



West Suburban Health Group Steering Committee Meeting

Thursday, February 5th, 2026, at 9:00 AM

By Virtual Participation
Meeting Minutes

Steering Committee Members in Attendance:

Jon Marshall, Chair	Town of Natick
Dawn Fattore	Dover Sherborn RSD
Kevin Mizikar	Town of Shrewsbury
Meghan Jop	Town of Wellesley

Guests in Attendance:

Nick Hawes	Town of Shrewsbury
Joseph Anderson	Gallagher Benefit Services, Inc. (GBS)
Karen Quinlivan	Gallagher Benefit Services, Inc. (GBS)
Patrick Flattery	Gallagher Benefit Services, Inc. (GBS)

Chair Jon Marshall called the Steering Committee meeting to order at 9:03 AM.

Roll call was taken for voting attendees listed as:

Jon Marshall	Town of Natick
Dawn Fattore	Dover Sherborn RSD
Kevin Mizikar	Town of Shrewsbury
Meghan Jop	Town of Wellesley

Approval of Minutes for October 2 and December 16, 2025, Meetings:

Dawn Fattore motioned to approve the minutes of October 2 and December 16, 2025, as presented.

Motion

Kevin Mizaker seconded the motion. There was a roll call vote.

Jon Marshal	Yes
Dawn Fattore	Yes
Kevin Mizikar	Yes
Meghan Jop	Yes

The motion passed by unanimous consent.



Review of FY27 active renewal:

Jon Marshall said he wanted to level set where the group is by doing a review of last year's experience with a recap of the assumed impact of the drawdown of the trust last year as well as a review of contracts with the carriers. There can be a discussion of the cost saving measures that were considered for renewal as well as the administrative fees that the group sees in the renewal each year.

Joe Anderson said that last year the renewal calculated at 6.75% which was reflective of Holliston's departure from WSHG. The trust balance at that time had risen to \$16.8 million. The balance at that time represented 13.95% of projected forward claims and the target band was 8 to 12%. There was a lot of discussion on drawing down on the percentage and trust balance in a stair stepped fashion so ultimately a rate increase of 3.875% was approved. There was a projected trust balance decline of a little over \$3.5 million for fiscal year 26. By the end of June, the trust had declined to \$9.6 million so there were many fluctuations in play at that point. The thought was that the group was having cash flow issues but there was significant variability. There were several million dollars due from the MMRA deposit and there were several months of pronounced high-cost claims that had to be paid but they were not reflected on the stop loss receivable yet. At the end of December, the trust balance was about \$15.7 million. The number is accurate in terms of potential draw down on the trust with over \$1 million halfway through the year so far. The trust percentage halfway through is 12.26%. The PBIRx contract took effect this fiscal year. As of the renewal date the contract has not been finalized, therefore, trend was reduced from 11% to 9% to reflect the anticipation of favorable contract terms. One of the things needed was conformation of the projection of the rebate run rate that the group received from the RFP. There has been \$600,000 received from HPHC and \$2 million from Blue Cross. That means that the group came in with \$100,000 over projection for the quarter. The accrual that has been impacting the trust balance is accurate and that was an important confirmation for the group going forward. The contracts with the carriers were year rot year on the Rx side. PBIRx has sent out an RFP for this year. The expectation is if there is anything that has morphed over the last 12 months it can be incorporated into a new contract, so the group is not left behind from a financial standpoint. That allows flexibility to respond to the marketplace. Perhaps for fiscal year 28 the conversation can begin about a carve out for the Rx benefit. There would be formulary disruption, but it would be a more tightly run endeavor where you could begin to introduce things like foundational assistance or vendors that get additional coupon assistance.

The carriers requested administrative fee increases of 2.5% for BCBS and 3% for HPHC. Gallagher is holding their fee flat. A request is being made for HPHC to go down to 2.5%. Last year they went to a non-standard drug formulary with 100% rebates, so they increased their admin fee.

The renewal calculation was looked at next. Current funding is \$128,343,456. The carrier decision is to drop GLP1 coverage for weight loss as of 01/01/2026 for the fully insured population and self-insured clients as of renewal so effectively 07/01/2026. It was removed from their formularies, and they are giving an option of adding a rider to cover the drugs. Trend for these drugs is exploding year over year. This year the projected cost after rebates is \$6.7 million and next year it will be \$13.4. Retaining GLP1 coverage would put any calculation 5 to 6 % higher than the normally calculated rate. Most groups across the state are opting not to cover the drugs. The carriers haven't rule out putting the drugs back in formulary at some point in the future if the market changes but for now they are monitoring and pulling them out. The carriers have suffered serious financial losses. The drug manufacturers have made great profits. The direct-to-consumer price for these drugs is half what the carriers are contracted to pay. As of October, there are 659 WSHG members utilizing the drugs.

The actual calculation came in at 10%. There were adjustments made for the addition of the Blue Cross rebates and the removal of Holliston from experience. Stop loss was calculated at a conservative 25% increase. Those rates will come out in June. Anticipated claims for Optimed, Abacus and CanaRx also had to be added in.



The first decision is what overall increase does the Steering Committee have an appetite for? There was discussion.

Kevin Mizikar said he was comfortable with a trust balance target of 10%. That would give the group a stability to get through if there is a turn for the worse.

Joe Anderson said that target balance would bring the rate to 8.75%

Dawn Fattore agreed but Jon Marshall cautioned that subsidizing has a compounding effect in subsequent years.

Kevin Mizikar said that he would be advocating for a price differential between the carriers as well.

After manipulation of rates with a pricing tool that Joe Anderson displayed a consensus was met.

Meghan Jop motioned to support increases bringing the trust to 10.3% with an increase of 9.75% on HPHC and a 7.5% increase on BCBS.

Motion

Kevin Mizikar seconded the motion. There was a roll call vote.

- Jon Marshall Yes
- Dawn Fattore Yes
- Kevin Mizikar Yes
- Meghan Jop Yes

The motion passed by unanimous consent.

Joe Anderson said there was approval from Blue Cross to add the student rider to the ASO agreement.

Meghan Jop motioned to add the student rider to the Blue Cross HMO plan.

Motion

Dawn Fattore seconded the motion. There was a roll call vote.

- Jon Marshall Yes
- Dawn Fattore Yes
- Kevin Mizikar Yes
- Meghan Jop Yes

The motion passed by unanimous consent

Other Business:

Dawn Fattore asked to reconsider marketing for the CanaRx program. There are savings there that are not being taken advantage of. They recently mentioned a \$50 gift card enrollment incentive that could be voted on.

It would be added as an agenda item to the Board meeting.

There was no other business.

Jon Marshall adjourned the meeting at 10:16 A.M.



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*Prepared by Karen Quinlivan
Gallagher Benefit Services, Inc. (GBS)*