

**Governmental Health Group of Rhode Island
Minutes
Regular Meeting of the Board of Directors
Wednesday, April 23, 2008**

A regular meeting of the Board of Directors was held on Wednesday, April 23, 2008, at the Portsmouth Town Hall, 2200 East Main Road, Portsmouth, Rhode Island.

Roll Call

Board of Directors

Jane F. Correia	Director	Present
Shawn J. Brown	Director	Present
David P. Faucher	Director	Present
Harold "Ron" Devine	Director	Present
Vacant		
Nancy Lalli	Director	Excused
Douglas Fiore	Director	Excused
Giovanna Venditti	Director	Present

Alternate Board Members

Edward Mara	Alternate	Excused
Catherine McLeish	Alternate	Present
Christine Tague	Alternate	Excused
Robert Mushen	Alternate	Excused
Maureen Macera	Alternate	Excused
Michael Saunders	Alternate	Excused
Vacant	Alternate	Excused
Frances Gallo	Alternate	Excused

Others Present

Lynne Dible	Secretary	Present
Maureen Maurer	Recording Secretary	Present
Kevin Walsh	Group Benefits Strategies	Present
Marc Gagnon	BCBSRI	Present
Ginger Hastings	BCBSRI	Present

Call to Order

President Faucher called the meeting to order at 9:30 a.m. Secretary Dible reported that a quorum was present.

Distribution of BCBSRI Renewal Proposals FY July 1, 2008 - June 30, 2009

Marc Gagnon of BCBSRI distributed to individual members their renewal proposals for the period July 1, 2008 – June 30, 2009. BCBSRI decided not to implement the specialty drug benefit for this July, but will continue to refine it. The mail order provision will also not go into place either.

Agenda

A motion was made by J. Correia, seconded by S. Brown, to approve the agenda for the April 23, 2008 regular meeting. The motion was approved unanimously.

At this time, D. Faucher introduced Kathleen Lombardo, the Human Resources Director from Woonsocket Schools.

Secretary's Report

A motion was made by S. Brown, seconded by J. Correia, to approve the minutes (previously e-mailed) for the March 26, 2008 regular meeting. The motion was approved unanimously.

Treasurer's Report

S. Brown reported that he had added a new account called Prepaid Health Services to break out the Good Health benefit. Otherwise, there was nothing noteworthy. The year-to-date exceeds 2.1 million, with no claims in excess of \$300,000. A motion was made by J. Correia, seconded by H. Devine, to receive the Treasurer's Report for the period ending 3/31/08. The motion was approved unanimously.

Warrants

S. Brown reported that GBS will be reimbursing GHGRI for the legal fees of \$243.75 that were incurred when attorney S. Zubiago of Nixon Peabody was consulted about forming a dental subset. A motion was made by S. Brown, seconded by J. Correia, to approve the May 2008 Warrant for the amount of \$404,409.60. The motion was approved unanimously.

Self-Funded Cost vs. Funding Analysis/ High Cost Claim Report

K. Walsh provided a handout (previously emailed) and reviewed the Self-Funded Cost vs. Funding analysis for the policy period 7/1/07 – 6/30/08, which is at an overall cost/funding ratio of 94% for nine month of claims activity as of the end of March 2008. This is actually better than where GHGRI was a year ago, given that the rates were set 3% lower. In looking at the disputed claim log, he pointed out that there were 11 claims totaling about \$9,400. He also reviewed the High Cost Claim Report, which showed that everything was paid through February 2008.

OLD BUSINESS

New Members Status

D. Faucher has received confirmation from all new members except Bristol Town.

M. Saunders represented GHGRI at the North Kingstown School Committee meeting for 1.5 hours which included a presentation and questions. The Committee will vote on Monday, April 28, which is GHGRI's deadline for a decision. The Town of North Kingstown has put off the vote on whether to join GHGRI. Some individuals on the Town side prefer United. The Schools may opt to join GHGRI without the Town.

A motion was made by J. Correia, seconded by S. Brown, to give voting board seats to four new members, Burrillville Town and Schools, North Smithfield Town and Schools, Smithfield Town and Schools and the City of East Providence. The motion passed unanimously.

A discussion ensued about the need for a larger meeting space, since the number of voting board seats will increase from 8 to 14. With alternates and other attendees, the attendance may go up to 35 people. One suggestion would be to have the large group meet less frequently, such as on a quarterly basis and have only steering committee or executive board members meet monthly to handle routine business. There was discussion about the importance of including new members in the monthly meetings, and about offering an orientation or training workshop for new members. Discussion on forming a steering committee was tabled and will be added to the May meeting agenda.

D. Faucher will look into using a meeting room at The Trust in East Providence for next month's meeting on May 28, 2008. K. Walsh of GBS will work on the agenda for the orientation session for new members which will follow the May board meeting from 11:00 a.m. – 12:30 p.m.

DDRI Network / Dental Subset contract

G. Hastings from GBS reported that Delta Dental has agreed to allow Portsmouth (currently with BCBS) to join the national plan at no additional cost. Everyone else would have the local network which would limit their dental care to providers in the state. A motion was made by J. Correia, seconded by S. Brown, to give D. Faucher as president of GHGRI the authorization to sign the contract with Delta Dental for the four groups. The motion was approved unanimously.

Status of State Legislation

J. Correia reported that Article 5 was pulled from the Supplemental Budget. It was agreed to finalize the language with attorney S. Zubiago and that J. Correia should have a conversation with Caroline Diaz about the proposed GHGRI wording to amend Article 5.

NEW BUSINESS

Recommendation for surplus distribution for FY2009

S. Brown recommended that \$1 million of the \$2.1 million surplus be distributed to members. The breakdown would be based on subscriber months for July 2007 – March 2008, allocated on a percentage basis to the existing 14 members. There was some discussion on maintaining the contingency reserve at the same level or increasing it as a result of the new members. A motion was made by H. Devine, seconded by S. Brown, to distribute the \$1 million to members on July 1, 2008. The motion passed unanimously.

GHGRI vs. State RI Survey

K. Walsh of GBS distributed information comparing GHGRI's Retention, Buybacks, and Co-Share with those of State of RI. He also shared information from Healthmate Coast to Coast that presented 62 groups with 19 variations and included the State plan design. He recommended that GHGRI should discuss and initiate a bid process to hire a consultant who can guide the group through the process of setting up a Pharmacy Benefit Manager (PBM) and carving out prescription drugs as a separate item. This item will be added to the May agenda.

Adjournment

A motion to adjourn at 11:15 a.m. was made by J. Correia, seconded by S. Brown. The motion was approved unanimously.

The next regular meeting will be held on May 28, 2008, at a location to be announced.

Respectfully submitted,

Lynne S. Dible, Secretary
Maureen D. Maurer, Recording Secretary