

VEHI Board Meeting Minutes for May 19, 2026

Present:

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

Absent Board Member: Andrew Haas

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

VEHI Guests: Jeff Fannon, VT-NEA Executive Director

Members of the Public: None

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

Agenda

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

Public Comment

No public comment.

Review Meeting Minutes from March 17, 2026

Lisa Grout made a motion to approve the meeting minutes March 17, 2026 as written. The motion was seconded by Cheryl Scarzello, and it passed unanimously.

VEHI Quarterly Financials for January – March, 2026 (FY26 Q3)

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.

Mike Fisher made a motion to accept the financials as presented, seconded by Suzanne Dirmaier. The motion passed unanimously.

Chris also raised the topic of the investment report from the Concord Advisory Group with the current allocation and two alternative options. Chris was not looking for an answer today but for the board to start thinking about the options. After discussion the board asked Chris to return with a recommendation.

Auditor Engagement

Chris Roberts presented the engagement letter from Johnson and Lambert, indicating an increase by 8.2% for the audit.

Suzanne Dirmaier made the motion to approve the Johnson-Lambert, engagement. The motion was seconded by Lisa Grout. The motion passed unanimously.

Executive Session

Mike Fisher made the motion under 1 V.S.A. 313 (a) to go into Executive Session to discuss contracts. Suzanne seconded motion, and it passed unanimously.

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

After returning from executive session, Jonathan discussed in open meeting that after completing the RFP for the pharmacy portion of the benefits, where VEHI considered carving out the pharmacy benefit from the medical benefit to go with another pharmacy benefit manager, the board agreed with the management teams recommendation to remain under the integrated benefit with Blue Cross of Vermont and Optum with improved terms and pricing. The team reported that the savings would be built into future renewals.

Review and Approve the VEHI Retiree Renewal

Bobby-Jo Salls reviewed the VEHI Retiree renewal for the Vermont State Teachers' Retirement System (VSTRS) which came in higher than the last renewal at about 16% for the pre-Medicare retirees and at about 20% for the VSTRS 65 members.

Mike Fisher made the motion to authorize filing the retiree rates as displayed by Bobby-Jo during our meeting, with an average increase of 16.2%. Suzanne Dirmaier seconded the motion. The motion passed unanimously.

Legislative Updates

Mark Hage updated the board on the status of S.190 regarding the public health authority study and reference-based pricing. The study was removed from the bill, and Mark characterized the removal as a lack of bandwidth or time to take a serious look at the issue.

The reference-based pricing portion had specific targets removed in the most recent version and left it to the discretion of the Green Mountain Care Board to act in FY27 versus the current target of FY28.

Review of VT-NEA Quarterly Report

Cheryl Scarzello made the motion to accept the VT-NEA Quarterly Report, seconded by Suzanne. The motion passed unanimously.

Review and Approve Agenda Board Protocol

Mike reviewed the updated version of the agenda protocol capturing the current practice.

Suzanne made the motion to accept the agenda protocol as amended. Lisa Grout seconded the motion. It passed unanimously.

Management Team Updates

Bobby-Jo updated the board on the Silver CDHP compatibility issue affecting plans for 2024-2025. The team sought a second legal opinion which provided a significant decrease in member liability. The team is awaiting final information from the attorneys and deductible information for the affected members. Cheryl offered to assist with messaging to the business offices with the final information.

Benefit Design Committee Update

The benefit design committee sent a second version of an RFP to the bidders expecting a return of the proposals by June 8th. After discussing the timeline, the board agreed to use the June board meeting time of June 16 for the team to review the proposals and to change the board meeting to June 24 in hopes that the committee would have a recommendation for the board to vote on. This could move the project along and allow for work to begin and potentially have a retreat in the early fall. Bobby-Jo would reach out to Andrew Haas who was unable to attend the meeting to confirm that worked with his schedule and update accordingly.

Review of VT-NEA Service Agreement

Jeff Fannon, the Executive Director of the VT-NEA joined the VEHI meeting to discuss the VT-NEA Service Agreement. There was a discussion on the annual “true-up” that exists with the VSBIT service agreement. The discussion turned to work and the service contract, Mike Fisher suggested that contract discussions be held offline. There was a discussion

about the appropriate parties to attend, and they agreed to a meeting with Jeff Fannon, Lance and Mike (as board chair and vice chair).

Adjournment

Mike Fisher made a motion to adjourn, seconded by Lisa Grout. The motion passed unanimously. The meeting was adjourned at 5:10 pm.

Respectfully submitted by Bobby-Jo Salls