

Vermont Education Health Initiative

Board of Director's Meeting

June 23, 2015

Present: Tracy Wrend, Mark Hage, Joel Cook, Martha Gagner, Laura Soares, and Joe Zimmerman

The meeting was called to order at 9:01 a.m., by Chair, Tracy Wrend

Approve Minutes of April 27, 2015 Meeting

Mark Hage made a motion, seconded by Martha Gagner to approve the minutes of the April 27, 2015 Meeting. The Board approved the minutes as written.

Discuss Payment Structure VT-NEA Service Agreement

Mark Hage summarized for the Board the method used by the VT-NEA to allocate expenses for services performed for VEHI.

Finalize FY16 Service Agreement with VT-NEA

Martha Gagner made a motion, seconded by Tracy Wrend, to approve the updated 2015-2016 VT-NEA Service Agreement with a reimbursement of \$275,436.00 for FY16. The Board approved the motion. Joel Cook signed the Agreement on behalf of VT-VEA.

Finalize Code of Conduct for Service Agents

Martha Gagner made a motion, seconded by Joel Cook to approve the newly developed code of conduct. The Board approved the motion. Both VT-NEA and VSBIT will abide by the code in their role as Service Agents.

Decision on Director & Officers and Errors & Omissions Coverage

Laura Soares summarized her April 27, 2015 memorandum concerning Directors & Officers and Errors & Omissions coverage options. The Trust Administrators recommend that the organization purchase Directors & Officers insurance coverage through Capitol Specialty Insurance. Martha Gagner made a motion seconded by Make Hage to purchase D&O coverage as recommended and continue to self-insure the E & O. The Board approved the motion.

Enter into Contract with Remedy Analytics

Make Hage summarized for the Board the key points of the negotiation process that he has managed with Remedy. Joel Cook made a motion, seconded by Martha Gagner, to move forward and enter into a contract with Remedy, authorizing the President to sign such contract after review of legal counsel. The Board approved the motion.

Update FY15 Financials Health Program

Laura Soares summarized a spread sheet, dated June 15, 2015, which contained financial data for the health program. As of June 15, the gross contribution to net position is not quite as favorable as estimated a year ago. The Trust Administrators are monitoring the financials, meeting with BCBSVT this summer to examine claims trends, and will factor these variables into the upcoming FY 17 renewal discussion. The Board accepted the report.

Adopt FY 16 Budget

Laura Soares summarized the FY16 Budget as described in Chris Roberts' memorandum dated June 23, 2015. Mark Hage made a motion seconded by Martha Gagner to approve the FY16 Budget. The Board approved the motion.

Update new Plan Design Process

Laura Soares updated the Board concerning the status of the project by referring to a memorandum from the Trust Administrators dated June 2015. The process is on schedule. The Trust Administrators have met with BCBSVT on two separate occasions and plan to meet throughout the summer.

Discuss feedback from field regarding new health plans and appropriate response.

Laura Soares summarized the feedback from the field, a copy of which was attached to the Board packet. There are questions in the field on the April Board Communication, especially in regards to closure of the current plans, and a desire for more specificity on the transition.

The Board had a vibrant discussion with respect to the feedback. The Board agreed that it would follow its Mission and Guidelines when responding. While there was agreement the Board would like to provide clarity and certainty, it was also acknowledged that until the new plans and pricing are established and the legislative summer studies are complete, the Board does not have enough information to provide more specificity on the transition process from current plans to the proposed new plans. The board discussed the importance that the perspectives of both labor and management be included in conversations about bargaining issues as the new plans will need to be collectively bargained, and VEHI could facilitate such a conversation, but, consistent with the mission, would not take a position or give guidance on bargaining.

Mark and Laura were asked to draft responses to the questions from the field that we are in a position to answer. The discussion will continue at the August meeting, which will be extended an hour to accommodate. The Board will provide further communication to the field following the August meeting.

Discuss Job Description of VEHI President for potential adoption

The job description for the VEHI President, a copy of which was in the Board packet, was adopted.

Other Updates

- a. **Legislative**
- b. **Dental, Life/LTD Programs**
- c. **Health Program Membership**

Laura Soares reported that there would be legislative committee activity over the summer that could affect VEHI's operation. The Dental and Life/LTD are operating as expected.

VEHI has endorsed Ambulatory Surgery Centers (ASC) that will give the consumer more choice with respect to certain health care services.

The health program continues to maintain its strong membership level.

Adjournment

There being no further business, the meeting adjourned at 11:34 a.m.

Respectfully submitted by: Joseph Zimmerman