

MINUTES
Eastern Connecticut Health and Medical Cooperative
Board Meeting – February 22, 2024
2:00 - 4:00 pm

Members Present (in-person): Jeff Wihbey, Ben Whittaker, Kate Ericson, Mike Belden, Holly McCalla, Pamela Listorti, Kristina Martineau, William Merrill, Troy Hopkins.

Members Present (via zoom): Jan Perruccio, John Hall (arrived after meeting started)

Others present (in-person): Thomas Kowalchik (USI), Lynn Iannuzzi-DiBene (USI), David Sirowich (PBIRx), Nabil Khan (PBIRx).

Others present (via zoom): Joanne Lund (LEARN), Beth McCaffery (LEARN), Salvatore Menzo, Superintendent Goodwin Schools.

Meeting called to order at 2:00 PM

Standing Agenda Items: Discussion and Possible Action

1. Approve minutes of January 25, 2024:

*Motion to approve January 25, 2024, meeting minutes made by Holly M., seconded by Kristina M.
Approved Unanimously.*

Kate E. requested a motion be made to allow the Prescription drug presentation be moved to the start of the meeting.

Mike B made a motion to move the presentation of the Prescription drug coverages before the financial status report. Holly M. seconded the motion, and the motion was approved unanimously.

2. Presentation and analysis of Prescription drug coverages RFP

- a. Tom Kowalchik introduced David Sirowich and Nabil Khan of PBIRx. David presented an update of the RFP and discussed the fact that they have been involved with the ECHMC for the past ten years. David has received the results and stated that Anthem has been aggressive with their proposal. Nabil discussed some of the pharmaceutical drug usage data. The language of pharmaceutical benefits is very important, and they have worked with the providers to negotiate better discounts for the ECHMC. The recommendation was for the ECHMC members to renew with Anthem with an effective date of April 1, 2024 with the improved rates for a potential savings of approximately \$500,000, if the start date is implemented April 1 rather than July 1. In addition, David recommended the ECHMC continue the prescription drug contract with Maxor.

The ECHMC committee members requested Tom K. review the recommended proposals. The committee members agreed to vote on a new contract at the March 28th meeting.

3. Financial Status Update

- a. Joanne Lund presented the January financial activity. The January net position of \$4.24M decreased \$375K for the month due to excess claims over revenues. Large claims and prescription drugs continue to be significant factors for this increase. YTD claims over revenues = \$1,245K. See financial reports for further details.

4. Large claims (over \$50K = 60 vs large claims last year of 20) as of the end of January.
5. **Marketing – new members:**
 - a. Tom K. stated that Portland BOE and East Haddam BOE have expressed interest in the ECHMC. In addition, the Norwich BOE is talking with the city of Norwich about interest in the ECHMC. Norwich is currently self-insured. The Highville Charter School has submitted their census to Tom and the committee will review these findings at the March meeting.
 - b. The deadline to request an interest in becoming a member of the ECHMC for 7/1/24 is March 1, 2024.

6. **Reserve Fund Policy:**

- a. The reserve fund policy will be distributed to all members prior to next month's meeting. As the ECHMC has grown from 742 members in FY 22/23 to 1,167 members in FY 23/24, a review of the policy will be discussed at a future meeting.

7. **Update from Vendors/Anthem Update**

- a. Tom K. provided a summary of the claims analysis and stated that most of the claim exposure has continued to be driven by large claimants.
- b. Tom discussed the preliminary rate discussions and emphasized these results are one month in arrears. After reviewing all the data in detail, preliminary results show a projected percentage increase based on a rolling twelve-month cycle of approximately 6.9%. Each member of the ECHMC can use this preliminary rate to assist with their own budget for the FY 24-25.
- c. Life Insurance Coverage – Tom is in communication with providers of Life Insurance Benefits and will provide an update to the members at the March 2024 meeting of cost options.

8. **Old Business:**

- a. **Bylaw subcommittee to address rate adjustments for long term members**

The subcommittee met and will provide continuing updates to the full committee. One key area that the committee reiterated was the importance of maintaining the benefits of how the ECHMC was formed and the benefits of having allocation rates voted on as an entire group. Additional discussions concerning potential opportunities for rate review at the individual member detail was discussed.

9. **New Business**

- a. **CASBO Vendor Day April 25, 2024**

Last year at the CASBO vendor day, the ECHMC rented a booth in an effort to market the ECHMC to potential new school districts and towns. Holly M and Ian N. provided attendees with various marketing materials to promote the ECHMC. After discussing the positive benefits of this exposure, a motion was made by Mike B. and seconded by Kristina M. to approve the cost of the exhibit fee (approx. \$650.) The motion was approved unanimously.

Items for March 2024 Meeting agenda

- Vote on Maxor agreement
- Vote on the PBIRx contract
- Highville Charter school request
- Review East Haddam's interest in the ECHMC
- Allocation rate discussion
- Reserve Fund Policy discussion
- Update from the subcommittee on potential rate adjustments for long term members

Motion to adjourn meeting made by Holly M. seconded by Mike B., all in favor. Meeting adjourned at 3:51pm. Unanimously approved.

Next Meeting – March 28, 2024, at 2:00 PM.
Zoom information will be provided in a calendar invite if needed.

Respectfully Submitted,
Mike Belden

