

Vermont Education Health Initiative (VEHI)

Board of Director's Meeting Minutes

July 17, 2017

Present: Tracy Wrend, Elizabeth Fitzgerald, Jeff Fannon, Nicole Mace, Martha Gagner, Laura Soares and Mark Hage.

Members of the Public: None

The meeting was called to order at 1:04 p.m., by Chair Tracy Wrend.

Public Comment - None

Approve Minutes of June 19, 2017 Meeting

Martha Gagner made a motion, seconded by Nicole Mace, to approve the meeting minutes with the correction of a typo and clarification to the statement on page 3 as to the need to know cost sharing arrangements for future rate setting. Jeff Fannon made a motion to amend the minutes to reflect the dollar increase to VSBIT for reinstatement of the Wellness Coordinator position in FY 18. There was no second to this motion. The motion passed as corrected and clarified in the original motion. (Jeff Fannon abstained)

Discuss Code of Ethics for VEHI Board – Drafts to consider from Tracy Wrend and Jeff Fannon

In addition to the two drafts previously provided, the Board reviewed draft Conflict of Interest and Whistleblowers policies provided by VEHI's attorneys to meet VEHI's obligations to have such policies in place, as required under the contract between VEHI and the State of Vermont with VSTRS as a member of the health program.

The Board directed the Trust Administrators to work with legal counsel to bring to a future meeting a narrow Whistleblower policy reflecting that VEHI does not have employees, yet still meeting the state requirement.

After discussion of the duty of loyalty, conflict of interest and code of ethics, Tracy agreed to take the feedback of the Board and develop a combined policy for consideration at a future Board meeting. Jeff Fannon will provide input to Tracy in drafting the version and the Trust Administrators will seek legal review before it comes before the full Board.

Debrief Legislative Discussion and Potential Impact on VEHI

Tracy asked Laura Soares to provide an overview of Act 85 as it pertains to VEHI.

VEHI is included as a consultant to the Agency of Education in determining the amount of reduction of the education payment to each SU and school district. VEHI is not in the best position to provide the data needed, as VEHI does not know the actual district spend on health care, and tracks total premium spend and enrollment information at the group level, which does not correspond to individual school districts in most cases. However, VEHI will cooperate with the AOE to provide any information requested in a timely fashion.

Act 85 also established the Vermont Education Health Benefits Commission which will, among other items, will examine the structure and composition of the VEHI Board. The Commission shall consult with VEHI as necessary.

Nicole Mace made a motion, seconded by Martha Gagner, authorizing the VEHI Board Chair to send a communication to the Chair of the Commission, once named, to express the VEHI Board's interest in being consulted by the Commission, to contact the VEHI President for operational issues and the VEHI Board Chair for governance issues, and to clarify that the Commission members appointed by VSBA and VT-NEA are not representing VEHI.

Tracy will provide her communication to the rest of the Board for input before finalizing. The Board articulated the expectation that Nicole Mace and Jeff Fannon, if they personally serve as Commission members, clearly disclose to the Commission that they are members of the VEHI Board but do not represent VEHI in this role.

In addition, the Board established internal communication expectations around both components of Act 85 which involve VEHI. Any Act 85 communications that pertain to VEHI by members of the Board or Trust Administrators will be shared with the entire Board and both Trust Administrators. If any action is required of Board members, that will be flagged.

New Health Plan Transition Update

The Trust Administrators reviewed the memo included in the materials outlining all of the efforts underway in the area of employee education. BCBSVT continues to dedicate additional resources to the transition generally and employee education/plan selection in particular. VEHI is supporting central office staff in fulfilling the HR functions of open enrollment.

The delay in settled contracts, complicated by the passage of Act 85, indicates many districts will not be able to hold open enrollment prior to the VEHI November 15th deadline.

Discuss FY 17 Annual Report / Annual Meeting

The Board reviewed and provided input to Laura Soares on the draft notice and memo to the membership regarding the 2017 Annual meeting.

Other Updates

- a. DFR has requested interviews with Jeff Fannon and Tracy Wrend as a part of their regulatory audit of VEHI.
- b. While final figures are still being calculated, Laura estimates the health program will add 10 million to reserves in FY 17.
- c. BCBSVT will provide VEHI its annual in-depth analytics information in late September. Board members are welcome to attend; Laura will provide logistics once available.
- d. PATH accounts have been established for all Board members to assist in their understanding the components of this program.
- e. Willis Towers Watson has been engaged to provide independent FY 19 rate setting analysis to inform the August 30th Board meeting discussion. The actuary indicated CBA information would be informative to the analysis; Mark and Laura are working to provide the information that is available at this time.
- f. In May, the federal government increased various limits, including the minimum deductible for health plans to be HSA compatible, from \$1300/\$2600 to \$1350/\$2700. Mark and Laura are working with BCBSVT to make this update to the new VEHI health plans and will be communicating with the field in the near future.

Adjournment

There being no further business, the meeting adjourned at 4:20 p.m.

Respectfully submitted by: Laura Soares

Next Meeting: August 30th 11:00 – 3:00