

Town of Medfield

FY 2026 Health Insurance Budget



Municipal Health Insurance

- Health Insurance is a Mandatory Subject of Collective Bargaining (MGL 150E)
- Landmark Health Insurance Reform in 2011
 - Created streamlined process
 - Chapter 32B Section 19 (Existing)
 - Chapter 32B Section 21-23(New)

What do we offer in Medfield?

- Health Insurance benefit offered to full time Active and Retired employees
 - School and Town Employees
- Town joined MIIA Health Benefit Trust in 2009
 - One of largest municipal purchasing collaboratives in nation
- Coverage is provided by Blue Cross Blue Shield
 - HMO, PPO, HMOHD, Medex
- Voluntary Dental Insurance (Delta) and Vision





Cost of Insurance

- Health insurance is a cost/share relationship
- Active Employees on HMO/HMOHD
 - Town 62%
 - Employee 38%
- Active Employees on PPO
 - Town 50%
 - Employee 50%
- Retirees on HMO/Medex 50%



Public Employment Committee (PEC)

- Public Employee Committee (PEC) is formed utilizing process in MGL 32B Sec 19
 - Representation from all Unions
 - Retiree Representative
 - Weighted Vote based on Union Membership
- Town Negotiates Directly with PEC
- January 2024 PEC and Town agree to plan design changes that results in cost savings
 - MOU covers FY25, FY26 and FY27
 - HMO/PPO now includes a low deductible \$500/\$1000



FY2026 Health Budget Drivers

- WC Guidance anticipated 10% increase in premiums as directed by MIIA in the fall
- MIIA announced on Jan 25th health insurance plans will see a 9.9% to 19.9% increase
 - Increased Utilization
 - Rise in prescription cost and increase in Rx Usage
 - Cost of Care Delivery
 - Low Medicare/Medicaid Reimbursement Rates
- Increases of this type seen across insurance marketplace
 - Putting local insurance pools out of business
 - Minuteman Nashoba 34 Years
 - Berkshire Health 16% increase
 - GIC to be announced in March



What's Next?

- MIIA Notification of Premium Increase
 - Anticipate final rates in early February