

Thursday, December 6th, 2018: **EASTCONN ECHIP Executive Committee Meeting** held at the EASTCONN Central Office, 376 Hartford Turnpike (Route 6), Hampton, CT

Executive Committee Meeting:

Present:

Larisa Carr, EASTCONN
Kelly Vachon, Plainfield
Gary Mala, EASTCONN
Bill Hull, Putnam
Steve Werbner, Tolland
Amanda Backhaus, Coventry
Steve May, Milliman
Walter Willett, Tolland

EASTCONN Staff present: Carol Klemyk, Executive Assistant

1. **The meeting was called to order at 9:04 am by Bill Hull**
2. **Approval of Minutes: amend item #11 of November minutes to Steve Werbner made motion**

MOTION:	Steve Werbner made motion to approve the minutes from the November 2018 meeting with amendment
SECOND:	Amanda Backhaus
VOTE:	Unanimous
ABSTENTIONS:	None

3. **Additions to the Agenda:** No Additions

4. **Wellness:**

- Provided outline of last week's meeting
- Discussed wellness web-site; web-site registration promotion and inspired perspectives
- 500 AMEX cards at \$20 amount - approved
- 10k for prevention promotion
- 23k remaining - will discuss at future meeting

MOTION:	Steve Werbner made motion to approve the budget as presented: 10k for AMEX cards and 10k for preventive mailing
SECOND:	Kelly Vachon
VOTE:	Unanimous
ABSTENTIONS:	None

5. ECHIP OFFICER:

No secretary voted on - position still open. Walter Willett offered to fill in the position. Steve Werbner suggested that Mr. Willett takes Steve's place on Executive Committee

MOTION: Amanda Backhaus motioned to put Walter Willett's name forward to next full committee meeting to replace Steve Werbner, Tolland

SECOND: Steve Werbner

VOTE: Unanimous

ABSTENTIONS: None

6. Administrative/Financial Update: (see handouts)

- Claims/activity are driving cost
- Only liable up to 160k, so are not building it in. So carve out, and put back in after trend.
- Claim fluctuation margin included
- Trend – medical trend @ 7%, Drug @ 10%
- It is about where we would expect it to be, not conservative
- Cigna would label as “aggressive”
- Cigna has new PBM coming in
- Will large claim activity impact Stop Loss?
- It may be worth contemplating changing that again
- Started at 160k, it is not covering the same risk level now. Should we be at 200k? That would lower the premium
- Seeking a formal proposal. If take 6% risk, should get a premium adjustment – 8,10,12%
- 160k is equivalent to 200k today.
- 21 months away, 21/12ths away. Moving forward 12.6% medical and 18.2% for drug.
- There is some implicit margin in the math.
- Beginning of March, some of the implicit margin will be washed out.
- Do average per head.
- Come down to projected net incurred claims. On next page, highlight the expenses.
- Cigna agreed to no increase to admin expenses.
- Commissions are included in document provided.
- CFC – Claim fluctuation margin, if in acceptable claims, can go zero. Steve May started us at 2%. Some who have the right reserves may ask for zero there.
- Eastconn, ECHIP expense, 3% added to it.
- REBATES: Stayed with what has been known. No utilization assessed from members. Provides a level of conservatism. Did not assess change in activity or formulary.
- Percentage increase is 8.1% which is right around trend. Tolland is just below trend, and then we have activity above.
- \$25,000 for Eastconn – commission change.

7. New Business

- a. Steve May is leaving Milliman
- b. Contract date with Milliman, ECHIP is due, it is up/open. Having a transition plan will be key. The RFP document previously used can be updated to go out immediately. Have to go to the full committee meeting and ask if the Executive Committee is going to be the search committee. It should be approved by them. Even a smaller committee to vet proposals. Will get at least 10. Can put it on as additional business today in the meeting. Talk about RFP and the search process, be as transparent as possible.

8. Adjournment:

- a. **MOTION:** Kelly Vachon made the motion to adjourn the meeting at 9:35 am
- b. **SECOND:** Amanda Backhaus
- c. **VOTE:** Unanimous
- d. **ABSTENTIONS:** None

Respectfully submitted,

Carol A. Klemyk
Executive Assistant - EASTCONN