

# Vermont Education Health Initiative (VEHI)

## Board of Director's Meeting Minutes

January 8, 2018

**Present:** Nicole Mace, Tracy Wrend, Elizabeth Fitzgerald, Jeff Fannon, Martha Gagner, Mark Hage, and Laura Soares.

**Members of the Public:** Martha Allen, Vermont-NEA

The meeting was called to order at 1:20 p.m., by Chair Tracy Wrend.

A motion was made by Elizabeth Fitzgerald, seconded by Martha Gagner, to add the discussion of the contract with Remedy Analytics to the agenda. The motion passed.

**Public Comment:** None

### **Approve Minutes of December 11, 2017 Meeting**

Martha Gagner made a motion, seconded by Nicole Mace, to approve the meeting minutes as presented. Motion passed.

### **Review November 31, 2017 Financial Statements**

The Board reviewed the November statements, thanking Chris Roberts for providing them.

### **Review and Discuss DFR Examination Report (6-30-16)**

#### **a. Revised Management Letter Recommendations and Response**

DFR completed its five-year examination of VEHI, through June 30, 2016. This was the first examination under I-90-1 status. The Board reviewed and discussed the report, which had no findings. The Board commended staff on the clean audit.

DFR did provide several recommended best practices for the Board to consider in a Management Letter. A response from the Board is required within 30 days. The recommendations include adoption of three policies:

1. Code of Ethics – adopted December 11, 2017
2. Conflict of Interest – has been discussed and an updated draft is on the agenda at this meeting.
3. Net Position (Reserves) – has been discussed and a draft will be brought to a future meeting and a policy adopted in 2018.

The Board committed to adopting the recommended policies in 2018. Laura Soares will provide the response to DFR and copies of minutes when the policies are adopted.

### **Draft Conflict of Interest Policy for Potential Adoption**

The Board reviewed the revised draft Conflict of Interest Policy and suggested several revisions. Laura was asked to provide a second draft, and a copy of the draft provided by the attorneys, in the Dropbox for review. Members of the Board are welcome to propose further revisions. The policy will be on the agenda of the next meeting in March.

### **Review and Evaluate Service Agreement**

#### **a. Draft Expanded Scope of Services for VSBIT Agreement for Consideration**

As requested last spring, Laura Soares brought a draft revised VEHI-VSBIT Service Agreement with an expanded scope of services reflecting the work VSBIT currently does on behalf of VEHI. The VEHI-VSBIT Agreement currently runs until June 30, 2019. Tracy Wrend will attend the February VSBIT Board meeting to inform the Board that VEHI is interested in modifying the scope of services obtained from VSBIT effective July 1, 2019. Laura was asked to create a separate document that outlines the current scope of services provided by VSBIT both as a reference for the two Boards and to post online for member awareness.

#### **b. Evaluation**

The Board discussed the process it will use to evaluate the FY 18 Service Agreements with both VSBIT and VT-NEA. There was consensus to use a similar process as the prior year. Each organization was asked to provide for the April 2018 meeting their assessments and evidence of how their organization met the scope of services in FY 18.

### **Review Mission Statement for Potential Revision**

Elizabeth Fitzgerald suggested the Mission Statement could be revised to better define terms and outline the essential components. Prior to the adoption of the Mission in 2014, there was a process to gather stakeholder input, and the Board concurred that any revision should include such a process again. Elizabeth was tasked with bringing proposed revisions to the Mission for the Board to consider.

### **Contract with Remedy Analytics**

VEHI's contract with Remedy Analytics is nearing the end of its term. Mark Hage shared the value and the importance of this relationship in improving the BCBSVT pharmacy contract with ESI that covers VEHI and the resulting pharmacy cost savings. The Trust Administrators will bring a recommendation to the March meeting.

## Updates

### **a. FY 19 Health Ratings Update**

DFR is still reviewing the amended filing.

### **b. 2018 Health Transition Update**

The VEHI Programs Administrator Handbook is now online, updated to reflect the ASO status of the health program. Laura Soares will provide copies to VASBO and VSHRP.

The website update will go live this week, with the inclusion of navigation resources for employees. Laura is meeting with VASBO and VSHRP to provide an overview. Mark will communicate with local union leaders.

The 1/1/18 roll out of the new plans overall went smoothly, to the credit of BCBSVT team. There was one keying error in the Rx benefits for the Gold CDHP that has been fixed and the remedy under way. Mark Hage reported that some members have not received their HRA debit cards from the TPA, however both FPA and HEQ are providing local information sessions as requested.

### **c. Updated Operational and Financial Plans to Align with ASO**

The updated Operational and Financial Plans will be submitted to DFR this week and posted on the Member section of the website once approved. Track changes version was provided to the Board as an FYI. These plans meet the specific I-90-1 requirements.

### **d. Target Net Surplus Position Update**

The Board reviewed the updated analysis provided by Actuary John Stiefel of the net position target, to include the discontinuation of Aggregate Stop Loss as an ASO. His analysis determined the target of 15% of expenses remains appropriate.

### **e. VEHB Commission Final Report**

The Board was provided a copy of the final report. The Commission made no recommendation on the structure or composition of the VEHI Board.

### **f. Legislative**

VEHI Trust Administrators will monitor the legislature and inform the Board if any action is proposed that could impact VEHI, so the Board can determine if it would like to provide testimony and/or take a position.

## **Adjournment**

There being no further business, the meeting adjourned at 3:15 p.m.

Respectfully submitted by: Laura Soares

Next Meetings:	March 12 <sup>th</sup>	1:00 – 4:00
	April 9 <sup>th</sup>	1:00 – 4:00
	May 14 <sup>th</sup>	1:00 – 4:00
	June 11 <sup>th</sup>	1:00 – 4:00
	July 9 <sup>th</sup>	1:00 – 4:00
	August 13 <sup>th</sup>	1:00 – 4:00
	September 10 <sup>th</sup>	1:00 – 4:00
	November 12 <sup>th</sup>	1:00 – 4:00
	December 10 <sup>th</sup>	1:00 – 4:00