

March 31, 2015

Fax: (617) 723-5851

Deirdre Roney, Esq.
State Ethics Commission
One Ashburton Place, 619
Boston, MA 02108

Dear Attorney Roney:

On March 24, 2015, I was newly elected to Andover's Board of Selectmen. I was sworn into office on March 25th. On March 26th, I met with Town Counsel for Andover, Thomas Urbelis, to review the subjects of open meetings, public records and conflicts of interest. During this meeting, an issue arose that I want to bring to your attention.

In my capacity as Selectman, I will be evaluating the town's group health insurance plan options and making recommendations on both plan and insurer selection. In my profession, I am a self-employed insurance broker. I have no financial interest in the Town of Andover's health insurance and I do not do business with any other municipality or government agency. All of my clients are private sector companies, based primarily in Massachusetts. As a broker, I am compensated in the form of standard commissions paid by the insurance companies. While my role is to serve the needs of my client and to negotiate on their behalf, it is the insurance companies that pay broker commissions in the group health insurance market. I accept only standard commissions as set by the insurers.

The issue that I am seeking to clarify is the potential perception of a conflict of interest or ethics violation. If, for example, I make a recommendation that the Town of Andover change its group health plan from Blue Cross to Tufts Health, there could be a perception that I am somehow garnering favor with the selected insurer and receiving some form of personal gain through my business, because in my business I may be receiving payment from that particular insurer.

While that perception may exist, the reality is that there is no such opportunity for personal gain. The commission compensation I receive from each insurer is based solely on the clients I have placed with them. I receive only standard commissions from all insurers. There is no subjective aspect to how they pay brokers, it is purely driven by the published commission schedules for each insurer.

Also, if one argued that I may garner favor from the selected insurer, then that would also mean I would be losing favor with the other insurers where I also have business.

I believe there is absolutely no conflict of interest but out of an abundance of caution, I would appreciate hearing from the Commission on this topic.

Given that we are in the final weeks of our health insurance renewal process, I am hoping to hear from you on this matter as soon as possible. I did leave a message for the "Attorney of the Day" on Friday, March 27, 2015.

Respectfully,

A handwritten signature in black ink, appearing to read "R. Landry". The signature is fluid and cursive, with the first letter of the last name being a large, prominent "L".

Robert A. Landry
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