



Board of Directors Meeting

Meeting Location: VITL, 1 Mill Street, Suite 249, Burlington, VT

May 30 2017

4:00-6:00 pm

Call-in number: (866)-906-9888; Passcode – 6850751#

Agenda

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| I. | Consent Agenda | Bruce Bullock, MD |
| | <ul style="list-style-type: none">• Approval of Minutes from March 21, 2017 Board Meetings | |
| II. | Presidents Update | John K. Evans |
| III. | Financial Update | Bob Turnau |
| | <ul style="list-style-type: none">• Indirect Cost Policy• FY17 Year End Projection• FY18 Budget• Medicity Contract | |
| IV. | VITL Impact Assessment | Sandy McDowell |
| V. | Change in VITL's Relationship with the State & New Direction for VITL | John K. Evans |
| VI. | Next Meeting: | |
| | <ul style="list-style-type: none">• Tuesday, July 11, 2017 4:00-6:00pm – VITL – 1 Mill Street, Burlington | |
| VII. | Adjourn Board | Bruce Bullock, MD |

Vermont Information Technology Leaders, Inc.



Annual Meeting Minutes

Meeting Date: May 30, 2017

Location: VITL, 1 Mill Street, Suite 249, Burlington

Attendees:

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| <input type="checkbox"/> Adam Buckley, MD | <input checked="" type="checkbox"/> Bruce Bullock, MD | <input checked="" type="checkbox"/> Richard Slusky | <input checked="" type="checkbox"/> John K. Evans | <input checked="" type="checkbox"/> Richard Elmore (phone) |
| <input checked="" type="checkbox"/> Jerry Ford (phone) | <input checked="" type="checkbox"/> Don George (phone) | <input checked="" type="checkbox"/> Paul Harrington (phone) | <input checked="" type="checkbox"/> Joel Benware (phone) | <input checked="" type="checkbox"/> Amy Putnam |
| <input checked="" type="checkbox"/> Todd Moore | <input type="checkbox"/> Mike Del Trecco | <input checked="" type="checkbox"/> Rep. Lori Houghton | | |

Staff and Others: Robert (Bob) Turnau, Mike Gagnon, Kristina Choquette, Judith Franz, Rob Gibson, Sandy McDowell & Heidi Banks

| Topic | Presentation | Discussion and Action | By Whom or When |
|--------------------|---|--|---|
| Meeting convened | Dr. Bruce Bullock convened the meeting at 4:01pm | | |
| Consent Agenda | <ul style="list-style-type: none"> • Dr. Bullock called for approval of the March 21, 2017 Board meeting minutes. • Ratify Electronic Vote | <p>Motion:</p> <ul style="list-style-type: none"> • To accept the minutes from the March 21, 2017 Board meeting. • Let the minutes reflect, in accordance with VITL’s by-laws, on April 6, 2017 an email was sent to all VITL Board members asking them to vote electronically on 11 policies by responding to the email “I approve”, I abstain”, or “I disapprove”. Those policies were: <ul style="list-style-type: none"> ○ FIN-02 Compensation and Benefits Policy ○ FIN-03 Employee Expense Reimbursement Policy ○ FIN-04 Cell Phone Usage and Cost Allowance Policy ○ FIN-05 Cash Management & Interest Policy ○ FIN-06 Bad Debt and Bonding Cost Policy ○ FIN-07 Capitalization & Depreciation Policy ○ FIN-08 Cost Policy Statement ○ FIN-09 Risk Management Policy ○ FIN-10 Revenue Recognition Policy ○ FIN-11 Conflict of Interest Policy ○ FIN-12 Clinician Stipends • Between April 6 and April 10, 2017, VITL received electronic votes from all 12 voting Board members. There was unanimous approval of the 11 policies. | <p>Motion: Richard Slusky; 2nd – Todd Moore; Abstained - Lori Houghton; Approved</p> |
| President’s Update | <ul style="list-style-type: none"> • John provide an update on the following topics: <ul style="list-style-type: none"> ○ 2017 Legislative Session | <ul style="list-style-type: none"> • The 2017 Legislative session has concluded. • Two aspects of legislation affect VITL. First, the HIT Fund sunset date was extended another year. And second, legislation was passed that the | |

