

# Vermont Education Health Initiative (VEHI)

## Board of Director's Meeting Minutes

September 10, 2018

Present: Elizabeth Fitzgerald, Jeff Fannon, Martha Gagner, Nicole Mace, Tracy Wrend, Mark Hage, Laura Soares and Bobby-Jo Salls.

Members of the Public: None

The meeting was called to order at 1:15 p.m., by Chair Tracy Wrend.

**Public Comment:** None

### **Approve Minutes of August 30, 2018 Meeting**

Martha Gagner made a motion, seconded by Jeff Fannon, to approve the meeting minutes with the addition of the date of the Rob Halpert email noted on page 1. The motion passed as amended.

### **Act on FY 20 Dental Rates – Authorization to Utilize Reserves**

The Board reviewed and discussed the recommendation of the President and Trust Administrators regarding the utilization of reserves in the FY 20 dental rate filing.

Elizabeth Fitzgerald made a motion, seconded by Martha Gagner, to authorize the President and Trust Administrators to utilize up to 1 million of dental program reserves when filing the FY 20 dental rates with DFR. The motion passed.

### **Discussion Related to Act 11**

- a. Review the documents required to be amended by Act 11**
  - i. Bylaw Amendments
  - ii. Amendments to Articles of Incorporation
  - iii. Operation Plan and Member Agreement Changes

DFR indicated they will not have updated I-90-1 rules to comply with Act 11 until sometime in 2019. Further, they do not expect VEHI to file amended documents until after rules are in effect. The Board reviewed the draft amendments to the organizational documents provided by the President with input from legal counsel and were encouraged to raise any questions or concerns with these drafts to bring to the attention of the new VEHI board. A suggestion was made to remove names from the Operational Plan – instead using titles and referring to the VEHI website for specific individuals.

The new board may want to consider language on the length of terms of the six director positions, whether to stagger terms and/or term-limits. This would require action of the membership.

**b. Review the interactions by VEHI president with regulators during the transition to the new board**

There was a discussion on the importance of communication with VSBA and the VT-NEA during the transition to the new board structure and the importance of clarity of roles under the new governance structure.

**c. Discussion on Conflict of Interest Policy**

There was consensus that any changes to this policy should be the purview of the new board.

**Continue Discussion of Health Program Net Position Policy**

Laura Soares provided a second draft with language for potential action if the net position is above target. Mark Hage shared the opinions of three actuaries he reached through NEA and is waiting for input on two union health pools in other states. There was consensus this policy should be taken up by the new VEHI board. Laura will notify DFR that this policy may not be in place by the end of 2018 as requested by DFR in their FY 16 audit letter to management due to the change in board composition on October 1<sup>st</sup>.

**Audit Firm Selection Discussion**

There was consensus that the new board should 1) meet with Sullivan & Powers to discuss the FY 18 audit report which will be available October 1<sup>st</sup>, 2) meet with the VSBIT selected FY 19 audit firm ahead of the FY 19 audit, and 3) meet with the VSBIT board about the process used to select the FY 20 audit firm.

**Other Business prior to change in Board Composition per Act**

DFR indicated they will attend the Annual Member Meeting on October 19<sup>th</sup> at Lake Morey and would like to attend the first meeting of the VEHI Board.

There was consensus that the new board should devote time to understanding the purpose of the change in governance, the various perspectives each board member brings to the organization, roles, mission, and developing a shared set of principles and goals to build a strong foundation for their work.

Jeff Fannon and Nicole Mace were thanked for their service to the VEHI Board.

**Adjournment**

There being no further business, the meeting adjourned at 3:05 p.m.

Respectfully submitted by: Laura Soares