

Vermont Education Health Initiative (VEHI)  
Board of Directors  
Teleconference Meeting Minutes  
March 3, 2022

**Present:**

VEHI Board Members: Tracy Wrend – Board Chair, Joel Cook – Vice Chair, Peggy Maxfield, Lisa Grout, Zack McLaughlin and Geo Honigford

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

Members of the Public: None

The meeting was called to order at 3:04 p.m., by Board Chair Tracy Wrend.

**Review and Adoption of Agenda:**

Geo Honigford made a motion, seconded by Peggy Maxfield, to adopt the agenda as presented. The motion passed.

**Public Comment:**

None

**Approval of Board Minutes: October 20, 2021**

Geo Honigford made a motion, seconded by Zach McLaughlin to approve the meeting minutes of October 20, 2021 as presented. The motion passed.

**Reorganization of Board**

VT-NEA representative, Lisa Grout, nominated Joel Cook as the Chair for the VEHI Board.

Geo Honigford, VSBA representative, nominated Tracy Wrend as Vice Chair.

With no discussion or concerns raised, the two nominees accepted the positions.

**Review and Accept the September 2021 and December 2021 Quarterly Financials**

Chris Roberts offered to review any questions on the September 2021 quarterly financials, and with no questions posed, moved on to review the December 2021 financials. She also noted that she will provide the quarterly financials as available and Bobby-Jo will upload them to

Dropbox and notify the board when available. Chris noted the status of the financials at the end of 2021, pointing to the net position and budget to actual. Chris also noted the assistance of the Market in the current results, warning that it could change based on the volatility in the world (Russia invading Ukraine) effecting the Market today.

Geo Honigford made a motion, seconded by Peggy Maxfield, to accept the two quarterly financials as presented. The motion passed.

### **Review and Accept Investment Performance Report**

Chris Roberts reviewed the Investment Performance report, reviewing the different types of classes that VEHI has (Class A being a checking account with Peoples Bank and Class B being stocks and bonds with Vanguard), again noting the favorable market in the past year.

Zach McLaughlin made a motion, seconded by Tracy Wrend to accept the Investment Performance Report as presented. The motion passed.

### **Review and Accept Investment Policy Revision**

Chris Roberts reviewed the current Investment Policy with stocks at 75% and equities at 25%, and as these numbers moved through market activity, money would be shifted to return to the 75/25% split. Chris requested a revision to the language, to allow a less abrupt movement upon change to the market. Her initial change was subsequently updated by a suggestion of Joel to update the language in the policy to read:

*Asset portfolio allocation target will be 25% equities and 75% bonds. If the actual portfolio allocation changes from this target by more than 10% for two consecutive quarterly statement cycles, VEHI will rebalance its portfolio by going half way back to target every 30 days until balances fall within the target range.*

Lisa Grout made a motion, seconded by Tracy Wrend to accept the Investment Policy Revision as presented (and noted above). The motion passed.

### **Annual Review of Code of Ethics Policy and Conflict of Interest Policy**

The newly appointed Chair, Joel Cook, asked if there was any question about the Code of Ethics. No questions were raised.

The Conflict of Interest Policy was reviewed and it was noted that Bobby-Jo Salls would send out the Conflict of Interest Disclosure Statement after the meeting for the board members to sign. Joel Cook noted some language within the implementation section that he asked to review further, to either clarify or remove. Joel noted that he would review the policy offline and provide suggestions to be reviewed at a later date.

## **Review of VT-NEA Quarterly Report**

Mark Hage began by stating that he would be completing his reports at the end of each quarter, instead of trying to align with board meetings to avoid any confusion. He offered to answer any questions on the last report provided.

Geo Honigford asked about Medicare Advantage (MA) and Mark gave a brief explanation of the plan and its relationship with VEHI and VSTRS, and then referred to later more detailed discussion coming up in the management update.

Lisa Grout asked about Mark's reported research with the so-called "Montana Initiative" and Mark explained the work and research he has been doing regarding a project that happened in the state of Montana, where the state employees' representatives negotiated directly with hospitals and found savings. Mark noted that the VEHI management team is also scheduled to review findings of the Vermont State Auditor, Doug Hoffer and his associate, who have been doing similar research. Bobby-Jo noted that she and Jon agreed to meet with Hoffer, however the research by the team was still very early, the initiative has yet to be replicated successfully elsewhere and is yet to be known if similar savings could be seen in VT.

Tracy Wrend thanked Mark and the VEHI team to the work noted in Mark's report and in the management update attachment showing the member education work. She also asked that any presentations funded by VEHI be open to all. Mark noted that the retirement workshops are funded by VT-NEA.

## **Management Updates**

Mark Hage, reviewed the transition to the Vermont Blue Advantage for retirees eligible for Medicare and reviewed the issue that caused approximately 1,000 members to stay with VEHI/VSTRS Plan to avoid losing their individual Part D Plan. Mark explained that VBA requested a waiver of CMS to allow members to have a Group Medicare Advantage Plan (with VBA) and have an individual Part D plan. On or around November 17, 2021 VBA received a denial for the waiver request and VSTRS members with VSTRS 65 would have lost their Part D plan if they were to move them to VBA for 1/1/22. VEHI/VSTRS and BCBSVT worked to retain the current coverage as is to avoid member disruption, including securing DFR permission. BCBSVT and VBA continue to work on providing coverage to the remaining VSTRS 65 members to VBA.

Citing a response from the conversation at the August 24, 2021 board meeting, Bobby-Jo reviewed the work that was done by the VEHI team to provide a tool to employees in the fall of 2020 for employee education to assist in helping employees understand their new out-of-pocket funding set forth by the arbitrators decision in the Statewide Bargaining negotiations.

Bobby-Jo explained how the tool worked and how it was shared. Bobby-Jo shared this tool with business managers and human resources representatives, who then shared with employees. Mark reported sharing this information with local union leaders and Uniserve directors.

Zach McLaughlin asked if there was reporting to show the usage of the tool. Bobby-Jo will check with the IT coordinator to see if that information is available.

### **PATH Website Update**

Bobby-Jo Salls explained that the current PATH website has been outdated for many years, and has now come to the end of its usage. Blue House Group (BHS), the web developer has said they can no longer support this current tool and needs to be rebuilt on an updated platform with updated coding. The BHG is currently reviewing and documenting the site in order to produce a quote for this update as well as a timeline. The team is expecting this at the end of March and will update the board at the next meeting. The VEHI management team noted that this is a capitalized expense that will be spread out over many years (likely ten). Also noted is that the website is really the foundation and backbone of the PATH wellness program.

### **Discuss Future Agenda Items**

The following items were discussed for the next agendas:

- Review the Conflict of Interest Policy
- Wellness Overview by PATH team
- Wellness Website Update
- Montana Initiative Research Update
- VSTRS CY 2023 Renewal (Approval needed June 23-27)
- DFR 5 Year Audit Update
- FY 23 Budget
- Audit Engagement
- Contract schedule (available via Dropbox)

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

Joel Cook asked that we review the agenda items and work offline to determine if one or two meetings will be needed by June 23-27 to meet the VSTRS renewal review requirement. Agenda date(s) will be sent to board members at a later date.

### **Adjournment**

There being no further business, Geo Honigford made the motion to adjourn, seconded by Tracy Wrend, and the motion passed. The meeting was adjourned at 4:56 p.m.

Respectfully submitted by: Bobby-Jo Salls