

Vermont Education Health Initiative  
Board of Director's Meeting

November 12, 2013

Present: Mark Hage, Tracy Wrend, Martha Gagner, Bruce Schmidt, Laura Soares and Joe Zimmerman

Absent: Joel Cook

The meeting was called to order by Former Co-Chair Laura Soares

**Background Information**

This was the first Director's meeting of VEHI operating under Vermont Regulation I-90-1 and as such, Laura Soares and Mark Hage gave a brief overview of VEHI's Health and Dental programs. The overview consisted of highlights/milestones related to these Programs. The Health Program actually started in 1984 as a VSBIT Program. The Program's goal was to provide member districts with cost effective health insurance options for its employees. VSBIT worked with Blue Cross Blue Shield of Vermont (BCBS) to create the risk pool, administer the claims operation and protect the Program with reinsurance. John Gutman was the lead person in the development of this Program.

In 1996, after more than two years of discussion between the Vermont-NEA and VSBIT, the Vermont Education Health Initiative (VEHI) was formed. VEHI, a non-profit, tax exempt organization began to jointly manage the health program that VSBIT originally started in 1984. VEHI continued its relationship with BCBS and after a couple of years, every public school in Vermont, as well as the State Teachers Retirement System was a VEHI member. John Gutman and Joe Blanchette, of the Vermont-NEA were instrumental in the formation of VEHI. VEHI's Board of Director's had eight members which helped form consensus around the direction that VEHI would take. VEHI's goal was also to provide cost effective health insurance options for school districts. Most importantly, VEHI did not involve itself in the bargaining process that occurred at the local level.

VEHI added a dental program in 2000. This Program is structured much like the health insurance program and works with Northeast Delta Dental to administer claims.

With the closure of the State's association market, VEHI had to find a new regulatory home. VEHI worked with the Department of Financial Regulation to seek approval to operate under I-90-1 (Intermunicipal Insurance Association). VEHI received that approval on June 7, 2013.

For the last several years, Mark Hage, Laura Soares and Joe Zimmerman managed VEHI's operations and the transition to the I-90-1 status.

## **Organize**

- A. Laura Soares facilitated the election of Board and Corporate Officers. Laura asked for a motion to elect a Chair of the new board of directors. Martha Gagner made the motion, which was seconded by Bruce Schmidt to elect Tracy Wrend as VEHI's new Board Chair. The board voted to approve that motion. A motion was made by Martha Gagner and seconded by Bruce Schmidt to elect Mark Hage as Vice Chair. The Board approved that motion. The Board unanimously approved the appointment of Joe Zimmerman and Laura Soares as President and Secretary respectively, of the Corporation.
- B. The Board completed Conflict of Interest Statements
- C. Martha Gagner made a motion, seconded by Mark Hage to affirm VEHI's Amended Bylaws and Articles of Incorporation. The Board approved the motion.
- D. A motion was made by Mark Hage, seconded by Martha Gagner to adopt a Resolution concerning the Delegation of Authority and Establishment of Designated Financial Institutions. The motion was approved and the Resolution was signed by the directors present.
- E. After a brief discussion, Bruce Schmidt made a motion, seconded by Mark Hage to adopt VEHI's investment policy. The board voted to adopt the policy.
- F. The Board reviewed the Service Agreements that VEHI maintains with the Vermont-NEA and VSBIT.
- G. The Board set December 17, 2013 at 12:30 for its next meeting.
- H. Laura Soares noted that there is a system (Dropbox) on the Internet for shared documents

## **Organizational Review**

Laura Soares reviewed with the new Board the history of VEHI, its mission and organizational structure. A detailed review of VEHI's Business Plan was followed by VEHI regulatory status and financial condition. Laura continued with a discussion about the ACA and its implications on the future of VEHI and the work by Gallagher Benefit Services that is being done to help schools in the transition to the Vermont Insurance Exchange and the State's Single Payer health System.

## **Role of the Board-Annual Work Plan**

Laura Soares reviewed and discussed with the Board the Annual Board Plan for 2013-2014. The plan is designed to help the Board and the VEHI organization to meet its goals. Chair Tracy Wrend will work with Laura to revise the plan as needed.

## **FY13 Audit and July End of Year financials**

The Board was given a copy of the FY13 audit performed by Sullivan Powers. After a brief discussion the Board had no further questions. The Board will meet with the auditors at the December meeting.

## **FY14 Quarterly Financials**

The Board accepted the FY14 quarterly financials as presented.

Respectfully submitted by Joe Zimmerman