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| | <ul style="list-style-type: none"> ○ FY18 Contract Negotiations | <p>Secretaries of Administration and of Human Services shall conduct a comprehensive review of the State’s Health-IT Fund, Health Information Technology Plan, and VITL and present a report to the Legislature by November 15, 2017.</p> <ul style="list-style-type: none"> • The State has chosen to engage a third-party vendor to assist with this work. • An RFP was issued and a vendor has been selected. • We expect an announcement of the vendor in the next week. • The review will be conducted between June and November of this year. • VITL plans to be actively engaged with the review and one of our contracts with the State for FY18 includes reimbursement for the associated hours. We look forward to engaging with the third-party vendor. • FY18 Contracts with the State of Vermont (SOV) result in a \$600,000 reduction in revenue. This will have a real impact on VITL. • John is undertaking a reorganization and eliminating positions impacted by the \$600,000 reduction to ensure VITL is positioned to be successful in FY18. | |
| <p>Financial Update</p> | <ul style="list-style-type: none"> • Bob Turnau gave a financial update and reviewed the following topics: <ul style="list-style-type: none"> ○ Indirect Policy ○ FY17 Year End Projection | <ul style="list-style-type: none"> • Proposed Indirect Cost Policy: <ul style="list-style-type: none"> ○ Not among the policies required by SOV as condition of the FY16 Indirect Cost Rate approval. ○ Management is proactively taking a position to define the categories of indirect expense and requests that the Board authorize management to incur those costs in the course of VITL’s normal operations. ○ Codifies VITL’s practice and is consistent with direct costs procurement policy. ○ Finance Committee has reviewed the policy and recommends approval. <p>Motion: To approve the Indirect Cost Policy as presented to the Board.</p> <ul style="list-style-type: none"> • No discussion. • Bob reviewed the FY17 financial outlook. • Two key assumptions: <ul style="list-style-type: none"> ○ Current receivables and April invoices paid by the SOV before their blackout period of June 5-30, 2017. ○ Delays in approval of several projects has adversely affected FY17 | <p>Motion: Richard Slusky; 2nd – Lori Houghton; All Approved</p> |

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| | | <ul style="list-style-type: none"> ○ The Blueprint for Health and Onpoint Health Data assisted with data analysis and interpretation of results. • Sandy reviewed a chart that shows PCMH average 2015 total expenditures per capita by maturity level. For each PCMH unit increase in maturity level there was an associated \$59 average reduction in total expenditures per capita. • Richard Slusky asked Sandy to further define expenditures for claims data. Sandy said he would need to check his notes and would follow up with Richard after the meeting. • On May 31, 2017, Sandy emailed Richard, the following: “According to the Blueprint documentation, expenditures were measured ‘based on the allowed amount of claims, which included both the plan payments and the member’s out-of-pocket payments (i.e., deductible, coinsurance, and copayments)’.” “Onpoint uses the calculated allowed amount for claims expenditure’s, derived as follows from data on the claim record: ‘calculated allowed amount = [insurer] paid amount + copay + prepay + coinsurance + deductible’. This generally represents the actual total healthcare expenditure related to the claim, summing the amounts paid by the insurer and the patient. It is not the billed amount, or charged amount, from the provider.” | |
| Change in VITL’s Relationship with the State & New Direction for VITL | | <ul style="list-style-type: none"> • John and the VITL Management Team reviewed possible new business opportunities for VITL in FY18 and beyond. | |
| Next Meeting | | <ul style="list-style-type: none"> • Next VITL Board Meeting: Tuesday, July 11, 2017 – 4:00-6:00pm at VITL – Burlington | |
| Adjournment | Dr. Bullock adjourned the meeting at 6:07pm. | | |

Heidi K. Banks, Executive Assistant
VITL