

Vermont Education Health Initiative

Board of Director's Meeting

April 27, 2015

UNAPPROVED

Present: Tracy Wrend, Mark Hage, Joel Cook, Martha Gagner, Elizabeth Fitzgerald, Laura Soares, Joe Zimmerman and guest Martha Allen (Vermont-NEA)

The meeting was called to order at 11:05 a.m., by Chair, Tracy Wrend

Approve Minutes of February 25, 2015 Meeting

Mark Hage made a motion, seconded by Martha Gagner to approve the minutes of the February 25, 2015 Meeting. The board approved the minutes as written.

Update from Trust Administrators on Board Approved Actions February Meeting

Laura Soares summarized the status of the Board approved actions in her memorandum of April 2015. The Trust Administrators also testified in the House Education Committee on the ACA's Excise Tax and VEHI in general. Mark, Laura and Tracy also met with members of the Administration concerning VEHI's request to operate off exchange. The Administration is planning a summer study to address VEHI's request as well as other options including a pool for public employees. The administration will make a report in November to the legislature.

Discussion of Dynamics for Health Program

- a. Legislative Activity and Timeline
- b. Plan Redesign Process and Timeline
- c. DFR Approval Process

Laura Soares used a "Power Point" presentation to illustrate the options schools will have depending on State and Federal legislation. Laura's summary also included a timeline of when new health plan options could be approved by the DFR and become available to eligible school districts.

Authorize new plan development for FY18, including timeline, and legislative request for authority to make available to all size districts

Elizabeth Fitzgerald made a motion, seconded by Mark Hage to authorize the development of new health plans for active employees. The Board's target date for making these plans available to eligible school districts is July 1, 2017 (FY18). These new plans will replace VEHI's current health plans. The motion passed unanimously.

Martha Gagner made motion, seconded by Joel Cook to authorize its Trust Administrators to work with the State Treasurer and the Vermont State Teacher's Retirement System to explore future options, including new health plan designs, for retirees.

Joel Cook made a motion, seconded by Martha Gagner to authorize its Trust Administrators to open discussions with the legislature and administration on securing legislation for VEHI to operate its health program off-exchange in the future.

Finalize Announcement to Members and Stakeholders

The Board discussed the draft announcement provided by the Trust Administrators and made some revisions. In addition, the Board authorized the Chair to develop a brief 'cover letter' summarizing the actions of the Board that would link to the longer announcement. Once completed both will be sent to members and stakeholders this week.

Act on request for action on Pharmacy Benefit Management Program

Mark Hage updated the Board with respect to the progress that has been made with Remedy Analytics and Blue Cross Blue Shield concerning VEHI's prescription drug plan. Mark used his memorandum, dated April 27, 2015, to summarize the steps taken and the recommendation of the Trust Administrators. Remedy Analytics estimates that they can save VEHI about \$5 million in drug cost annually over the FY 15 contract terms BCBSVT has with ESI. Elizabeth Fitzgerald made a motion seconded by Martha Gagner to approve the recommendation of the Trust Administrators and to bring the Board a contract with Remedy in June for an RFP process over the summer. The board approved the motion.

Update FY 16 Service Agreement with Vermont-NEA

The Service Agreement with the Vermont-NEA was discussed and will be finalized at the June Meeting.

Discuss draft code of conduct for Service Providers

The code of conduct was reviewed and will be finalized at the June Meeting

Discuss Directors & Offices and Errors & Omissions Coverage Options

This insurance coverage will be discussed at the June Meeting

Review and Accept Quarterly Financials as of 3-31-15

Laura Soares summarized a memorandum, dated April 27, 2015, by Chris Roberts concerning VEHI's financial status. Laura indicated that all financial targets are being met as planned. Mark Hage made a motion, seconded by Martha Gagner to accept the quarterly financial report as summarized by Chris Roberts. The Board accepted the report.

FY 16 Budget Discussion

The Board reviewed the Draft FY 16 Budget in respect to the wellness program. Given the uncertainty in the number of school districts that will be able to take advantage of new health plans, the possibility of a public employee health pool, and the potential need to add staff to assist with the member education moving to new health plans, the Board decided not to materially increase investment in the wellness program at this time. The FY16 Budget will be finalized at the June meeting

Review of Bylaws

Mark Hage made a motion, seconded by Martha Gagner that there were no Bylaws changes necessary at this time. The Board affirmed VEHI's Bylaws.

Nominating Committee Responsibilities

Elizabeth Fitzgerald made a motion seconded by Tracy Wrend to form a Nominating Committee, for Group A representatives. The Committee will consist of Laura Soares and Joe Zimmerman. The Board approved the Motion.

Discuss Job Description of VEHI President for potential adoption

The job description for the VEHI President will be discussed at a future meeting.

Other Updates

- a. **Legislative**
- b. **Dental, Life/LTD Programs**

Laura Soares reported that the Legislative updates were covered earlier in the meeting and that there was nothing new with respect to Dental or Life/LTD. Those two Programs are operating as expected.

Adjournment

There being no further business, the meeting adjourned at 1:22 p.m.

Respectfully submitted by: Joseph Zimmerman