

MINUTES
Eastern Connecticut Health and Medical Cooperative
Board Meeting – May 16, 2019
2:00 - 3:30 pm- Room 107
LEARN, 44 Hatchetts Hill Road, Old Lyme, CT

Members Present: Eileen Howley, Nat Brown, Sue Cunningham, Maryann O'Donnell, Julie Pendleton, Deborah Martin, Ian Nevaiser, and Holly McCalla (arrived 2:25 p.m.) and Jan Perruccio (by phone at 2:21 p.m. and arrived at 2:37 p.m.)

Others present: Tom Kowalchik, Roy Boling (interim CFO LEARN), Joanne Lundt

Meeting called to order at 2:11 p.m.

Standing Agenda Items: Discussion and Possible Action

1. Agenda:

Add D&O insurance application policy for signature- New Business Item #3.

2. Minutes:

Motion to approve the minutes of the March 8, 2019 special meeting made by N. Brown and seconded by E. Howley

Motion approved 6-0-1 (M. O'Donnell)

3. Financial Status Report

R. Boling reviewed the financial reports through April 30, 2019. There was a change in net position of \$1,198,111.10 and the ending net position for April 30, 2019 was \$1,114,798.77. This represents a reduction of \$465,149 compared to the previous month's net position. Total current assets were reported as \$2,127,928.65 with total liabilities of \$1,013,129.88. It was noted that there were several high claims this month that impacted the reduction in net position. The individual net positions were discussed as well as that as a collaborative we should consider moving toward an equalized rate. T. Kowalchik agreed to put together do a side-by-side comparison of the plan designs that exists to be reviewed at the June meeting.

Motion to approve the financial report presented by R. Boling made by N. Brown and seconded by J. Pendleton. *Motion approved 7-0*

4. Updates from vendors

T. Kowalchik presented his year-over-year report. He noted that claims dropped by 4.7% in medical and 6.6% in pharmacy. This report represents July through March 2017 compared with the same timeframe for 2018. Tom has sent allocation rates based on the 9% approved at the previous month's meeting and will ensure that all groups have them.

Specialty drugs will be distributed through Accredo going forward. Nat will send the brochure and information to all members. T. Kowalchik indicated that in an attempt to save costs for the group, he is exploring carving the prescriptions from Cigna High Deductible Plans in the ECHMC groups and exploring utilizing Maxor for prescriptions.

N. Brown reviewed the dashboard showing a deficit in monthly costs, an increase in large claims, and the comparison of claims graph for current year and prior year.

Old Business: Discussion and Possible Action

1. Update on Wellness

Tom K shared a Population Health Management Report. This included reviewing current risk scores and an examination of data related to preventive visits of the membership in 2018 and how the data compares to national norms. The members discussed actions that could be taken including reminders to members regarding wellness information, adjusting language in the contract to include wellness clauses, know the impact of decisions for health care locations related to costs, promoting Cigna disease management programs, and providing rewards for participants completing verified screenings or other targets.

Tom K. suggested that the board consider re-establishing a Wellness subcommittee to focus on this topic.

2. Update on Bylaws Revision

A subcommittee met to review bylaw revision recommendations from the last meeting and provided suggested language changes. N. Brown walked through the proposed revisions to the bylaws with the group. This is first read for the document. M. O'Donnell mentioned concern regarding the language for treatment of unallocated funds in the proposed revision, Article 10.3.2, which will treat all unallocated funds. She pointed out that rebates for prescriptions to entities are put into the general unallocated funds account, whereas the rebates and refunds for medical are designated to the individual entity for accounting purposes. She suggested that the rebates in prescription should be handled the same way as the medical is handled. A question was raised by E. Howley about the specificity of the board and its functionality and whether there should be bylaw language to codify the procedural approach to operations such as rate setting and other business of the board within the bylaws.

The second reading for the bylaws will be the June meeting, and they will then be considered for adoption.

3. Continued Discussion on Financial Reporting for Budgeting vs. Actual Figures

This was discussed above during the financial report.

New Business: Discussion and Possible Action

1. Election of Slate of Officers for 2019-2020

The Board reviewed the language in the bylaws for officer selection.

Motion to appoint J. Pendleton as chairman of the ECHMC for 2019-2020 made by J. Perruccio and seconded by H. McCalla.

Motion approved 9-0

Motion to appoint H. McCalla as Vice Chairman of the ECHMC for 2019-2020 made by J. Pendleton and seconded by E Howley.

Motion approved 9-0

Motion to appoint D. Martin as Secretary of the ECHMC for 2019-2020 made by J. Pendleton and seconded by E Howley.

Motion approved 9-0

2. Agenda setting for the April 2019 meeting

- a. Standing items
- b. 2nd Reading of Revised bylaws and potential action
- c. Possible establishment of Wellness Subcommittee
- d. Vendor Reports to include side-by-side comparison of benefits
- e. Review Cigna Pharmacy+ and Accredo marketing materials

3. Directors and Officers Insurance Application

Motion to authorize J. Peruccio to execute the application and authorize the policy for the Directors and Officers insurance made by N. Brown and J. Pendleton.

Motion Approved: 9-0

Next Meeting –June 20, 2019 at 2:00 p.m.

Motion to adjourn at 3:46 p.m. by N. Brown and J. Pendleton.

Motion Approved: 9-0

Respectfully Submitted, Maryann O'Donnell

