



STATE OF CONNECTICUT
LIEUTENANT GOVERNOR NANCY WYMAN

Health Insurance Exchange
Board of Directors Special Meeting

Legislative Office Building
300 Capitol Avenue, Room 2B, Hartford, CT

Thursday, January 27, 2012
DRAFT Meeting Minutes

Members Present: Lieutenant Governor Nancy Wyman, Chair; Secretary Benjamin Barnes, Office of Policy and Management (OPM); Mary Ellen Breault for Commissioner Thomas Leonardi, CT Insurance Department (CID); Commissioner Roderick L. Bremby, Department of Social Services (DSS); Commissioner Jewel Mullen, Department of Public Health (DPH); Jeannette DeJesús (Co-Chair), Office of Health Reform & Innovation; Mickey Herbert; Grant Ritter; Robert Scalettar; Robert Tessier; Victoria Veltri, Office of the Healthcare Advocate; Cecilia Woods; Mary Fox, Commissioner Thomas Leonardi, CT Insurance Department (CID); Michael Devine

Other Participants: Karen Buffkin, OPM; Karen Jeffers, Jeffers Cowherd; Michelle Goglia, Jeffers Cowherd

The meeting of the Health Insurance Exchange Board of Directors was called to order at 9:04 a.m.

Call to Order and Introductions

Lieutenant Governor Nancy Wyman opened the meeting. Lt. Governor Wyman noted that there would be no vote on the minutes from the last Board meeting on January 19, 2012 as this is a Special Meeting.

Lieutenant Governor Nancy Wyman introduced Attorney Karen Buffkin. Karen introduced those in attendance from law firm Jeffers Cowherd, P.C.: Attorneys Karen Jeffers and Michelle Goglia. Due to the inclement weather, Karen and Michelle had not arrived yet and Lieutenant Governor Wyman requested a brief break to wait for them.

The meeting reconvened at 9:19 a.m.

Karen Buffkin introduced Michelle Goglia and Karen Jeffers from the law firm Jeffers Cowherd who will walk through Bylaws, Human Resource policies, and Procurement Policies.

Bylaws

Karen Jeffers discussed the draft set of Bylaws for the Exchange and reviewed the content of the Bylaws that were previously submitted to the Board of Directors ([Bylaws](#)). Karen noted that the roles of the Board

members are determined per statute. She noted that the initial appointment of the Chief Executive Officer is through the governor upon review of three nominees presented by the Board. She outlined the principal functions of the Audit, Finance, and Human Resources Committees.

Karen Jeffers noted that amendment or repeal of the Bylaws is by a majority of all voting members of the Board at any regular or special meeting of the Board. Karen felt that this was a high standard.

Lieutenant Governor Wyman requested a clarification on procedure to fill committees and Board positions. Karen Jeffers provided clarification on the appropriate procedures.

Bob Tessier felt that the purpose of the Exchange is broader than what is stated in the Bylaws. He felt that it was critical to provide universal coverage for all state residents. Bob also questioned the intent that the Exchange shall not be required to hold any meeting at their office. Karen Jeffers responded that the Board may meet at any location it deems appropriate and that the meeting can be held outside the office of the Exchange. He also questioned if adopting Bylaws would sanction the appointment of the Acting Chief Executive Officer. Lieutenant Governor Wyman indicated that the governor had received a recommendation letter appointing the Acting Chief Executive Officer.

Mickey Herbert questioned the procedure on how Bylaws can be amended or repealed. Mickey noted he had seen more than a simple majority in other Boards. Karen Jeffers stated that, with 11 voting members of the Board, the quorum would be 6. Mickey suggested that, minimally, a Bylaw change be put into the Board meeting agenda in advance so that Board members have prior notice.

Mickey Herbert also questioned why there was nothing about conflicts of interest in the Bylaws. Karen Jeffers stated that both the State Ethics policy and certain requirements of the Exchange Act deal with conflicts of interest. The Bylaws would have to be quite lengthy to include everything. She said that it would be possible to provide some sort of summary of the applicable conflicts of interest requirements in the Bylaws, if the Board felt that was necessary. As a quasi-public entity, all Board members are bound by all conflict of interest requirements as stated in statutes.

Mary Fox questioned if email was an appropriate form for Section 4.5 - Action Without Meeting. Karen Jeffers indicated that notices by email are acceptable but that any consents emailed would need to include a scanned document that members have signed. Karen Jeffers indicated that the Acting Chief Executive Officer's duties are also defined by the Board by ordinary governance practice and that the Human Resource committee would be separate and distinct from the personnel search committee. Michelle Goglia indicated that the Human Resources committee would set policies and that per statute the Chief Executive Officer would hire additional employees. Mary Fox would like to see this section broadened. Michelle Goglia states that as it stands it would give the flexibility to form ad hoc committees such as the personnel search committee. Lieutenant Governor Wyman recommended adding other responsibilities as delegated by the Board.

Mary Fox questioned whether delegating authority to the Acting CEO was negated by these Bylaws. Karen Jeffers indicated that it is not a problem. The Board always has the authority to tell its officers what it wants them to do. Mary Fox expressed her concern that the Exchange acts collaboratively across staff and Board when facing critical hiring decisions, provides open communication within organization and with the general public.

The Board indicated it would like to add two additions to the Bylaws: add to the Section on Amendments notice ahead of time per agenda that there would be a proposed bylaw change and to change the language of the Human Resources committee to include other powers as delegated by the Board.

