

**Eastern Connecticut Health and Medical Cooperative
Minutes April 6, 2017**

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

Others present: Lynn Nenni, Christine Zima

Meeting called to order at 12:35 P.M.

STANDING AGENDA ITEMS:

1. **AGENDA:** No changes
2. **MINUTES:** Motion to approve the minutes of March 9, 2017 meeting made by M. O'Donnell and seconded by M. Royce. **Motion approved 9-0-0.**
3. **FINANCIAL STATUS REPORT:** March reports were presented and discussed. The current fund balance for the 2016-2017 fiscal year as of March 31, 2017 is \$280,714.70 and the total projected fund balance for year end is **(\$404,104.00).**

Motion to accept March Financial Reports as "DRAFT" to allow time to review March reimbursements when they become available and internally review the data just received today (April 6, 2017) made by E. Howley and seconded by M. Royce. **Motion approved 9-0-0.**

4. VENDOR UPDATE:

USI: Christine reported that the cooperative is continuing to trend well and she recommended an allocation rate of 9.68% for medical and Rx product categories for the 2017-2018 fiscal year. A flat increase was recommended for the dental product category. She advised that every 1% above the 9.68% would allow the Board to add \$155,735 to the reserve fund.

An updated report was distributed on funding the reserve and showed 3 levels of funding from least to most conservative.

Christine recommended that the Board's financial reporting be changed to remove Rx figures from dental and added to Medical beginning July 1, 2017. This change would align with how CIGNA reports claim information and would better correspond to financial reporting.

OLD BUSINESS:

1. Update on Possible New Members

- A) East Haddam: USI priced out East Haddam and found them to be not credible and they would be better to stay on their own plan at this time. Will discuss the possibility of joining the cooperative for just dental and Rx.
- B) Westbrook: USI is completing a pricing presentation for them joining for dental and Rx. Will forward pricing data to the Board before presenting to Westbrook.
- C) Region 17: Requested information on joining the cooperative. Tom will contact them to begin discussions.

2. Continued discussion on Financial Reporting for budgeting vs. Actual figures by including IBNR and reserve funding

Lynn distributed a separate Statement of Net Position (Balance Sheet) report for March. Lynn discussed allocating the cooperative's unallocated funds to the individual groups. Group discussion followed on maintaining the funds as a group and not distributing to individual districts. Lynn advised that the ECHMC bylaws indicate that the funds should be allocated across the different districts. Further discussion to be continued at a later meeting.

Eileen discussed a meeting that LEARN hosted with Blum Shapiro and legal counsel (Mark Sommaruga represented ECHMC) to discuss how the Board's funds are reported and to ensure LEARN as fiscal agent is meeting the needs of the ECHMC.

Blum Shapiro will be scheduled to present their recommendations for financial reporting at the May 2017 meeting.

3. Update on Stop Loss Insurance Feasibility Study

Postponed to May 2017 meeting.

4. Wellness Gifts

Julie distributed Amazon gift cards to board members for use in their districts.

NEW BUSINESS: *Reorganized by Priority*

1. USI – update on premium projections for lowering stop/loss

Current CIGNA renewal rates for 2017-2018 will only be reduced if there are any changes. Further discussion postponed to May 2017 meeting.

2. Pullman and Comley FOI Invoice

Motion made to approve the Pullman and Comley Invoice for \$68.00 by J. Pendleton and seconded by B. Farmer. **Motion approved 9-0-0.**

3. Possible Board Action on Setting 2017-2018 Premiums

Discussion about the pros of being more conservative in moving forward and funding our reserve.

Motion made to set 2017-2018 premium allocation rate for medical and Rx at a 16% increase made by J. Perruccio and seconded by J. Pendleton. **Motion passed 9-0-0.**

Motion made to set 2017-2018 premium allocation rate for dental at a flat (0%) increase made by J. Pendleton and seconded by M. Royce. **Motion passed 9-0-0.**

4. Agenda setting for the May meeting

USI Data/Utilization Report

Blum Shapiro Presentation on Financial Reporting

Mark Converse Presentation on Wellness

Possible Day and Time Changes for 2017-2018 ECHMC Meetings

Update on Stop/Loss Feasibility Study

Motion to adjourn at 1:40 pm made by Royce seconded by E. Howley. **Motion approved: 9-0-0**

Respectfully Submitted,

Kim Allen

