

**MINUTES OF A SPECIAL MEETING OF THE  
BOARD OF DIRECTORS  
VLCT EMPLOYMENT RESOURCE AND BENEFITS (VERB) TRUST, INC.  
NOVEMBER 5, 2015  
VLCT OFFICES - MONTPELIER, VERMONT**

The meeting was called to order at 3:12 p.m.

Directors present: Bill Shepeluk, Kathleen Ramsay (by phone), Carrie Johnson (by phone), Sandra Gallup, Joel Cope (by phone) and Charles Safford. Directors absent: Joseph Colangelo and Todd Odit. VLCT staff present: Ken Canning, Jeremiah Breer, Larry Smith (by phone), Michael Gilbar and Kelley Avery.

A board quorum was confirmed.

**Upon motion (Safford/Gallup), duly adopted, by roll call, the board voted unanimously to approve the meeting agenda.**

Ken Canning explained the reason for today's meeting. Some of our groups 51 - 100 employees in size, which are moving to the Exchange for 2016, have requested our continuing services and support even after they have made the transition. Since there are no longer any commissions for groups in the Exchange, and there is a definite cost associated with these services, state guidelines stipulate brokers may instead charge broker fees by individual agreement with employers. The guidelines recommend charging no more than \$20 per employee per month (PEPM). VLCT staff and Hickok & Boardman (H & B) worked together to produce a Member Advisory Service Agreement which would charge participating members \$15 PEPM and a \$500 annual administrative fee to include the following services:

- Benefit education and communication assistance
- Benefit strategy advice and assistance
- Financial modeling of benefit plan and funding options
- Pre-enrollment, enrollment, and post enrollment assistance
- General support of health benefit plan administration, including working with insurers
- Providing forms, templates and information to assist with compliance with ACA
- Providing up-to-date information on ACA and health laws
- Assistance with Cadillac/Excise tax planning and modeling
- On-site meetings with governing boards, management and employees
- Health Advocate
- Compliance support from H&B
- 10% discount on additional services available from H&B

VLCT staff would continue to provide basic support by phone and email without the necessity of this agreement, but more involved requests or on-site support would require the service agreement. VLCT and H & B would continue the 70/30 split on these service fees as with previous commissions. This agreement would also be available to small groups under 50 as an option, and large groups over 100 would also have the option of choosing the agreement over their current commission model. Larry Smith pointed out the advantage to over 100 groups switching to this model would be a static, known fee they could plan on based on employee counts, rather than being at the mercy of a commission percentage when premiums increase each year. Employee counts for fees would be based on the number of enrolled subscribers in a group.

Director Kathleen Ramsay of Middlebury pointed out her group was one of those that requested this arrangement in order to continue services with VLCT and H & B into 2016. She requested that staff provide

reports on the program going forward to demonstrate the use of these services and the value of the program to the board and participating groups.

**Upon motion (Safford/Ramsay), duly adopted, by roll call, the board voted unanimously to approve the Member Advisory Service Agreement model for 2016.**

**Upon motion (Safford/Gallup), duly adopted, by roll call, the board voted unanimously to adjourn the meeting (3:23 p.m.).**

There was no other business.

Respectfully Submitted,

David Sichel  
Assistant Secretary

Draft Subject to Board Approval