

MINUTES
Eastern Connecticut Health and Medical Cooperative
Special Meeting – March 8, 2019
9:00-10:30 AM- Room
107
LEARN, 44 Hatchetts Hill Road, Old Lyme, CT

Members Present: Jan Peruccio, Julie Pendleton, Ian Neviaser, Holly McCalla, Deborah Martin, Christine Goupil, Eileen Howley

Others present: Tom Kowalchik, USI, and Lynn Nenni

Meeting called to order at 9:07 a.m.

Discussion and Possible Action:

1. Approval of the Minutes of the February 21, 2019 meeting:

Motion to approve the minutes of the January 24, 2019 meeting made by E. Howley, and seconded by J. Peruccio.

Motion approved 7-0 (unanimous)

2. New Member Analysis and Discussion

Tom Kowalchik distributed Regional School District #4 (RSD 4) Cooperative quote recommendation. The total monthly expected medical, Rx costs and fees totaled: \$7,386,986 or PCPM: \$1,832.09. These were actual Cigna renewal fixed costs for 2019-2020. RSD 4 is underfunded in their current operating budget; the total number would address their costs in the year ahead. The committee discussed the degree of risk if an entity is underfunded in their own operating budget. The discussion concluded that our by-law's should reflect expectations for payments, e.g., a 30 day non-payment clause. This will be discussed at a future meeting. Tom K. also highlighted RSD 4 cost per contract per month is \$1583.05. Currently with Clinton, our costs are \$1584.97, without is \$1462.90. RSD is approximately the size of Clinton.

Motion to release the quote of \$7,386,986 or PCPM: \$1,832.09, requesting that Tom K indicate that the projection is not firm until claims are included through February, and contingent upon Board vote to extend membership (H. McCalla; D. Martin), (7-0) unanimous.

3. Update and Discussion or Potential Exiting Member

Although Clinton BOE representatives were unable to attend, Clinton Superintendent shared with the Chair that they are in their final stage of preparing to exit. The committee agreed to plan without Clinton in order to address budget needs. The committee re-reviewed the rates as presented by Tom K. at the last meeting. The previous discussion had the rate at 15%. Lynn Nenni provided input regarding the unassigned fund balance and IBNR. The committee reviewed the unassigned fund balances and the by-laws related to member exiting.

The committee generated questions for legal council for ECHMC, including the definition of reconciliation and what is included. Is an exiting member entitled to monies from

unassigned? If so, how is it calculated? Jan will contact Attorney Sommaruga and connect him with L. Nenni to review the balances and if possible, report to the Board at its next meeting.

The committee then revisited our rate setting and discussed our plans. At this point, all entities are currently budgeting as planned. This will be revisited upon the next updated claims and financial report.

4. Agenda Setting for March 21, 2019 meeting:

Due to a conflict, the Committee agreed to move the March meeting date to March 22, 2019 at LEARN at 9:00 AM, room 107. LEARN will post the change in date.

Draft items:

To set allocation rates

To examine, consider and possibly recommend by-law changes:

30-day delinquency language

Clarify notification language for entering/exiting

Suggest a subcommittee for by-law revision recommendations?

Update on Clinton pending exit

Input from Attorney Sommaruga regarding reconciliation

Regional School District 4: possible action

Meeting adjourned 10:50 (McCalla, Pendleton)

Next Regular Meeting –March 21, 2019 at 2:00 p.m.

Respectfully submitted, Eileen Howley



