VEHI Board Meeting Minutes for March 17, 2026

Present:

VEHI Board Members: Lance Mills – Board Chair, Mike Fisher – Vice Chair, Suzanne Dirmaier, Lisa Grout, Andrew Haas, and Cheryl Scarzello,

VEHI Management Team: Mark Hage, Chris Roberts, Bobby-Jo Salls and Jon Steiner

VEHI Guests: None

Members of the Public: None

The meeting was called to order at 3:02 pm, by Chair Lance Mills.

Agenda

Lisa Grout made a motion to approve the agenda as presented, seconded by Cheryl Scarzello. The motion passed unanimously.

Public Comment

No public comment.

Review Meeting Minutes from January 27, 2026

Mike Fisher made a motion to approve the meeting minutes January 27, 2026 as written. The motion was seconded by Lisa Grout, and it passed unanimously.

VEHI Quarterly Financials for October – December, 2025 (FY26 Q2)

Chris Roberts reviewed the quarterly statements highlighting a mid-fiscal-year loss of $10.5 million (after investment activity) in the health program, which was expected based on claims experience and results of the July – September financials. The dental plan reflected a loss of $240k. Comparatively to FY25 Q2, VEHI is reflecting a better position by about $3 million. Chris noted that with the changes made for 2026 by VEHI, the legislature and Green Mountain Care Board, she is hoping to reduce the loss to $0 and have a break-even year.

Lisa Grout made a motion to accept the financials as presented, seconded by Cheryl Scarzello. The motion passed unanimously.

VEHI Investment Activity

Chris Roberts reviewed the investment report for FY25 (July 1, 2024 – June 30, 2025) and noted that despite market challenges, the organization had earned $1.7 million year-to-date with positive interest income and market changes, which is similar to the prior year at that time, although the principle was lower in FY25. At the end of FY25 VEHI held $33.5 million at Vanguard, and $7.8 million in the Wilmington/M&T bank. Six million was transferred out in FY 2025, and $10 million has been transferred out to pay claims thus far in FY26. When asked about the status of the investments based on negative activity in the market, she stated that VEHI is heavily invested in bonds which do not fluctuate as much as the stock market.

The board discussed moving the investment performance report from March to January in the annual work plan. Mike Fisher moved to move the investment report from the March meeting to the January meeting in the annual work plan. Seconded by Cheryl, it passed unanimously.

Wellness Program Report

Bobby-Jo presented a wellness program report, highlighting that approximately 16,300 accounts were served, with under 12,000 members actively using the program. The report showed benefits including lower health spending, increased primary care engagement, and reduced prevalence of conditions like diabetes and hypertension. Mike B. Fisher inquired about vendors used for the wellness program, and Bobby-Jo confirmed most services were handled in-house with some external partnerships.

Legislative Updates – Information Sharing

Mark reviewed the bills in the legislature that may impact VEHI. Beginning with S.190 which passed the Senate Health and Welfare committee and moved to the house, which has segments requesting research and studies on both Referenced Based Pricing and a Public Health Authority, combining the State of VT, UVM, other VT colleges, VEHI and municipalities. He noted that Act 68 had imposed RBP for FY27 was now looking to have RBP in place for exchange plans only, or a cap of 500% of Medicare for FY28. VT-NEA asked that VEHI be included in RBP analysis (along with the State of VT employees) with the exchange group to understand the impact on claims costs.

The group discussed the wording of the bill which calls out VEHI specifically.

Mark clarified that Vermont NEA initiated discussions with legislators but emphasized that VEHI has not endorsed the public sector pool and remains neutral on the issue. Mike B. Fisher suggested that VEHI should maintain neutrality and focus on its core business, allowing the Vermont School Boards Association (VSBA) and Vermont NEA to take leadership on the political process regarding the public sector pool. The board agreed to provide information to the study committee if requested but would not actively support or oppose the initiative at this time.

Review of VT-NEA Service Agreement

The board reviewed the current VT-NEA Service Agreement and the payment structure that is in place today. The board agreed to develop proposals for contract modifications by their May meeting for discussion, and noted that changes in the contract should be discussed with Jeff Fannon, Executive Director for VT-NEA.

Executive Session

Mike Fisher made the motion under 1 V .S.A. 313 (a) to go into Executive Session to discuss contracts with Blue Cross Blue Shield and the Pharmacy Benefit Manager RFP. Andrew Haas seconded motion, and it passed unanimously.

Cheryl Scarzello made the motion to return from Executive Session, which was seconded by Mike Fisher and passed unanimously.

Management Team Updates

Bobby-Jo updated the board on the Silver CDHP compatibility issue affecting plans for 2024-2026, with approximately 50 letters sent to impacted 2025 members and about 600 for 2024. The team received less than 10 contacts from 2024 members seeking coverage of tax penalties. The team is working with legal counsel to determine liability and potential costs, which could range up to $3,000 per person, with plans to potentially call a special board meeting in early April for approval.

Benefit Design Committee Update

The benefit design committee reported meeting with four consultant groups, though Cheryl suggested moving toward a more formal RFP process with specific requirements and cost estimates rather than the current broad discussion approach.

The board discussed benefit design and system-wide reform, agreeing that the committee needs to meet again to refine their goals and develop a more specific RFP process. They decided to pursue a staged approach starting with reducing plans from four to two and focusing on immediate savings.

Review and Approve the VEHI Mission

Cheryl Scarzello made the motion to approve the VEHI mission, seconded by Lisa Grout. The motion was approved unanimously.

Review and Approve Board Protocols: Communication, Agenda, Election of Officers and Legislative Positions

The board reviewed the protocols.

Lisa Grout made the motion to approve the Communications protocol as written, seconded by Mike Fisher. The motion passed unanimously.

Mike raised the issue that the agenda protocol may not match the current practice. He suggested that he and Bobby-Jo meet offline and bring any suggested changes to the May meeting.

Mike Fisher made the motion to reapprove the Election of Officers protocol as written, seconded by Cheryl Scarzello. The motion passed unanimously.

Mike Fisher made the motion to reapprove the Legislative Position protocol as written, seconded by Cheryl Scarzello. The motion passed unanimously.

Adjournment

Cheryl Scarzello made a motion to adjourn, seconded by Lisa Grout. The motion passed unanimously. The meeting was adjourned at 5:01 pm.

Respectfully submitted by Bobby-Jo Salls