoped that by using a formal RFP process, which would ask insurers to bid on the Town's business, such increases would be limited. This would help the Town as well as those insured under the plans. However, Mr. Smith and Mrs. Walter both stressed that the Board had no intention of reducing coverage for Town employees, but wished to see what various insurance providers would propose in response to the RFP. Mr. Smith said that he hoped that the RFP would lead insurers to respond with

alternatives for consideration of the Committee and the Board in a timely fashion and that the Committee and the Board could meet to discuss whatever was submitted.

The Committee agreed that February, 2016 should be the target date for receipt of responses to the RFP. This will allow adequate time for discussion, and the development of a final recommendation to the Board. Mrs. Walter and Mr. Smith indicated that the Board was willing to meet with the Committee at any time to discuss any matter relating to the development of the RFP, or other issues.

There being no further business before the Board, a Motion to adjourn the meeting was made by Mrs. Walter, seconded by Mr. Smith. The vote was unanimous. The meeting of the Board of Selectmen was adjourned at 3:50 PM.

Respectfully submitted,

Robert Smith