

HEALTHTRUST, INC.
FINANCE & PERSONNEL COMMITTEE
Minutes of April 21, 2022

COMMITTEE MEMBERS PRESENT:

Steel, Adam, Superintendent, SAU #39, Chair	Rossner, Daniel, Business Admin, SAU #48
Beaudin, K. Jeanne, Town Admin, Belmont	Stacey, Cathy Ann, Reg of Deeds, Rockingham Cnty

COMMITTEE MEMBERS UNABLE TO ATTEND:

Clark, Michelle, Business Admin, SAU #66	
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BOARD MEMBERS IN ATTENDANCE:

Hilchey, Susan, Director of HR, SAU #25	
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STAFF PRESENT:

DeRoche, Scott, Mgr, Member & Enrollee Svcs	Parker, Wendy, Executive Director
Frydman, David, General Counsel	Thompson, Jennifer, Risk & Control Officer <i>(Phone)</i>
Herrick, Jeanne, General Counsel	Tsiopras, George, Chief Financial Officer
Olson, Barbara, Executive Assistant	

CONSULTANTS PRESENT:

Grande, Andrea, RPh., Principal, Brown & Brown	O'Leary, Kim, Principal, Brown & Brown
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Adam Steel opened the meeting at 9:00 a.m. He welcomed everyone and noted that Jennifer Thompson is participating via phone.

Minutes of March 10, 2022 Finance & Personnel Committee Meeting

Mr. Steel asked Committee members if they had any recommended revisions to the minutes. None were made.

MOTION by Cathy Ann Stacey, seconded by K. Jeanne Beaudin, to accept the minutes of the March 10, 2022 HealthTrust, Inc. Finance & Personnel Committee meeting.

MOTION passed unanimously.

Prescription Drug RFP Recommendation

Chair Steel invited Wendy Parker to address this topic. Ms. Parker introduced Andrea Grande and Kim O'Leary with Brown & Brown, who worked extensively with HealthTrust on the RFP responses, process, and recommendation. She also recognized HealthTrust staff who participated and were very involved in the review and interview process. Ms. Parker then proceeded to give an overview of the RFP timeline, selection of bidders who were invited to present to HealthTrust and Brown & Brown, the outcomes of negotiations, and staff's recommendation of CVS Caremark for a three (3) year, six (6) month contract (January 2023 – June 30, 2026). Discussion ensued. Wendy Parker then shared a further recommendation from staff that will be fully vetted at the Board Retreat in August. Staff propose that HealthTrust consider adoption of a more restrictive formulary for all non-specialty brand medications. The RFP has proven that there is significant financial upside to HealthTrust and its Member Groups if a more aggressively managed formulary is considered. This change will allow for significant overall savings over the next three years while still providing comprehensive prescription drug coverage for Member Groups and their Covered Individuals. It is recommended that this change be implemented for a July 1, 2023 effective date. By implementing the more restrictive formulary, it is projected that HealthTrust and its Members would save in excess of an additional \$22 million over the period of July 1, 2023 – June 30, 2026. Staff from Brown & Brown will attend the August Board Retreat and be prepared to address any clinical, financial or disruption concerns related to a potential formulary change. Discussion ensued.

MOTION by Daniel Rossner, seconded by K. Jeanne Beaudin, to recommend to the full board that HealthTrust renew with CVS Caremark for a three-year, six-month contract (January 1, 2023 – June 2026), as presented by staff.

MOTION passed unanimously.

Andrea Grande and Kim O'Leary left the meeting at 9:13 a.m.

Actuarial RFP Recommendation

Adam Steel invited George Tsiopras to address this topic. Mr. Tsiopras proceeded to give an overview of the RFP process and selection of bidders who were invited to present to HealthTrust, as well as staff's recommendation of Milliman for a three-year contract. Significant discussion ensued. Committee members would like information on a succession plan in the event Catherine Murphy-Barron, Milliman chooses to retire. Staff responded that Eric Buzby with Milliman, would likely be her successor, but will confirm that for the Committee. The Committee would be more comfortable entering into a two-year contract with Milliman and requested that staff seek further information and details regarding approach and methodology from another bidder, Wakely.

MOTION by Daniel Rossner, seconded by K. Jeanne Beaudin, to recommend the HealthTrust Board enter into a two-year agreement with Milliman for actuarial consulting services for the period of June 1, 2022 – May 31, 2024.

MOTION passed unanimously.

FY2023 Proposed Internal Audit Plan

Adam Steel invited Jennifer Thompson, HealthTrust's Risk and Control Officer, to share her FY2023 Internal Audit Plan. Ms. Thompson reviewed her Plan, in detail and offered to answer any questions. A brief discussion ensued.

MOTION by Cathy Ann Stacey, seconded by K. Jeanne Beaudin, to recommend the HealthTrust Board adopt the Proposed FY2023 Internal Audit Plan, as presented.

MOTION passed unanimously.

Recommended Core System Implementation Appreciation Payments for Designated Staff

Wendy Parker explained the rationale behind proposing that core system implementation staff receive appreciation payments. She stated how much work has been done by the team and how much they had to learn in order to take over the project for the final implementation. She also shared how much was saved by HealthTrust staff completing the work. She noted that this would be a one-time appreciation payment. Discussion ensued. Committee members had varying views on details of the proposal.

MOTION by Daniel Rossner, seconded by K. Jeanne Beaudin, to recommend the HealthTrust Board authorize the Executive Director to make one-time, Core System Implementation Appreciation Payments for designated staff in the combined amount of \$40,000, not including employer based payroll taxes.

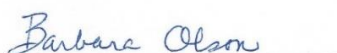
MOTION carried 3:1. Cathy Ann Stacey voted against the *MOTION*.

Other Business

Adam Steel asked if there was other business to discuss. Nothing additional was brought forward.

Chair Steel adjourned the meeting, without objection, at 10:06 a.m.

Respectfully submitted,



Barbara Olson, Executive Assistant