

**Eastern Connecticut Health and Medical Cooperative  
Minutes August 11, 2016**

Members Present: Eileen Howley, Mary Royce, Kim Allen, Jan Perruccio, Julie Pendleton, Janet Murphy, Maryann O'Donnell, Bruce Farmer

Others present: Tom Kowalchik, Nat Brown, Lynn Nenni, Jack Cross, Chantel Gerkins, Mark Converse, Richard Napolli

Meeting called to order at 12:40 P.M.

**STANDING AGENDA ITEMS:**

1. **AGENDA:** None
2. **MINUTES:** Motion to approve the minutes of June 9, 2016 made by M. Royce and seconded by J. Perruccio. **Motion approved 8-0-0**
3. **FINANCIAL STATUS REPORT:** The total fund balances for June 30, 2016 is \$1,304,065.30 which includes all the approved additional payments by each member. June claims were down but there is still some run out expected through July and August.

The total fund balance for July 2016 is (\$58,267.40) which is expected from run out from last year showing in the first few months of the new year.

USI will produce a cost analysis by location and distribute to the Board at a later date.

**4. VENDOR UPDATE:**

**PBIX:** Trend costs are down across all groups with no new high-cost drugs hitting our plan. The RFP to CIGNA to separate prescription is still active.

**USI:** Tom gave a presentation to clarify how a stop/loss insurance cooperative would operate and how the "captive" level would be self-funded and used to cover claims. He explained how the captive level would be funded by current and prospective members to reduce costs.

Tom discussed that Yale New Haven negotiations have begun with insurance companies and explained how Yale services are more expensive and advised that districts need to educate their members on how to select their providers.

**OLD BUSINESS:**

1. **BYLAW AMENDMENTS:** Continued discussion to be moved to next ECHMC agenda.

**NEW BUSINESS:**

1. **DIRECTORS AND OFFICERS INSURANCE:** Discussion to be moved to next ECHMC agenda.
2. **WELLNESS INITIATIVES FOR 2016-2017:** Mark Converse (USI) presented a draft on a wellness program for the 2016-2017 year. The emphasis is to target and educate members in order to reduce medical claim costs. Prevention is key and the goal is to get all members to see their primary care provider. The draft would require a 4-week roll-out if approved by the Board.

A subcommittee was formed to review the plan and make recommendations to the Board: J. Perruccio, J. Cross, M. Royce and J. Murphy.

3. **STOP LOSS CAPTIVE PRESENTATION:** Tom gave a presentation to clarify how a stop/loss insurance cooperative would operate and how the “captive” level would be self-funded and used to cover claims. He explained how the captive level would be funded by current and prospective members to reduce costs. A feasibility study needs to be conducted. Tom will compile a list of all other self-funded towns and/or districts in the area before deciding if there would be enough interest and possible members to join a cooperative before moving ahead.
4. **RFQ FOR LEGAL REPRESENTATION FOR THE ECHMC:** Discussion on where the RFQ would be posted, contact for questions and mailing address for proposal submittals. A subcommittee was created to review proposal submissions and forward a recommendation to the Board: J. Perruccio, J. Pendleton and K. Allen. A motion was made to incur costs to place a legal notice of the RFQ in local newspapers made by E. Howley and seconded by J. Pendleton. **Motion approved 8-0-0.**
5. **COMPARING ALLOCATION RATES TO THE STATE OF CONNECTICUT PLAN:** Tom distributed a comparison. No discussion followed.

Motion to adjourn at 2:21pm made by Jan. Perruccio and seconded by Janet. Murphy.  
**Motion approved: 8-0-0.**

Respectfully Submitted,

Kim Allen

