

**Eastern Connecticut Health and Medical Cooperative
Minutes March 9, 2017**

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

Others present: Nat Brown, Lynn Nenni, Richard Napoli, Mark Converse, Chantel Gerkins, Tom Kowalchik, Kirk Carr (Clinton Board of Finance Member)

Meeting called to order at 12:30 P.M.

STANDING AGENDA ITEMS:

1. **AGENDA:** Reorganize agenda around to ensure Priority Business was discussed first before other agenda items.
2. **MINUTES:** Motion to approve the minutes of January 12, 2017 meeting made by J. Pendleton and seconded by M. Royce. **Motion approved 9-0-0.**

Minutes approved after correction made to correct spelling of E. Howley's name.

3. **FINANCIAL STATUS REPORT:** Both January and February reports were presented and discussed. The current fund balance for the 2016-2017 fiscal year as of February 28, 2017 is \$520,267.08 and the total projected fund balance for year end is **(\$164,551.62)**.

4. **VENDOR UPDATE:**

USI: Tom advised that the cooperative is trending well and our claims are down.

PBIX: Chantel provided a report which shows the Board trending well for claims and advised that she will provide a 1st quarter report at the April meeting.

OLD BUSINESS: *Reorganized by Priority*

1. **Discussion and possible action regarding ratification of prior Board acts from the 10/13/16, 11/10/16, 12/8/16, and 1/12/17 meetings: Discussion and Possible Action**

J. Perruccio commented that the Board's legal team has advised that the cooperative review all action/votes from past meetings from September forward and recommends that the Board revote on all motions to ensure that the cooperative complies with all FOIA regulations.

- a) Motion to approve the minutes of September 8, 2016 meeting made by M. Royce and seconded by B. Farmer. **Motion approved 9-0-0.**
- b) Motion to approve the minutes of October 13, 2016 meeting made by J. Pendleton and seconded by J. Perruccio. **Motion approved 9-0-0.**
- c) Motion to approve the minutes of November 10, 2016 meeting made by M. Royce and seconded by J. Murphy. **Motion approved 9-0-0.**
- d) Motion to approve the minutes of December 8, 2016 meeting made by M. Royce and seconded by B. Farmer. **Motion approved 9-0-0.**
- e) Motion to retain the law firm of Pullman and Comely as counsel for the ECHMC for the period from the passage of this motion through June 30, 2018 and, further to authorize the Chairperson to execute the Pullman and Comely representation letter on behalf of the ECHMC Board made by M. Royce and seconded by J. Murphy. **Motion approved 9-0-0**

2. Continued Discussion on Financial Reporting for Budgeting vs. Actual Figures: Discussion and Possible Action

Tom discussed that he will continue to provide IBNR figures to the cooperative on a quarterly basis so that the board can see actual figures and use them in making forecasting and budgeting decisions. He also notified the cooperative that all USI reports now contain only CIGNA claims.

3. Continued Discussion on Funding Reserve and including IBNR in our premium shares: Discussion and Possible Action

Tom distributed a Reserve Level Report that indicated three levels of funding the cooperative's claims, IBNR and administrative fees. The three funding levels go from most conservative to least conservative. Discussion on which level to use in funding the Board's cash flow, claims and reserve will continue at future meetings.

4. Wellness Gifts – updates: Discussion and Possible Action

J. Pendleton advised that the cooperative would receive \$1400 in Amazon gift cards to be distributed among members for use in promoting the Board's wellness program. The gift cards will be allocated on a percentage basis based on group/member size.

5. Update on Possible New Members: Discussion and Possible Action

Region 4 has shown interest in joining the cooperative and Tom has requested that J. Pendleton follow-up with the district.

East Haddam has forwarded their data to Tom for analysis.

Westbrook still interested in joining for dental and Rx but no formal steps taken to date.

6. Stop Loss Insurance: Discussion and Possible Action

E. Howley discussed that LEARN is working on a Stop/Loss Insurance Purchasing Cooperative at the request of districts in the region. She requested that the Board provide data without committing the board to participating.

Discussion followed on the pros/cons of providing the Board's aggregate data and it was reinforced that providing such data does not commit the cooperative to participation in the new LEARN initiative.

Motion made to provide USI with aggregate claim data it needs to perform a feasibility student of Stop/Loss coverage made by E. Howley and seconded by M. Royce. **Motion approved 9-0-0.**

NEW BUSINESS: *Reorganized by Priority*

1. Possible Board Action on Setting 2017-2018 Premiums: Discussion and Possible Action

Tom distributed current claims report and recommended that the Board post-poner a vote on setting the 2017-2018 until April so that the Board will have another month of claims to use in determining the best rate to fund our claims, administrative fees, IBNR and reserve.

Motion that while the Board is not setting allocation rates but that when the rates are set they will not exceed 16% for any of the three product categories: medical, dental and Rx made by J. Perruccio and seconded by J. Pendleton. **Motion approved 9-0-0.**

2. **CIGNA Representative and Mark Converse (USI) with Wellness Program Presentation**
Presentation cancelled due to time constraints.
3. **USI – update on premium projections for lowering stop/loss limit: Discussion and Possible Action**
Tom will send data to Jack Cross (LEARN) on the cooperative's claims to conduct a feasibility study of the Board joining the new LEARN Stop/Loss Purchasing Cooperative Initiative
4. **Pullman and Comley FOI Invoice: Discussion and Possible Action**
Motion made to approve the Pullman and Comley Invoice for \$68.00 by J. Pendleton and seconded by K. Allen. **Motion approved 9-0-0.**
5. **Agenda setting for the April meeting: Discussion and Possible Action**
Claim Update Report from Tom
Allocation Rate Setting for 2017-2018
Pullman and Comley FOI Invoice
New Member Update

Motion to adjourn at 2:05pm made by Royce seconded by B. Farmer. **Motion approved: 9-0-0**

Respectfully Submitted,

Kim Allen

