

Vermont Education Health Initiative (VEHI)  
Board of Directors  
Teleconference Meeting Minutes  
February 12, 2024

**Present:**

VEHI Board Members: Suzanne Dirmaier, Mike Fisher, Lisa Grout, Geo Honigford, Lance Mills, Cheryl Scarzello

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

The meeting was called to order at 11:01 am by Jonathan Steiner

**Review of Agenda:**

Jonathan Steiner welcomed a motion to move the reorganization of the board to the top of the agenda. Mike Fisher made the motion seconded by Lisa Grout. The motion passed unanimously.

**Reorganization**

VT-NEA representative, Lisa Grout, nominated Suzanne Dirmaier as the Chair for the VEHI Board, seconded by Lance Mills. VSBA representative, Cheryl Scarzello, nominated Mike Fisher as Vice Chair, seconded by Geo Honigford. With no discussion or concerns raised, the two nominees accepted the positions.

**Public Comment:**

None.

**Approval of Board Minutes: October 16, 2023**

Lisa Grout made a motion, seconded by Mike Fisher, to approve the meeting minutes of October 16, 2023, as presented. The motion to approve the minutes passed unanimously.

**Introduction of New Board Members**

Each board member, new and current, introduced themselves and gave a brief statement of their work history and previous board experience.

## **Hinge Health – PT Option**

Mark Hage gave a summary of the new virtual physical therapy option through Hinge Health. The summary included an explanation of how the program works, costs, the expected usage, marketing, and reference from a NH healthcare pool (with comments from Bobby-Jo Salls, Chris Roberts, and Jonathan Steiner). The management team asked the board for approval for a two-year pilot program.

A motion was made by Geo Honigford, with a second from Lisa Grout, and a friendly amendment by Mike Fisher, for management to enter into a two-year contract with Hinge starting in 2024, pending final review of the contract by the leadership [management] team. The amendment was accepted, and the motion was approved unanimously.

## **Introduction of Education Report**

Mark Hage introduced a report written by the management team of the education efforts that describes the past and current efforts of the VEHI team. This also addresses the request of a former board member, Tracy Wrend, who asked that VT-NEA provide a retirement workshop for non-union employees. The VEHI board agreed to review and discuss at a future meeting.

## **Management Updates**

### **Blue Cross of Vermont/Michigan Affiliation**

Mark Hage provided an update of a meeting with our Blue Cross of Vermont team, where we discussed the affiliation with Blue Cross of Michigan. Mark Hage and Jonathan Steiner explained that the affiliation has been approved and the expectation is that there will be little change to our day-to-day operations and team but are expecting some enhancements and opportunities in technology.

### **VEHI Q2 FY24 Financials – C. Roberts**

Chris Roberts provided an overview of the December 31, 2023 financials including a comparison of calendar year end 2023 to 2022. Most notably the loss of net position was at \$2.4 million loss at the end of 2022 is at a \$7.3 million loss at the end of 2023. This is explained by the 16% increase in claims, 5% higher than the increase in revenue.

### **Investment Report – C. Roberts**

Chris Roberts presented the Investment Report. Mike Fisher asked about the investment strategy (policy) and asked if it was time to review again. Chris responded that they could have an investment advisor review. VSBIT is having a review currently. VEHI is subject to I-90 which keeps us in domestic markets. Chris offered to initiate a review if the VEHI board is interested. Mike Fisher suggested that we wait to see how the VSBIT review goes, and then review at our next meeting.

### **PATH Website and AOE Update – B. Salls**

Bobby-Jo Salls updated the board that the PATH website re-platforming is running on time and on budget. The AOE project continues with district-specific projects identified by staff, such as staff rooms.

### **House Education Testimony**

Mark Hage updated the board on the testimony by Mark and Bobby-Jo in early January about the cost-drivers of the health rate increases for FY 25.

### **Endorsement of S.98**

Based on Mark Hage's request for S.98 to be added to the agenda for the board to endorse, Chair Dirmaier asked that this be inserted into the agenda at this point. Mark explained that the Prescription Drug Affordability Board to be created by S.98 would provide "upper payment limits" to reduce the overall Rx costs to Vermonters. By design this would decrease the cost to the system, not shift it to employees, employers or VEHI. Lisa Grout made the motion to formally endorse S.98 and allow the management team to make that known to the correct legislative bodies, seconded by Cheryl Scarzello. The motion passed unanimously.

### **VT-NEA Quarterly Report**

Suzanne Dirmaier provided the board with the opportunity to ask any questions about Mark Hage's quarterly report. There were no questions.

### **Annual Review of VEHI Board Policies and Protocols**

The board reviewed the requirements to review the protocols and determined they would be addressed at the next meeting, and the management team will work to have these on a more formal schedule, spread out throughout the year. Bobby-Jo Salls asked that the signed conflict-of-interest statements be returned for our records.

### **Discuss Future Agenda Items**

Education Report, Investment Policy, Reference-based Pricing, Contract Review.

### **Set Date for Next Board Meeting**

The next board meeting will need to be held in May for the retiree (VSTRS) rate renewal. Bobby-Jo will send out a poll for a date. The Chair, Vice Chair and management team will work together to set the agenda including the plan for policies and protocols.

## **Adjournment**

Mike Fisher moved to adjourn the meeting, seconded by Lisa Grout. The meeting was unanimously adjourned.

Respectfully submitted by: Bobby-Jo Salls