



**Minutes of the March 24, 2010
Regular Meeting of the Board of Directors**

A regular meeting of the Board of Directors of the Governmental Health Group of Rhode Island (GHGRI) was held on Wednesday, March 24, 2010, at the offices of The Rhode Island Interlocal Risk Management Trust, 501 Wampanoag Trail, Suite 301, East Providence, RI 02915.

ROLL CALL

Board of Directors

1)	Christina Collins	Town of Jamestown	Present
2)	Pauline Silva	Bristol Warren Regional School District	Present
3)	Lisa Cournoyer	Smithfield Schools	Present
4)	Lynne S. Dible	Town of Middletown	Present
5)	Michael Embury	Town of North Kingstown	Excused
6)	David P. Faucher	Town of Portsmouth	Present
7)	Douglas Fiore	Tiverton Schools	Present
8)	Laura Kenyon	Town of Hopkinton	Present
9)	Robin Kimation	Burrillville Schools	Excused
10)	Nancy Lalli	City of Newport	Present
11)	Steven Lindberg	N. Smithfield Schools	Present
12)	Thomas Mainville	Town of Glocester	Present
13)	James McDonald	City of East Providence	Present
14)	Robert Mushen	Town of Little Compton	Present
15)	Kathy Raposa	Town of East Greenwich	Present
16)	Giovanna Venditti	Central Falls Schools	Excused
17)	Vacant	Woonsocket Education Department	

Alternate Board Members

1)	Patricia Anderson	Town of Charlestown	Excused
2)	Richard Brown	City of East Providence	Excused
3)	John Day	Town of Bristol	Excused
4)	Harold "Ron" Devine	Little Compton Schools	Excused
5)	Jackie DiPetro	Town of Glocester	Excused
6)	Ned Draper	North Kingstown Schools	Excused
7)	Frances Gallo	Central Falls Schools	Excused
8)	James Goncalo	Town of Tiverton	Excused
9)	David Krugman	Town of Richmond	Present
10)	Jane Littlefield	Jamestown Schools	Excused
11)	John Mainville	Town of Burrillville	Present
12)	Randy Rossi	Town of Smithfield	Excused

13)	Marc Tanguay	Town of Middletown	Present
14)	Michael Saunders	Newport Schools	Excused
15)	Irene Scripsack	N. Smithfield Schools	Excused
16)	William Sequino	Town of East Greenwich	Excused
17)	Cheryl Silva	Town of Warren	Present
18)	Louise Tetreault	Town of North Smithfield	Present
19)	Mark Dunham	Portsmouth Schools	Excused
20)	Vacant	Woonsocket Education Department	

Others Present

Kevin Walsh	GBS Insurance Agency	Present
William Bjerke	GBS Insurance Agency	Present
Thomas Dwyer	RI Interlocal Risk Management Trust	Present
Ronald Slovak	RI Interlocal Risk Management Trust	Present
Steve Zubiago	GHGRI Counsel – Nixon Peabody	Present
Fran Johannis	North Smithfield Schools	Present
Ian Ridlon	RI Interlocal Risk Management Trust	Present
John Ambrogi	Newport Public Schools	Present
Raquel Pellerin	Middletown	Present
Stacey Busby ¹	Woonsocket Education Department	Present
Robert Gerardi ²	Woonsocket Education Department	Present

CALL TO ORDER

President Faucher called the meeting to order at about 12:20 PM. At that time, a quorum was declared to be present, with 14 of 17 voting members in attendance.

APPROVAL OF AGENDA

Mr. Mushen moved, seconded by Ms. Kenyon, to approve the Agenda as presented; it was so voted unanimously.

SECRETARY'S REPORT OF MINUTES

Ms. Kenyon moved, seconded by Mr. Mushen, to approve the Minutes of the February 24, 2010 Meeting of the Board. It was so voted unanimously.

¹ Not present as a voting Director since no appointment letter has been received.

² Not present as a voting Director since no appointment letter has been received.

TREASURER'S REPORT

Health and Dental Pools

In the absence of Treasurer Shawn Brown, Mr. Slovak summarized the salient features of the Treasurer's Financial Reports as of February 28, 2010, which had been distributed in advance to the Board. For both the Health Pool and the Dental Pool, he highlighted monthly activity and cumulative activity for the fiscal year to date, as shown in the box to the right.

