

AGENDA
Eastern Connecticut Health and Medical Cooperative
Board Meeting – June 21, 2018
2:00 - 3:30 pm- Room 107
LEARN, 44 Hatchetts Hill Road, Old Lyme, CT

Members Present: Deborah Martin, Nat Brown (left at 2:09 and returned at 2:17), Eileen Howley, Maryann O'Donnell, Carolyn Dickey, Christine Goupil (arrived at 2:17 p.m.), Jan Peruccio, and Julie Pendleton,
Others present: Tom Kowalchik and Lynn Nenni

Meeting called to order at 2:02 p.m.

Discussion and Possible Action

1. Agenda:

No changes

2. Minutes:

Motion to approve the minutes of the May 15, 2018 Special Meeting made by Eileen Howley and seconded by Deb Martin.

Motion approved 5-0-1 (C. Dickey)

3. Financial Status Report:

Lynn reviewed the Statement of Net Position and other reports. The May 2018 financial report was reviewed. The current net position as of May 31, 2018 is \$382,108.31. The change in net position since June 30, 2017 was negative \$327,035.94. The change in net position since April 30, 2018 is a reduction of \$436,070.93. Total current assets were reported as \$1,225,831.15 with total liabilities of \$873,722.84. A summary overview of the last 3 years was also provided and reviewed.

4. Vendor Updates

Tom shared a Trend Report that included information on large claims and discussed the impact of these on the overall trending for the collaborative. Items discussed included information needed and approaches to inform the decisions about setting the budget increases, aggregate stop loss considerations, monthly net position changes, the structure of the collaborative and base rates, and revenues. It was agreed that in the new year, the vendor report would include additional data tracking for revenues received and continual rate trending.

OLD BUSINESS:

1. Bylaw Language Revisions Final Review

A copy of the newly revised bylaws including all changes agreed upon at the previous meeting was passed out and all of the changes were reviewed.

2. New Member Discussion & Vote

Jan P. provided the signed minutes from the Region 18 Board of Education that included the motion and approval to join the ECHMC collaborative. Jan P. indicated there was new information on the Region 18 rate calculations, and there was a change to Region 18's initial rates that had been discussed at the

previous ECHMC meeting. Tom K. stated that he had not considered the new plan design for the group, and that when that was factored in along with the current experience of the group, the rate to join should be at 12.6%, not the previously reported increase of 15.9%. This change was due to the Region 18 teacher plan design change that included an increase in the deductible for the teachers. Tom K. passed out a new rate sheet that showed the teachers should actually be at 11.26%, which results in a change to the overall entry rate at 12.6%

J. Pendleton and J. Peruccio left at 3:10.

N. Brown left at 3:10 and returned at 3:11.

J. Pendleton and J. Peruccio rejoined the meeting by phone at 3:13.

The group discussed the change, and also topics related to the benefits and risks of adding Region 18 to the collaborative as a full member. It was noted that Region 18 had been working towards this and had committed to membership in the collaborative. The process for new members joining and the new guidelines that were embedded in the bylaws were also discussed. It was acknowledged that this process and the vote for new membership in this case was not ideal, as the information changed and the timeline was tight, but the new bylaws outline the process and provide specific timelines for the consideration and approval of new members in the future. This should serve to prevent any confusion and allow for appropriate timelines for the new member and the ECHMC collaborative related to the membership decision.

Motion to adopt the revised rate based on the plan design change for Regional School District 18 at 12.6% made by Eileen Howley and seconded by Nat Brown.

Motion approved 6-1 (C. Dickey) -1 (M. O'Donnell)

NEW BUSINESS:

1. Reauthorizations

Motion that Jan Peruccio, Chairperson of the Eastern Connecticut Health and Medical Cooperative Board of Directors, is authorized to make, execute, and approve on behalf of the board any and all contracts, amendments, or other documents requiring Board execution, effective from July 1, 2018 until the earlier of June 30, 2019 or when Jan Peruccio ceases to be Chairperson of the ECHM Cooperative Board, and be it resolved that Jan Peruccio may execute documents that create obligations for the ECHM Cooperative Board greater than an amount of \$10,000 only with prior authorization of the ECHM Cooperative Board made by N. Brown and seconded by M. O'Donnell.

Motion approved 8-0

Motion to extend the 2017-2018 fiscal agent contract with LEARN through the 2018-2019 fiscal year with the same terms and conditions as the current contract states made by J. Pendleton and seconded by J. Peruccio.

Motion approved 8-0

Motion to appoint Tom Kowalchik as broker of record for the Eastern Connecticut Health and Medical Cooperative for the period of July 1, 2018 through June 30, 2020 made by N. Brown and seconded by D. Martin.

Motion approved 8-0

2. Final vote on rates including Dental

Motion to maintain the dental rates for the 2018-2019 fiscal year to remain the same as the 2017-2018 fiscal year made by N. Brown and seconded by J. Peruccio.

Motion approved 8-0

3. Approve the payment of the ECHM's D and O insurance policy premium

The current insurance policy is up for renewal and we are in the process of acquiring a new quote from the insurer. Last year the costs was \$5,261

Motion to allow the Board Chair to execute the application for the D and O insurance and authorize her to execute the policy as long as it doesn't exceed the cap of \$10,000 in the bylaws made by N. Brown and seconded by E. Howley.

Motion approved 8-0

4. Setting of Meeting Dates for 2018-2019

Discussion about the potential for adjusting the dates of meetings to accommodate schedules of various board members.

Motion to set meeting dates on the third Thursday of the month from 2:00-3:30 p.m. made by J. Peruccio and J. Pendleton.

Motion Approved 8-0

5. Agenda setting for the August 2018 meeting

- a. Discuss the parameters of LEARN as the fiscal agent of ECHMC and the authority of the LEARN Board of Directors related to the budget. Request to ask the question of the ECHMC counsel.
- b. Cigna representative to discuss large claimants and the ability to plan for the impact.
- c. Welcome new member and review process for payment.

Next Meeting –August 16, 2018 at 2:00 p.m.

Motion to adjourn at 3:19 p.m. by E. Howley and seconded by N. Brown.

Motion Approved: 8-0

Respectfully Submitted, Maryann O'Donnell

