

**BHE/MTA Health and Welfare Trust**

**Nancy George**

**2022 Delegate Assembly**

**Virtual - Zoom**

The Board of Higher Education/MTA Health and Welfare Trust Fund administers the Dental Plan and Vision Discount plan for all employees in public higher education who are affiliated with the MTA. There are twelve Trustees, six appointed each by management and by labor. I serve as the MSCA Trustee and as treasurer of the Trust. The Trust has met on a quarterly basis during the pandemic via zoom.

Currently, the fund represents approximately 9000 individuals who hold either individual or family dental plans. Funding is provided solely by negotiated state contributions of around \$15.50 per week per employee (depending on the employee's bargaining unit).

The Dental Plan is currently administered by MetLife. Coverage is up to the annual maximum benefit of \$1,200. Our ratio claims to premium is 89% (as of January, 2022), which is higher than the previous year of 78% (low due to the COVID-19 pandemic).

The manager of the plan is Health Plans, Inc. (HPI). HPI has created a solid member database and strives to answer members' questions in a pleasant, professional, timely manner. The Trust also employs Jack Nicolas, of KD Consulting Group, as our negotiator/consultant. The monthly reports to the trust are very comprehensive and informative and the consultant is extremely helpful to the Trustees at both Trust meetings and Financial Committee meetings.

We have had problems with a shortage of dentists in the plan in western Massachusetts. MetLife has reached out to a dental group (Cochrane) to get dentists to re-join the plan. The dental group wanted to have a full payment of fees, which MetLife was not agreeable to. Thus, this dental group remains outside of the MetLife plan.

**Financial activities in the past year:**

East Boston Savings Bank merged with Rockland Trust. We are in the process of changing to SalemFive as our banking team made the move from Rockland Trust to SalemFive.

Our investment account averaged a 4.46% rate of return in 2022 (as of the February meeting).

This was down from the previous year's rate of 14.79% return in 2021.

An audit was performed by Whittlesey & Hadley, P.C.

IRS tax forms 5500 and 990 were filed in a timely fashion.

We are in significant need to increase the state contributions as the amount has not changed for a number of years and our premiums continue to increase in cost. This past year, Jack Nicolas, KD Consulting Group, provided the Trust a financial projection outlining the Trust's dire financial situation. I alerted the MSCA about this in fall 2021 and have included this projection in this report. Management Trustee and Co-Chair, Mike Murray, is confident additional money will be provided to the Trust by the state; however, as of yet, this money has not appeared.

There have been MTA and Trust discussions regarding a cost benefit analysis being performed regarding the feasibility of joining the Massachusetts Public Employee Trust Fund. In discussion, trustees were divided on this topic, with management trustees being primarily opposed to this proposed analysis. A vote has not been taken yet.

Any members having issues with their dental or vision plans can contact any Trustee who can put them in touch with either Health Plans, Inc. (eligibility manager for the trust) or with our direct representative at MetLife.

Web page: <https://bhe.healthplansinc.com/>