	Net Income	Cumulative Net Income
	February 2010	through February 2010
Health Pool	\$16,360	\$932,738
Dental Pool	-\$21,641	\$293,015
Total	-\$5,281	\$1,225,754

Mr. Slovak commented that again in the month of February claims data from Blue Cross Blue Shield of Rhode Island (BCBS) did not include prescription drug costs from covered subscribers due to a problem with the BCBS claims reporting system. He reminded the Board that this problem first surfaced in January, and though it does not affect the ability of subscribers to secure prescription drugs, it has distorted the financial results. In order to have the monthly financial records better reflect the true costs, he reported that he had accrued an estimated \$1.2 million in prescription drug costs for February, based on historical usage trends. He said he believed the claims reporting problem would be resolved soon, based on discussions he has had with Mr. Walsh who has been in regular contact with BCBS officials about this issue.

No Board comments were offered or questions posed.

Mr. John Mainville moved, seconded by Ms. Kenyon, to approve the report of the Treasurer; it was so voted unanimously.

Delinquent Payment Status – Woonsocket Education Department

Mr. Dwyer next summarized the status of his efforts to secure a written plan from the Woonsocket Education Department (WED) about its ability and timeline for bringing current its delinquent premium balances. Prior to the meeting, Mr. Dwyer had circulated to the Board a letter dated March 17, 2010 from Ms. Busby, the WED's Director of Administration and Finance in which she sets forth a plan to bring the Department's accounts current. Mr. Dwyer said he found the letter lacking in clarity and specificity, however, and that consequently in a letter dated March 22, 2010 to Ms. Busby he had rejected it as being inadequate to meet the needs of the GHGRI. A copy of that letter had been previously provided to the Board.

Unless an acceptable plan could still be developed, Mr. Dwyer said he was prepared to recommend that the WED's health and dental insurance coverage secured for its employees through GHGRI be terminated and that legal action be initiated in order to recover amounts due and late interest fees that had accumulated. Mr. Dwyer closed his introductory remarks by indicating that both Ms. Busby and Dr. Robert Gerardi, WED Superintendent of Schools, were present, and though he had not expected either of them to be in attendance, he was grateful that

they had decided to attend so that they could explain the situation and respond directly to the Board.

At the invitation of President Faucher, Dr. Gerardi then set forth his view of the situation. He commented that though the WED had chosen not to appoint either a permanent or alternate voting representative to the GHGRI Board as it had been invited to do, nonetheless he had been reviewing the past GHGRI Minutes which he regularly receives and was aware of the Board's continuing concerns about the WED's lack of timely payments. He explained that WED was presently exploring its options for securing health and dental coverage in the coming year commencing July 1, 2010, and stated that other purchasing groups and intergovernmental pools appeared to be interested in having the WED as a participant in their programs due to the enhanced purchasing power the WED creates with its large employee base. He also said that he believed the financial crisis in Woonsocket was easing.

Ms. Busby commented that a better spirit of cooperation now exists in Woonsocket between the Education Department and the City Administration in the persons of the new Mayor and new Finance Director. She further detailed the steps being taken by both her office and the City Administration to find sources of funds to pay various vendors and service providers, and discussed an expected special audit soon to be conducted of the school department's finances on behalf of the City.

In response to questions from several Board members and Mr. Dwyer, Ms. Busby clarified aspects of her letter of March 17th letter. She said it was the goal of the plan presented therein to bring these accounts current by June 30, 2010. Several Board members and Mr. Zubiago asked Ms. Busby and Dr. Gerardi for elaboration on the changed circumstances in the financial positions of the City and the Education Department that would allow this goal to be met.

Mr. Thomas Mainville expressed his skepticism about the ability of WED to bring its accounts current and suggested that the GHGRI should move immediately to terminate coverage to the WED and proceed with legal action to recover amounts due, including delinquent interest fees.

Noting that termination of coverage was a drastic step, Mr. Dwyer urged the Board to proceed slowly and allow him more time to try to work out an acceptable repayment plan with the WED, especially in view of the appearance of Dr. Gerardi and Ms. Busby at the meeting and their comments about improving financial conditions in Woonsocket and their desire to find an acceptable repayment plan. As a member-owned organization, Mr. Dwyer said that he believed GHGRI should exert extra effort in trying to find a solution to the WED payment delinquency. Several Board members suggested possible parameters for an acceptable payment plan.

Mr. Thomas Mainville moved, seconded by Mr. Fiore, to direct Mr. Dwyer to continue to negotiate with the WED about the terms and conditions of an acceptable payment plan to bring the WED's accounts current within a reasonable period of time, and to report back to the Board at a next meeting the results of those negotiations. It was so voted unanimously.

