

Vermont Education Health Initiative (VEHI)

Board of Director's Meeting Minutes

March 6, 2019

Present: Martha Gagner (until 4:30), Joel Cook, Frances Brock, Robert Letovsky, Tracy Wrend, Peggy Maxfield, Laura Soares, Mark Hage and Bobby-Jo Salls.

Members of the Public: Nicole Mace and Elizabeth Fitzgerald

The meeting was called to order at 1:03 p.m. by Chair Joel Cook.

Public Comment

Elizabeth Fitzgerald filed a formal complaint of a violation of open meeting law at the January 30, 2019 meeting. She distributed her complaint in writing. No discussion or action took place.

Review of the Agenda

Tracy Wrend made a motion, seconded by Martha Gagner, to remove item 12 from the agenda. After discussion, Joel Cook requested a roll call vote. Joel Cook, Peggy Maxfield, Fran Brock and Robert Letovsky voted against the motion and Tracy Wrend and Martha Gagner voted in favor. The motion did not pass.

Approval of January 30, 2019 Meeting Minutes

Tracy Wrend made a motion, seconded by Fran Brock, to approve the minutes as written. Joel Cook shared a document with his suggestions to modify the minutes. After discussion the motion failed.

Tracy Wrend made a motion, seconded by Martha Gagner, to approve the minutes with four modifications:

Page 2 under Act to Amend, change “Per DFR, member districts will need formal notice...” to “DFR expects member districts to receive formal notice....”

Page 3 under the public comments of Elizabeth Fitzgerald strike “which is not a negotiating body.”

Page 4, indicate the Chair and Vice-Chair were elected, not appointed

Page 6 change “DPAS” to “DataPath”.

After discussion the motion failed. The Board took no other action on the unapproved minutes.

Management Recommendations for Pharmacy Formulary Changes as of 1/1/20

Mark Hage provided a summary of the memo from management regarding the recommendation to change from the open formulary to the national preferred pharmacy formulary and the Accredo specialty formulary for January 1, 2020. There was discussion and Mark responded to questions. BCBSVT recently updated the estimated first year savings (through rebates to VEHI) of the change to the national preferred formulary to \$1.7 million. The rebate savings for the Accredo specialty

network is estimated at \$720,000. There would be ongoing rebate savings with these changes. A decision is needed at the April 29th meeting.

Review Draft Health Program Net Position Policy

Laura Soares reviewed the memo, draft policy, actuarial opinion and other supporting material provided ahead of the Board meeting. DFR recommended in their five-year examination of VEHI that a policy be adopted. Management requested a policy be adopted by June 30th so it is in place ahead of the FY 21 health rate filing. There was discussion and Laura answered questions.

There was a five-minute break.

Cost & Quality Initiative Discussion

Mark Hage led a discussion with the Board on the Cost and Quality Initiative Report prepared by management. The Board shared comments, hopes, concerns and questions. The Opportunity Data Report by Prometheus Analytics will be completed in May and will be shared with the Board. The data will be the foundation of future conversations and any initiatives VEHI considers in this area.

Update on FY 20 Contracts for Renewal

a – c. Laura Soares let the Board know the FY 20 contracts with BCBSVT, VSTRS and Gallagher Benefits Services will be brought to the Board for action prior to June 30th

d. Letter requesting action from VSBIT Board re Service Agreement

The VSBIT Board provided a letter requesting a meeting between representatives of each Board to discuss execution of an amendment to the Service Agreement during its next term. After discussion, no action was taken on this request. The Chair and Vice-Chair will communicate with the Boards of VSBIT and VT-NEA to inquire about their willingness to a short-term extension of the term of the respective Service Agreement to allow more time ahead of renewal for discussion between the parties.

e. Request to delay Service Agreement Evaluation to focus on Roles Discussion

After discussion, VSBIT and VT-NEA will provide evaluations of their work in FY 19 to the April meeting.

Investment Update

The Board acknowledged the update from Laura Soares and Chris Roberts on implementing the Investment Policy as revised in 2017.

Affirm/Amend Agenda Development Protocol

The Board did not have time to discuss this item.

Request for Funding of a Temporary Position to Resolve Outstanding TPA Reconciliations

Bobby-Jo Salls outlined the need for this position for up to two months with a budget of \$6000. Tracy Wrend made a motion, seconded by Peggy Maxfield, to authorize the position. The motion passed. (Martha Gagner left the meeting at this point.)

Discuss Proposed DFR Changes to I-90-1 Rules/Potential Comment from Board

The Board did not have time to discuss this item.

Discuss future agenda items and set next meeting(s) of the Board

The Board will address the Annual Work Plan, Conflict of Interest, and the evaluation of the VSBIT and VT-NEA Service Agreements for FY 19 at the next meeting on April 29th. The Board tentatively set meetings for May 14th and June 11th, both at 1:30 pm, pending hearing from Martha Gagner.

As Time Allows: The Board did not have time to discuss any of these items.

- a. **Develop process for review of unapproved Minutes prior to posting within 5 days of meeting**
- b. **Discuss individual hopes for VEHI and what success looks like for the organization**
- c. **Discussion and Potential Action on S.41 Position**

Adjournment

There being no further business, the meeting adjourned at 5:03 p.m.

Respectfully submitted by: Laura Soares