



STATE OF CONNECTICUT
LIEUTENANT GOVERNOR NANCY WYMAN

Connecticut Health Insurance Exchange
Human Resources Subcommittee Special Meeting

Human Resources Subcommittee

Monday, February 22, 2016

Holiday Inn

100 East River Drive

East Hartford, CT

Meeting Minutes

Members Present by Telephone:

Robert Tessier (Chair); Robert Scalettar, M.D.; Vicki Veltri; Maura Carley

Other Participants by Telephone:

James Wadleigh, Melinda Brayton, Steven Sigal

I. Call to Order and Introductions

The Meeting of the Human Resources Subcommittee was called to order at 4:06 p.m.

II. Review and Approval of Minutes

Robert Tessier requested a motion to approve the minutes from the December 20, 2015 Special Meeting. Motion was made by Vicki Veltri and seconded by Robert Scalettar, MD. ***Motion passed unanimously.***

III. Discussion of Merit-based Pay for Performance Policy

Melinda Brayton reviewed a Merit-based Pay for Performance Policy and a Memorandum requesting approval of this Policy. Ms. Brayton provided information regarding staff evaluations, expected timeline, budget for increases, and a special recognition fund.

Mr. Tessier requested a review of the big picture in terms of how this policy fits in with the overall strategy of staff compensation and retention.

Ms. Brayton summarized the prior three rounds of performance evaluations. In the past, cost of living increases and bonuses were awarded to employees across the board instead of through a performance measurement. The 2015-16 performance management system will focus on evaluations linked to increases in base salary. Employees will be responsible for AHCT meeting organizational success. Goals to reach organizational success will be set within each department and then for each individual within the department. There will be a more detailed

review of each individual's performance, including achieving success in his/her role; general competencies; knowledge of AHCT business; and meeting goals. The evaluations will be based on a 1 to 5 rating with 5 being the highest. There will no longer be a cost of living increase or bonus to all staff. Merit increases to base pay will be awarded according to the rating outcomes. These increases will be equitable across the organization and will add approximately \$250,000 to the FY 2016-17 budget. In addition, there will be a small fund that will allow for special recognition awards.

Ms. Brayton provided a summary of how organizational and department goals were set last July and will be evaluated in the forthcoming evaluation process. Employees have been reviewed on 2015-16 goals on a quarterly basis. Dr. Scalettar added that this would be useful to be added to either the Memorandum or Policy.

Mr. Wadleigh confirmed that there should be a special recognition fund separate and apart from the budgeted merit-based pay increases. Dr. Scalettar asked who sets this amount. Mr. Wadleigh replied that this would be in the FY 2017 budget. Further, it will be a number that is affordable and would allow the opportunity to recognize employees. There is no fixed number in mind, but will be about \$45,000 during the coming fiscal year. Mr. Wadleigh added that if the special recognition funds were gone during a fiscal year, there would be no more special recognition awarded that year. Further, he does not envision percentage awards and does not expect to go over the budgeted amount in the first year. Mr. Wadleigh would prefer not to have a set dollar amount in the Policy.

Maura Carley asked if there is any value in keeping "not to exceed 10% of base salary" in the proposed Policy. Mr. Tessier added that whatever is in there should reflect the interest of all parties. Ms. Brayton suggested eliminating the phrase altogether, so the amount can be adjusted year by year.

Ms. Carley referred again to the special recognition award and whether it was distinct from the merit-based pay for performance, which it is. The example provided in the Memorandum and Policy was misleading because it combined merit and special recognition reward. It will be eliminated.

Ms. Brayton stated each job description is assigned a job grade and has an accompanying salary range. If an employee is at the top of his/her salary range, he/she would not be eligible for an increase. Mr. Tessier mentioned that in previous meetings, there was discussion about keeping the ranges consistent with the marketplace and that the Kardas Larson benchmarking report would be revisited in the next 3 to 5 years.

In reference to the special recognition fund, Ms. Carley recommended moving the second sentence in Section 5 of the Policy to Section 6.

Mr. Wadleigh stated that he is pleased to have conversations on the special recognition fund, which will give him the ability to incentivize people to work harder and be rewarded for it. Mr. Wadleigh is also anxious to get the merit concept established in the organization, which is key to driving performance.

Mr. Tessier asked if there are any other items to be changed. Ms. Carley suggested in the Memorandum under Policy Goal, – the second bullet – adding "will periodically re-evaluate

job descriptions as appropriate.” Further, in the Memorandum under Policy – the fourth bullet - remove “possible.”

Ms. Carley suggested in the last bullet on page 1 of the Policy, under the heading “Policy” to remove the end of the sentence beginning with “...taking into consideration...” On page 3, in the 2nd paragraph, remove “...open the doors...” and further on in the same paragraph remove “...that are untrue or completely in error,” and replace with “disagrees.”

Mr. Tessier asked if the manager evaluation and communication with employees belongs in the Memorandum. Mr. Tessier recommended adding a statement that it is expected that performance communication between manager and employee is ongoing and will take place more formally on a quarterly basis with an emphasis on ongoing communication.

IV. Adjournment

Robert Tessier requested a motion to adjourn. Robert Scalettar, M.D. made the motion and Vicki Veltri seconded. **Motion passed unanimously.** Meeting adjourned at 5:03 p.m.