

**NEW DURHAM BOARD OF SELECTMEN**  
**New Durham Fire Department Community Room**  
**April 22, 2015, 2:00 p.m.**

*DRAFT: These minutes are strictly a draft copy and are awaiting amendment or approval at a subsequent, duly noticed public meeting. Amendments to these minutes will be noted in the minutes of said meeting. The draft will be posted on the website as a draft copy for public informational use only.*

**Present:**

Chair David Bickford  
Selectman David Swenson  
Selectman Gregory Anthes

**Also Present:**

Jeremy Bourgeois, Town Administrator	Rudy Rosiello, Resident
Corky Mork, Videographer	Mike Clarke, Road Agent
Cheryl Favreau, AFLAC Representative	Dave Bennett, Highway Department

**Call to Order**

Chair Bickford called the meeting to order at 2:00.p.m.

**Health Insurance Plan Review 2015-2016**

Town Administrator Bourgeois provided a copy of a proposal from a prior Board of Selectmen meeting regarding changing from the current health insurance plan. He summarized the current plan has a higher premium. They are looking to switch to a plan with a higher deductible but lower premiums that could potentially save money for both the Town and employees.

Cheryl Favreau, representative from AFLAC was present to answer any questions the Board of Selectmen may have regarding changing the health insurance plan.

Chair Bickford stated last he spoke with Town Administrator Bourgeois there was discussion of a \$5,000 deductible from Harvard Pilgrim and a \$5,500 deductible from Anthem. Selectman Swenson clarified this is the maximum out-of-pocket for an individual.

Town Administrator Bourgeois stated his recommendation is the plan with Harvard Pilgrim through ClaimLinx as it is a lower overall cost and he has verified all employees' current providers are within the network. He stated the insurance agent he has been working with from Access Health Insurance Marketplace also recommends Harvard Pilgrim over Anthem.

A spreadsheet outlining the healthcare options and costs from three different vendors (SchoolCare; Anthem; Harvard Pilgrim) and four different plans was distributed and reviewed.

*New Durham Board of Selectmen*  
*April 22, 2015*  
*DRAFT*

The Town costs and employees' costs were also reviewed and discussed. It was confirmed the current amount paid by the Town annually is \$230,000.

Selectman Swenson outlined the factors being considered. He confirmed the Town's plan currently covers five singles; five 2-person plans and four families. Selectman Swenson summarized the coverages provided are basically the same and all the employees' current providers are in the proposed network. The deductibles are essentially equivalent to the current plan. Selectman Swenson confirmed there would be a savings to both employees and the Town. The premiums would go down for both.

Town Administrator Bourgeois explained if you take the current insurer's monthly premium for an entire year and compare that to maxing out all the deductibles with the proposed plan, it would be a difference of \$10,000.

After further discussion, **Chair Bickford made a motion to adopt the Harvard Pilgrim Best Buy HMO 5000 for employees, to start July 1, 2015. Selectman Anthes seconded the motion. Motion passed, 3-0.**

Selectman Swenson reiterated that for employees, there is no change in vendors. He asked that Town Administrator Bourgeois notify the current insurance provider of the change immediately. Town Administrator Bourgeois confirmed they will be remaining with the 90%/100% payment of premium/deductible by the Town. Chair Bickford confirmed that is correct.

Ms. Favreau distributed an updated summary of rate comparisons. She also explained the Medical Reimbursement Plan (MERP). This is a cost that if utilized, is reflected as being broken down on the monthly invoice by the total number of employees (due to HIPAA laws.) Ms. Favreau stated the only time MERP is used is if someone uses their deductible.

The rates were reviewed and discussed. Ms. Favreau recommended setting up a "savings" account to cover the MERP. She noted the monthly invoice would reflect if an employee utilizes their deductible. Ms. Favreau stated there is also a third-party administration fee of \$25 per employee, per month. She further explained the billing process with the third-party administrator as well the prescription coverage process. Ms. Favreau stated the TPA also works to negotiate lower payments for covered services.

Selectman Swenson summarized the Harvard Pilgrim Best Buy HMO plan is \$179,080 for the year. The MERP, AFLAC and TPA costs for ClaimLinx are \$45,000 annually for a total savings of \$5,000 by switching plans. Town Administrator Bourgeois replied the \$179,080 already reflects the ClaimLinx rates (MERP, AFLAC and TPA.) It was clarified the MERP is not a set amount and only an estimation.

Chair Bickford asked if there is anything their HR person needs to do. Ms. Favreau replied the changes with whole insurance process are going to be handled by ClaimLinx.

*New Durham Board of Selectmen*

*April 22, 2015*

*DRAFT*

Ms. Favreau stated the next step in the process is meeting with all employees to explain the entire process. She stated employees would also fill out applications to ensure accuracy of information.

Selectman Swenson reiterated they are not giving up anything with the change. There will be the same coverages, employees will not be giving up providers and he wants to be sure employees understand this. There is also a healthcare savings in the employees' pockets along with the AFLAC benefit.

Selectman Anthes asked how this is physically paid for. Chair Bickford stated it is already budgeted for and Town Administrator Bourgeois replied the Town will receive a monthly invoice. Ms. Favreau explained it could slightly vary depending on whether employees utilize their deductibles.

**Wage Study**

Town Administrator Bourgeois provided a summary of the information he has gathered regarding salaries from the towns of Milton and Gilmanton. This was reviewed by the Board of Selectmen.

**Building Inspector**

The hours and payments to date for the Building Inspector were reviewed and discussed. It was noted there are currently no office hours but the fill-in Building Inspector works by appointment.

**Selectman Swenson made a motion to adjourn. The motion died for lack of a second.**

Selectman Anthes asked Town Administrator Bourgeois if the amount they will be saving with MERP has been finalized. Town Administrator Bourgeois clarified the amounts are estimates but the less they pay out, the more they will save. He stated there would be less administration work that was handled by the Finance Officer. Selectman Anthes stated if they send out the payroll work too, the Finance Officer position could be less than forty hours per week.

Chair Bickford asked if the Building Inspector is caught up with the work. Selectman Swenson replied he was told last night that he is close but not quite.

**Selectman Anthes made a motion to adjourn. Chair Bickford seconded the motion. Motion passed, 3-0.**

The meeting was adjourned at 3:05p.m.

Respectfully Submitted,

Jennifer Riel, Recording Secretary