Mr. McDonald asked for clarification about the notice given by the WED regarding continuation of its membership in the GHGRI after June 30, 2010. In response, Messrs. Dwyer and Faucher explained that the WED had provided notice via a letter (dated August 20, 2009) advising of its

wish to withdraw immediately. However, because the GHGRI Bylaws require ninety (90) advance notice for withdrawal and specify that withdrawals may only occur coincident with July 1st policy effective dates, the GHGRI in turn advised the WED that the earliest it could withdraw would be July 1, 2010. Mr. Dwyer further commented that the WED “notice” letter does not mandate WED withdrawal; rather, it preserves the option for the WED to withdraw if it so wishes.

WARRANTS

Prior to the meeting, two detailed Warrant Reports, both dated March 10, 2010 and supplemented by supporting invoices, had been circulated to the Board for review.

1. The first Warrant was for the Health Pool in the amount of \$446,057.99. There were no questions about the Warrant items.

Mr. Fiore moved, seconded by Ms. Kenyon, to approve the Health Pool Warrant in the amount of \$446,057.99; it was so voted unanimously.

2. The second Warrant was for the Dental Pool in the amount of \$15,514.65 representing only Delta Dental administrative fees. There were no questions about the Warrant item.

Ms. Mushen moved, seconded by Ms. Cournoyer, to approve the Dental Pool Warrant in the amount of \$15,514.65; it was so voted unanimously.

SELF-FUNDED COST VS. FUNDING ANALYSIS & HIGH COST CLAIM REPORT

Prior to the meeting, two “Self-Funded Cost vs. Funding Analysis” reports prepared by GBS Insurance Agency for the first eight months of the policy period July 1, 2009 through June 30, 2010 had been distributed to the Board. One report pertained to the Health Pool, and the other to the Dental Pool.

Mr. Walsh summarized key items in the Health Pool Report, noting once again that the claims data was understated due to the absence of information from BCBS about the cost of prescription drugs. As soon as that data is available, the Reports will be adjusted to reflect the correct costs, he said.

With respect to the Loss Ratio, Mr. Walsh said it stood at 97%, a slight increase from the 96.7% ratio through the first seven months of the year.

Mr. Walsh also commented briefly about the status of disputed claims under review with BCBS, and about the size and number of high cost claims which either have impacted or might impact stop-loss reinsurance in Policy Years 2008-2009 and 2009-2010. He noted that there may be some problems with the accuracy of some data in the high cost claims report, and that he is working with BCBS to resolve this.

Mr. Bjerke commented briefly on the Dental Pool Report, noting that the Loss Ratio for the first eight months of the policy year now stands at 88%, up two (2) percentage points from the 86% Loss Ratio for the first seven months. It was noted that individual month Loss Ratios for each the last two months were above 100%, likely a function of the subscribers' use of year-end balances in their dental accounts.

With respect to a matter discussed at a prior meeting, Mr. Bjerke reported that he expected that Delta Dental, the Dental Pool service provider, would be making information about the Dental Pool's new benefit – The Maximum Carry-over Provision – available electronically to Delta Dental subscribers.

No formal Board actions were taken or required on these Reports. Board Chair and President Faucher said the Reports would be placed on file.

OLD BUSINESS

Revised Equity Allocation Policy

President and Board Chair Faucher reported that no comments had been received from the chief executive officers of the participating GHGRI member entities to the proposed revised Equity Allocation Policy which had earlier been circulated to them via letters dated February 5, 2010. The Board could now formally adopt the Policy if it was prepared to do so, he said, since the provision in the Agreement for Joint Negotiation and Purchase of Health Coverages that requires a thirty (30) day comment period before final Board action had been satisfied. Mr. Faucher reminded the Board that it had deliberated extensively about these revisions over the course of several meetings in late 2009 and early 2010.

Mr. Thomas Mainville moved, seconded by Mr. John Mainville, to approve the revised Equity Allocation Policy as Exhibit A to the Agreement for Joint Negotiation and Purchase of Health Coverages. It was so voted unanimously.³

GHGRI/Trust Merger Status

Prior to the meeting, Mr. Dwyer had circulated to the Board two documents prepared by GHGRI Counsel Stephen Zubiago that would authorize the merger and consolidation of the GHGRI with and into the Rhode Island Interlocal Risk Management Trust (The Trust). The documents were entitled:

1. Agreement and Plan of Merger By and Between the GHGRI and The Trust
2. Plan of Merger

³ For reference, a copy of the revised Equity Allocation Policy is attached to these Minutes as an Appendix and by reference hereto made a part of the Minutes.

