

VEHI Board Meeting Minutes for September 5, 2025

Present:

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

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

Members of the Public: Sara Finn, MD, Elizabeth Honisberg, MD, Corey O’Brien, Joe Miller

The meeting was called to order at 9:01 am, by Chair Mike Fisher.

Agenda

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

Public Comment

Mike Fisher opened the meeting to the public for comment. Members of the public, Dr. Sarah Finn and Dr. Elizabeth Honigsberg from Dartmouth Health expressed concerns about the decision to drop GLP-1s for weight management, highlighting the benefits of the medication. Joe Miller from Novo Nordisk discussed potential future price reductions. The board acknowledged this issue was previously discussed and voted on but remained open to revisiting the decision if pricing changes occur.

Review Meeting Minutes from June 17 and July 28, 2025

The meeting minutes from June 17th and 28th were inadvertently left out of the agenda packet and therefore unable for the board to review in advance. This will be added to the October meeting agenda.

FY 25 Year-end Financials

Chris presented the financial results for the year, noting a \$4.3 million loss and a net position of \$28.9 million in the health program. She highlighted that the rates were not covering expenses, with a \$2.1 million adjustment due to prior year reserves and a \$1.9 million settlement from UVMMC, which were one-time factors. Chris emphasized the need for significant improvements in the next rating cycle to meet the regulatory requirements and rebuild the net position, which has been declining annually. The team discussed the impact of the UVMMC settlement on future rates, clarifying that it would not lead to lower

costs but might reduce needed increases. The dental program holds \$6.3 million in net position.

Review of Net Position Status and DFR Submission

The board discussed rate setting for the upcoming year, with Chris explaining that there are two components to consider: Blue Cross Blue Shield's proposed rates based on hospital budgets and GLP coverage changes, and the need to rebuild net position and surplus. The board discussed the potential savings from recent legislative changes and lower hospital budgets, though these would not immediately offset the needed rate increases.

The board discussed the need to develop a plan for DFR by October, with Chris emphasizing the importance of a thoughtful, multi-year approach.

Executive Session

With two contractual and legal topics on the agenda, the management team asked the board to move to executive session. Cheryl Scarzello made a motion to move to executive session, seconded by Andy Haas. The motion passed unanimously.

Lance made a motion to return from executive session, seconded by Cheryl Scarzello. The motion passed unanimously.

PBM RFP

Mark announced that the PBM RFP has been issued to parties including Blue Cross, with results expected in December.

Discussion re: Hiring a Consultant

Regarding consultant hiring, Mark and Bobby-Jo indicated there were four potential consultants but noted no formal interviews have been conducted yet. Mark Hage has recommended bringing in an external consultant to provide expertise guidance on benefit design, beyond the management team and Blue Cross of VT. The board agreed to move forward with a formal interview process and requested that the committee share their guiding principles with the full board.

Cheryl Scarzello discussed her concerns with hiring a consultant and having recommendations in time for the June 2026 Blue Cross deadline for plan changes for FY28 rate filing. Bobby-Jo presented a timeline showing overlapping events between plan redesign and negotiations, highlighting the complexity of coordinating between the two processes.

Andrew Haas made the motion to authorize the [benefit plan redesign] committee to vet consultants and come back with either a single recommendation or multiple candidates for review. The motion was seconded by Lance Mills and passed unanimously.

Cheryl Scarzello made a motion, seconded by Suzanne Dirmaier, to authorize Lance and Mike to have a conversation with the commission chairs to talk about the timeline. The motion passed unanimously.

Next Meeting Topics

The board agreed to revisit the RFI for the Blue Cross Blue Shield ASO contract, review guiding principles, set FY27 rates for Actives, VEHI audit results, and consider a member forum after rate setting. Chris mentioned she would present information on investment consulting proposals at a future meeting.

Adjournment

Lance Mills made a motion to adjourn, seconded by Lisa Grout. The motion passed unanimously. The meeting was adjourned at 11:00 am.

Respectfully submitted by Bobby-Jo Salls