Bob Tessier made a motion to approve the Bylaws. Mickey Herbert seconded the motion. Michael Devine questioned what constitutes a proper notice requirement. Karen Jeffers indicated that was left to discretion of the Board. Secretary Barnes indicated that a minimum of 24 hours' notice is required under FOIA statutes. Bob Tessier suggested that in the interest of transparency he would like to see policies posted on the website for public review prior to the meeting. Secretary Barnes felt that the Bylaws would be amended over time and recommended adopting the Bylaws as presented. Dr. Scalettar concurred with Bob Tessier's sentiments. Karen Buffkin recommended that the Board act on these Bylaws rather than delay as the Exchange has some very tight deadlines. Bob Tessier withdrew his suggestion but indicated material should ideally be posted going forward. **Motion passed unanimously.**

Policies

Karen Buffkin indicated that she would provide additional copies of the most recent Human Resources policies to the Board. While the copies were being made, the meeting went on to procurement policy review.

Karen Jeffers reviewed the Contracting for Personal Services policy. Karen indicated that it is a flexible policy (which is appropriate given the Exchange's needs) to contract for personal services in the best interest of the Exchange. This policy provides flexibility to the CEO as to how to operate in particular circumstances. Secretary Barnes noted that there was a competitive process referenced in the policy.

Secretary Barnes made a motion to approve the Contracting for Personal Services Policy as presented. The motion was seconded by Mickey Herbert. **Motion passed unanimously.**

The Equal Employment Opportunity and Affirmative Action policy was reviewed. Michelle Goglia emphasized that the policy is dedicated to nondiscrimination. The Exchange workforce would mirror the diversity of the labor pool. The Exchange would conduct and attend job fairs to work with Asian Pacific, Native American, Hispanic, and other minority applicants. The Exchange would offer equal opportunities to all, including disabled individuals and older employees. There is an expectation that all employees adhere to the policy of nondiscrimination. An EEO/Affirmative Action Officer will be designated in case of any complaints. Employees can also go to their supervisors with complaints. Any complaints would be promptly investigated. Contractors should have an equal opportunity policy also. The Exchange will actively solicit minority business services to bid on its proposals. The Chief Operating Officer, Chief Executive Officer, and the Board would provide necessary guidance in carrying out the policy. The annual report to the auditors and governor will include the affirmative action policy statement.

Jeannette DeJesús questioned whether the policy refers just to the hiring of permanent staff or also to the hiring of consultants. Michelle Goglia indicated that consultants are considered contractors and would need to have appropriate policies in place. The Exchange would post a link to its affirmative action policy on its website. Recruiters should also be made aware of the requirement.

Bob Scalettar made a motion to approve the Equal Employment Opportunity and Affirmative Action policy as presented. The motion was seconded by Mickey Herbert. Jeannette DeJesús emphasized the need to be sensitive to the needs of a diverse workforce that represents people who the Exchange benefits. **Motion passed unanimously.**

Karen Jeffers reviewed the Acquisition of Real and Personal Property policy. This policy covers the lease and purchase of real and personal property. The Exchange may purchase, lease or acquire real and personal property on a bid, negotiated or open market basis, including through sole source procurement. If the expenditure is over \$75,000, where possible, the contract will be awarded on the basis of a competitive bid process which includes the solicitation of proposals from at least 3 qualified parties. No contract is deemed awarded until signed by the Exchange. Any non budgeted expense in excess of \$5,000 would need approval by Board. Real estate acquisitions with funds appropriated by the state or proceeds of state bonds are subject to the approval of the Secretary of Office of Policy and Management and the provisions of Section 4b-23 of the general statutes.

Mickey Herbert made a motion to approve the Acquisition of Real and Personal Property policy as presented. The motion was seconded by Secretary Barnes. **Motion passed unanimously.**

The Hiring and Promotion and Discipline and Termination policies were reviewed by Michelle Goglia. At least annually the Board will approve a schedule of positions and total staffing levels for the Exchange. New positions shall be posted internally and externally. A current employee is eligible for promotion to an existing or new position only if the employee has at least six months of service with the Exchange and meets the minimum qualifications. Except pursuant to a written agreement signed by the CEO, employment with the Exchange is at will, which means that either the employee or the Exchange can terminate the employment relationship at any time and for any legal reason, with or without cause.

Bob Tessier questioned if employment at will is standard for a public agency. Michelle Goglia stated that it is generally standard for most employers, quasi-public and private as well. It gives flexibility to meet business needs to modify staffing. Bob Tessier expressed a concern about a lack of protection for employees. He felt that discipline and termination should be only for just cause. Michelle Goglia noted that a severance policy can be part of a compensation policy. Bob Tessier was concerned about providing for reasonable due process for termination or serious suspension. Karen Jeffers noted that draft could not cover every eventuality. Commissioner Bremby noted that these concerns can be put in a written form with contracts for senior level executives. Bob Tessier questioned whether a review of other policies of quasi-public agencies had taken place. Michelle Goglia said that some quasi-public agency policies were reviewed.

A motion to approve the Hiring and Promotion and Discipline and Termination policies was made. The motion was seconded and passed unanimously.

In the interest of time, the remaining policy discussion was tabled and would be put on the next agenda to discuss at the next board meeting.

Executive Session:

Lieutenant Governor Wyman requested a motion to go into Executive Session at 10:44 a.m. to discuss the CEO candidates. The motion was made by Mickey Herbert and seconded by Mary Fox. **Motion passed unanimously.**

The Board of Directors came out of Executive Session at 1:31 p.m.

Next Steps

The next Board Meeting will take place on February 16, 2012. The remaining human resources policies will be reviewed at this meeting.

Adjournment

Lieutenant Governor Wyman requested a motion to adjourn the meeting at 1:31 p.m. The motion was made and seconded. **Motion passed unanimously.**