Messrs. Zubiago and Faucher briefly commented on the documents.

Messrs. Faucher and Dwyer then reported that the Joint Merger Committee, composed of representatives from the boards of the two organizations, had recently completed its work and recommended that the merger proceed under a “one corporation” structure. Mr. Dwyer commented that he had earlier sent the Synopsis of the Committee’s last meeting describing the results of its work to the boards of both The Trust and the GHGRI for its information and review.

Mr. Lindberg asked for further elaboration on the reason that the “one corporation” structure was recommended by the Committee rather than the “two corporation” structure. Messrs. Dwyer and Faucher responded by summarizing the pros and cons of the two structures as presented to the Committee. They remarked that the Committee had concluded that the disadvantages associated with the additional administrative and governance mechanisms and processes needed to implement the “two corporation” structure outweighed its key benefit in offering better financial protection of the assets of the various risk-sharing pools which would be available to members through the consolidation of the GHGRI and The Trust. Mr. Ambrogi, Newport Public Schools Superintendent and a member of the Joint Merger Committee and The Trust Board, commented that the Committee had carefully weighed each component part of the two alternative structures in reaching its decision. He said he believed the risk that the assets of one or the other risk-sharing pools would unduly be jeopardized by financial problems in the other risk-sharing pools was slight, and that there were ready remedies to financial problems which might arise pool-by-pool.

Mr. Lindberg moved, seconded by Mr. John Mainville, to authorize President Faucher to execute (1) the Agreement and Plan of Merger By and Between the GHGRI and The Trust and (2) The Plan of Merger in substantially the form presented by Mr. Zubiago in order to effectuate the merger and consolidation of the GHGRI with The Trust. It was so voted unanimously.

Mr. Faucher said the current target date for the merger to become effective was May 1, 2010, or as soon as possible thereafter.

NEW BUSINESS

Delta Dental Business Associates Agreement

Mr. Bjerke advised that Delta Dental was requiring that each of the participating GHGRI Member entities sign a new Business Associates Agreement. He said a draft of that Agreement would be circulated to all GHGRI Board members and key contacts for each member entity. It was noted that this matter was also discussed at the Board’s last meeting when representatives from Delta Dental were present.

There were no questions about the Agreement.

Northern Rhode Island Collaborative Membership

Mr. Walsh reported that he had reviewed the application of the Northern Rhode Island Collaborative for membership in the GHGRI's programs effective July 1, 2010 and found all to be in order. Accordingly, he recommended to the Board that the Collaborative be accepted for membership.

He explained that his firm had reviewed large loss data from the Collaborative, and though some "red flags" were initially raised by virtue of that review, subsequent examination of the associated circumstances alleviated his concern. He said the pro forma cost/funding ratios that he developed for the Collaborative were acceptable.

Brief discussion ensued. In response to a question from Mr. McDonald, Mr. Walsh reported that the number of Collaborative employees totaled about ninety.

Ms. Pauline Silva moved, seconded by Ms. Cournoyer, to approve the membership of the Northern Rhode Island Collaborative in the GHGRI effective July 1, 2010. It was so voted unanimously.

Solicitation of Audit Firms for Fiscal Year 2010 and Later

Messrs. Dwyer and Faucher briefed the Board on a Request for Proposals (RFP) sent to four certified public accounting firms seeking proposals to conduct the independent financial audits of the GHGRI and The Trust for the fiscal year ending June 30, 2010 and the two subsequent fiscal years. They explained that the RFP had been structured such that the invited firms would submit their proposals in several different ways, namely: as a stand-alone engagement for the health and dental pools only; as a stand-alone engagement for the property and casualty pools only; and as a combined engagement that assumes the same firm would perform the audits for all the pools managed and operated by the GHGRI and The Trust.

Review of the proposals received would be undertaken first by Messrs. Dwyer and Slovak, with interviews to be conducted by the Investment and Audit Committee of The Trust Board. It was noted that the Investment and Audit Committee's membership includes three individuals who are either permanent or alternate members of the GHGRI Board.

Mr. Faucher, who serves on the Investment and Audit Committee, said the Committee is inviting other representatives of the GHGRI Board to participate in the interview process if any individuals are so interested. Ms. Cheryl Silva and Mr. Fiore expressed an interest in so participating. Accordingly, Mr. Dwyer said he would transmit to them the RFP for their perusal, would forward other related information about selection process as it becomes available, and would be sure to invite them to the interviews once they are scheduled.

