

**HMINUTES**  
**Eastern Connecticut Health and Medical Cooperative**  
**Board Meeting – March 25, 2021**  
**2:30 PM-Zoom Meeting**

**Members Present:** Mike Belden, Julie Pendleton, Peter Nero, Kate Ericson,  
Holly McCalla, Jan Perruccio, Ian Neviaser

**Others present:** Joanne Lund, Thomas Kowalchik, Lynn Iannuzzi-DiBene, and Christine Pemberton

***Meeting called to order at 2:30 PM***

**Standing Agenda Items:** Discussion and Possible Action

**1. Agenda**

**2. Approve minutes of February 25, 2021:**

*Motion made by H. McCalla, seconded by K. Ericson to approve the minutes as written*

*Approved: 6-0-0 (P. Nero joined subsequent to vote)*

**3. Financial Status Report**

- a. Joanne reviewed Statement of Net Position; overall net position of \$8.3m increased ~\$200k due to excess revenue over claims for the month.
- b. Cigna claims for February are less than \$2k with ~\$600 in stop loss receipts.
- c. Anthem stop loss receipts are now shown on the reports, February ~\$200k.
- d. Claims increased ~\$275k from January; year over year decrease over \$2.3m/23%.
- e. February reports include 16 large claims with two exceeding the \$150k stop loss.

**4. Update from Vendors/Anthem Update**

- a. Tom/Lynn informed the group on new COBRA legislation; any qualified participant who was involuntarily terminated or had a loss of hours between 4/1/20 – 9/30/21 is eligible for 6 months free COBRA. There will also be a look back period to November 2019 for participants. Tom will share additional information as it becomes available. For members using Benefits Strategies, they will handle the new legislation.

**5. Marketing – new members:**

- a. Nothing new to report

**Old Business:**

**1. Wellness Materials and use of Wellness Funds**

- a. Julie previously provided a breakdown of the allocation of wellness funds based on membership.
- b. Members will need to provide Anthem with their wellness initiative plan for review and approval.
- c. Each member will use their own funds for the initial purchases and request reimbursement from Anthem. This must occur prior to June 30, 2021.

**2. Allocation Rates:**

- a. Tom provided an overview of several scenarios for the FY 21-22 rates and the impact to the reserve using an estimate of \$9.3m projection at June 30, 2021.
- b. A 24% rate reduction was used as a baseline which results in no additional reserve and a maximum claims/fixed cost amount of ~\$12m. Additional scenarios were discussed by the group including 10/12/15% rate reductions.
- c. Tom anticipates that \$1.1m could likely continue as the monthly run rate.
- d. After some discussion on the uncertainty of future claims, the members were comfortable with a 15% decrease in the rates.
- e. The members also discussed having Tom review the plan designs across the ECHMC and look to smooth out the rates. Several of the plans are similar and this would be a good time to make some minor changes in the rates. Rates will be adopted in April after review of the plan designs.

*Motion made by P. Nero, seconded by K. Ericson to reduce the allocation rates by 15%. Approved 7-0-0*

*Motion made by P. Nero, seconded by H. McCalla directing Tom to use 15% rate reduction as a guide to review the plan designs and smooth out the rates. Approved 7-0-0.*

### 3. By-laws Revisions

- a. Julie worked with legal counsel on changes to the by-laws to address the voting rights for each new member.

*Motion made by I. Neviasser, seconded by P. Nero to adopt the revisions to the by-laws as stated below.*

*Approved 5-2-0*

- b. **5.3 Appointment of Directors: The entitlement to membership of an entity on the Board of Directors is determined by the total number of employees in the entity at the time of the vote by the Board of Directors to accept that entity as a Member of the Cooperative.**

**5.3.1 Members with 99 or less employees are entitled to appoint one (1) Director to serve on the Board.**

**5.3.2 Members with over 100 employees are entitled to appoint up to two (2) Directors to serve on the Board**

**5.3.3 Members who have 2 Directors as of 2/25/2021 on the Board are entitled to maintain such membership on the Board of Directors regardless of the number of employees**

- c. Julie will coordinate with legal to incorporate the changes.

### New Business – Tom/Lynn left the meeting

#### 1. Fiscal Agent: Discussion and Possible action on one year renewal

*Motion made by J. Perruccio, seconded by P. Nero to defer renewal discussions and extend agreement with LEARN for one year. Approved 5-0-2*

#### 2. Broker: Discussion and possible action on one year renewal

*Motion made by H. McCalla, seconded by K. Ericson to defer broker renewal discussions and extend USI for one year. Approved 7-0-0*

#### 3. Agenda setting for April 22, 2021 meeting

*Meeting adjourned at 3:45 PM*

Next Meeting –April 22, 2021 at 2:30 PM. Zoom information will be provided in a calendar invite.

Respectfully Submitted,  
Joanne Lund

