

Vermont Education Health Initiative (VEHI)

Board of Director's Meeting Minutes

June 11, 2018

Present: Tracy Wrend, Elizabeth Fitzgerald, Nicole Mace, Jeff Fannon (by phone), Martha Gagner, Laura Soares.

Members of the Public: Wanda Otero-Wever, VT-NEA General Counsel, Sean Leach VT-NEA

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

Public Comment: None

Approve Minutes of May 2, 2018 (currently tabled) and May 14, 2018 Meetings

Martha Gagner made a motion, seconded by Elizabeth Fitzgerald, to approve the May 2, 2018 minutes with the addition of Elizabeth Fitzgerald's questions. The motion passed.

Martha Gagner made a motion, seconded by Elizabeth Fitzgerald, to approve the May 14, 2018 minutes with the additional language requested by Jeff Fannon to include his reference to the 2016 petitions of the members of VT-NEA. The motion passed

Review April 30, 2018 Financials

The Board reviewed the April 30, 2018 monthly statement and summary memo from Chris Roberts. The decrease in premium revenue is due to the introduction of lower premium plans in 2018. Overall membership remains steady. FY 17 ended the year with more than 13 million added to reserves. The April statement is showing a 2 million reduction in reserves. FY 18 is projected to end with a 3.4 million use of reserves.

Finalize FY 19 VT-NEA Service Agreement

Martha Gagner made a motion, seconded by Elizabeth Fitzgerald, to approve the FY 19 VT-NEA Service Agreement with the language provided by attorney Rob Halpert as requested at the last Board meeting, modifying only to reference an 'authorized representative' as signatory rather than a specific title for VEHI or VT-NEA, with a payment of \$191,000. The motion passed, with Jeff Fannon abstaining.

The Board is open to considering revisions to # 8 in the scope of services as allowed under Section VI, if requested by the Vermont-NEA after input from Mark Hage, with specific changes provided ahead of the August Board meeting. Vermont-NEA needs to sign and return the Agreement no later than June 30, 2018 to remain a Service Provider. The language provided by Rob Halpert will also be included in the VSBIT Service Agreement upon its renewal in FY20.

Finalize Service Providers Code of Conduct

Elizabeth Fitzgerald made a motion to affirm the Code of Conduct for Service Providers with the addition of “NEDD” (Northeast Delta Dental) alongside BCBSVT in #4. The motion was seconded by Nicole Mace and passed with Jeff Fannon abstaining. The Code currently applies to VSBIT and VT-NEA, and both entities will be asked to sign the Code by June 30, 2018. The Board requested Rob Halpert be asked to consider if this Code of Conduct is applicable for other entities VEHI contracts with, such as NEDD, BCBSVT, Remedy Analytics and Gallagher Benefits Services.

FY 19 Budget Adoption

A motion was made by Martha Gagner seconded by Nicole Mace, to approve the FY 19 budget as presented. It was noted in the budget memo that Mark Hage and Laura Soares jointly recommend the additional \$20,000 in Director’s expense available in FY 19 for the Board to use for outside consulting and support as deemed appropriate. Jeff Fannon asked again why the payment to VSBIT is increasing in FY 19. VSBIT will hire a fulltime Trust Administrator dedicated to VEHI in FY19 without a material increase to the overall budget (up just 0.6% as presented), through a reallocation of resources: the BCBSVT dedicated consultant transition position will end, the VEHI President’s time will be reduced, and much of the cost dedicated to employee education in FY 18, as the fulltime Trust Administrator will take on this responsibility. The motion passed.

Annual Membership Meeting

- a. **Set date, time and location of meeting** – a motion was made by Nicole Mace, seconded by Martha Gagner, to set the date and time of the Annual Meeting for October 19, 2018 at 8:30 am at Lake Morey Resort. The motion passed.
- b. **Set date for close of Member Books** – a motion was made Nicole Mace, seconded by Martha Gagner to set the date to close the Membership Books on October 5, 2018. The motion passed.

Updates

- a. **Contracts** – The Gallagher FY 19 contract is complete and a copy is in the Dropbox. The VSTRS contract has been finalized and will go before the VSTRS Board on June 14th. The BCBSVT contract will not have any material changes, as the new ASO contract went into effect January 1, 2018. Mark Hage and Laura Soares are in discussion with Remedy on the scope of services needed in FY 19. The Remedy contract expires at the end of 2018 and will be on the agenda at a future Board meeting.
- b. **Legislative** – the legislature is in a special session. At this time no legislation regarding VEHI has been introduced.

- c. **Transition to DataPath** – Laura Soares provided an update to the Board on the status of the transition for the districts who moved to DataPath from Future Planning. The process of rectifying the problems is moving forward, albeit slowly. DataPath is now processing prior claims and hopes to be up to date by the end of June.

The week of June 25th, VEHI will have information on the actual Rx spent during the three-week waiver period for impacted subscribers. Data from Remedy Analytics, included in the Board materials, indicates in the first quarter of 2018 there has not been a significant decrease in pharmacy utilization and the drug mix changes towards generics/lower cost options has been a positive one.

Adjournment

There being no further business, the meeting adjourned at 2:30 p.m.

Respectfully submitted by: Laura Soares

Meetings: No Meeting in July
 August 30, 2018 1:00 – 3:00 Health Program Rate Setting
 September 10, 2018 1:15 – 4:00 Joint Meeting VSBIT Board
 October 19, 2018 8:30 am Annual Meeting, Lake Morey

Second Monday of the Month 1:15 – 4 PM unless otherwise noted