Discussion ensued about the process to select the auditor. Mr. Dwyer explained that the two boards – the GHGRI and The Trust Board – ultimately are responsible for selecting their respective auditor if the GHGRI and The Trust remain separate corporate entities as of June 30, 2010, but if the merger has been effectuated by that date then The Trust Board will solely be

responsible for appointing the auditor, based on the advice and recommendation forthcoming from the Investment and Audit Committee with Mr. Fiore and Ms. Cheryl Silva participating.

ADJOURNMENT

There being no further business before the Board, Mr. Lindberg moved, seconded by Ms. Collins, to adjourn the meeting. It was so voted unanimously.

The meeting stood adjourned at approximately 1:45 PM.

Respectfully submitted,



Thomas E. Dwyer
Acting Secretary on behalf of Secretary Shawn Brown

EXHIBIT A

Governmental Health Group of Rhode Island, Inc. Equity Allocation Policy

March 2010

This Equity Allocation Policy applies only to the Health Pool of The Governmental Health Group of Rhode Island, Inc. ("GHGRI"), and recognizes that the Health Pool's equity is owned by its members.

This document provides GHGRI's policy regarding the allocation and distribution of this equity among its member groups, which are comprised of: existing members at the beginning and end of a fiscal year, new entrants to Health Pool at the beginning of a fiscal year, and members that terminate their relationship with Health Pool at the end of a fiscal year.

Section 1. Member's Equity Share

Each member's ownership of the equity of the Health Pool is a direct function of the number of months that a member has been part of Health Pool times the number of subscribers for that member for each corresponding month relative to the total subscriber-months for all members combined. Each member's ownership share of total Health Pool Equity at the end of a fiscal year is defined as follows:

For members that were members of Health Pool at the beginning of the fiscal year:

Equity at end of year	=	Member share of equity at beginning of year
	+	Interest earned during the year on member's share of equity at beginning of year
	+	Member's share of operating gains or losses during the year
	-	Surplus distribution (if any) to member at end of the year

For members that join the Health Pool at the beginning of the fiscal year:

Equity at end of year	=	Member's Contributed Capital during the year
	+	Interest earned during the year on Member's Contributed Capital
	+	Member's share of operating gains or losses during the year
	-	Surplus distribution (if any) to member at end of the year

A member's equity at the end of a fiscal year is the accumulation of the values for each year since the member's initial participation in the Health Pool, computed using the formulas above. That is, a member's total equity is based on the total amounts the member has paid into Health Pool as Capital Contributions plus the member's share of each year's operating gains or losses, all accumulated with interest at a crediting rate determined by GHGRI.

New members are required to join at the beginning of a fiscal year and make a Capital Contribution to the Health Pool.¹ Please refer to the GHGRI New Member Policy for more information regarding the capitalization requirements and enrollment stipulations for new members. New members are assumed to pay their Capital Contribution uniformly over their first year. Thus, new member Capital Contributions are credited with an average of one-half ($\frac{1}{2}$) year of interest. New members share in the operating gains or losses resulting from the program's experience in their first year.

Existing members have an equity account balance from the previous year. This account is credited with a full year's worth of interest. Every member shares in the operating gains or losses of the program during the year.

¹ For the Founding Members (those entities which created the GHGRI Health Pool as of July 1, 2005), their Capital Contribution is hereby set at each Founding Member's proportionate share of the Health Pool's year-end Surplus as of June 30, 2006 based on each Founding Member's number of subscriber-months relative to the total number of subscriber-months for all Founding Members as of June 30, 2006.

Members may terminate their participation in the Health Pool at the end of a fiscal year only. New members who terminate their participation in the Health Pool on or before the end of their third full fiscal year with the program forfeit the right to participate in the distribution of any funds, specifically including their Capital Contributions. Departing members share the program's gains or losses in the same manner as other members in the year they depart.

Section 2. Returns and Payments to Member Upon Withdrawal

Section 2a. Return of Capital Contribution

A departing member which has maintained continuous coverage for 36 months shall be entitled to receive the full amount of its Contributed Capital with accumulated interest to the date of its departure in three equal installments, the first of which shall occur on or about the first December 31st subsequent to its departure and the second and third of which shall occur on or about December 31st of the following two years.

Section 2b. Payment of Withdrawn Equity Allotment

For a departing member which has maintained continuous coverage for 36 months, there shall also be computed a Withdrawn Equity Allotment (WEA). The WEA shall be established as of June 30th of the year in which the member departs based on the Health Pool's audited Financial Statements for that year.

The WEA shall be paid in one lump sum on or about the second December 31st following the fiscal year in which the member last participated in the Health Pool.

The WEA shall be computed in a two step process:

Step 1: Fifty percent (50%) of the member's proportionate share of the Health Pool's equity shall be calculated.

For the purpose of this calculation, equity shall be defined as total Health Pool equity for all members less the total amount of Capital Contributions with accumulated interest for all members, including the departing member.

Step 2: The amount determined per Step 1 shall be multiplied by the percentage, not to exceed one hundred (100%) percent, that total Health Pool equity exceeds the Claims Fluctuation Reserve (CFR) calculated by the actuary at the parameters set by the GHGRI Board of Directors.

For the purpose of this calculation, Health Pool equity shall be based on the audited Financial Statements as of the end of the first full fiscal year following the date of the member's departure and it shall not include any Surplus distribution such as a dividend that the Board may declare and thus have established as a liability against that year as payable to members. For the purpose of this calculation, the Claim Fluctuation Reserve shall be the amount calculated by the actuary on the basis of the existing membership base for the fiscal year in which the WEA is to be paid.

Section 3. Other Withdrawal and Termination Provisions

Notwithstanding the above schedule in Section 2 for return of the Capital Contribution and the payment of the Withdrawn Equity Allotment, the GHGRI Board of Directors may delay actual payment until after final settlement calculations for the year have been performed and approved by the GHGRI Board.

The payment provisions specified in Section 2 apply whether the member voluntarily elects to withdraw from the Health Pool or whether GHGRI terminates its relationship with the member as a participant in the Health Pool.

GHGRI may terminate its Health Pool relationship with a member at any time during the fiscal year due to non-payment. In the event a member's relationship is terminated during the fiscal year, final settlement will occur after the end of the fiscal year once the gain or loss has been determined for that year and in accordance with the provisions of Section 2.

The departed or terminated Health Pool member shall have deducted from payments due it pursuant to Section 2 any delinquent fees, interest charges, damages or other payments owed to GHGRI. Said deductions shall be taken from the first payment due under Section 2 for the return of Contributed Capital, and, to the extent that the full amount due GHGRI is not recovered from the first payment, then the balance of said deductions shall be taken from subsequent returns to the departed Health Pool participant of Contributed Capital and the payment of the departed participant's Withdrawn Equity Allotment.

Section 4. Suspension of Returns and Payments

In the event that a return of Contributed Capital with interest or the payment of a Withdrawn Equity Allotment, whether made by GHGRI on behalf of one departed member or combined with similar returns or payments to other departed members in the same fiscal year, would cause the total Health Pool Equity to fall below zero (\$00.00), then the GHGRI Board of Directors shall have the power to suspend temporarily all or a portion of such returns and payments until such time as the financial condition of Health Pool allows Capital Contributions to be returned to departed members and Withdrawn Equity Allotments to be paid to departed members, both without jeopardizing the financial stability of the Health Pool. The Board shall have the sole power to determine whether the Health Pool's financial stability remains in jeopardy subsequent to such suspension, and to determine the dates, amounts or proportions applicable to the resumption of WEA payments and Capital Contribution returns to departed members.

Section 5. Re-entry of Departed Members

A local governmental entity which was formerly a member of the Health Pool but wishes again to participate in the Health Pool shall be treated as a new member and be subject to all provisions of the Board's New Member Policy, except that the returning entity shall not be required to pay a Capital Contribution upon re-entry. The returning Member entity shall have no call or claim upon any equity it forfeited at the time of its prior departure (or departures in the case of an entity departing and returning on multiple occasions).

Section 6. Dissolution of the Health Pool

Should the GHGRI or its successor organization determine that it is necessary or practical to terminate the operations of the Health Pool, as soon as practicable thereafter, the GHGRI or its successor organization shall make appropriate provisions for the payment of all liabilities incurred prior to such termination and for liabilities related to the termination itself. Upon the satisfaction of all obligations of the Health Pool, GHGRI shall return all remaining equity to the entities which were members of the Health Pool at the time of termination. The returned equity shall consist of the member's Capital Contributions with accumulated interest plus its proportionate share of equity (calculated to exclude the member's aforesaid Capital Contribution with interest).