

**Minutes**  
**Board of Directors Meeting**  
**February 16, 2017**

A meeting of the Board of Directors of the New Hampshire Health Plan (NHHP) was held in person at the offices of Hinckley, Allen & Snyder in Concord, New Hampshire on February 16, 2017.

The following individuals attended the meeting, including by phone as indicated because of scheduling challenges faced by Board members because of the exigencies of other business:

**Directors:**

Beth Roberts (*by phone*)  
David Ellis  
David Sky (*by phone*)  
Bruce King (*by phone*)  
Martha McLeod (*by phone*)  
David Trudo (*by phone*)  
Dr. William Brewster (*by phone*)

**Other Attendees:**

J. Michael Degnan, Helms & Co.  
John Hastings, Helms & Co. (*by phone*)  
Mark McCue, Esq., Hinckley Allen

Beth Roberts presided as Chair and called the meeting to order at 9:30 a.m. A quorum was present.

Ms. Roberts began by introducing Dr. Bill Brewster of Harvard Pilgrim Healthcare. Ms. Roberts explained that Dr. Brewster would replace her as Harvard Pilgrim's designee at the annual meeting in June. The Board welcomed Dr. Brewster.

Ms. Roberts reviewed the meeting agenda and inquired whether the Board had an opportunity to review the minutes of the September 15, 2016 Board meeting. Upon a motion by Bruce King and seconded by David Ellis, the Board unanimously:

**VOTED:** *To approve the minutes of the meeting of the Board of Directors held on September 15, 2016 in the form presented to the Board.*

Ms. Roberts then turned the meeting over to Helms & Company to provide a financial report. John Hastings referred the Board to the meeting materials and summarized the balance sheets as of December 31, 2016. He noted that the total cash as of September 30, 2016, the end of the high risk pool operations, was approximately \$2.6 Million as projected. Mr. Hastings

then reviewed the profit and loss statement, noting the varying time frames in each of the columns reflecting different NHHP activities. He also explained that NHHP paid \$1,697,000 in surplus funds to, and upon the request of, the NH Commissioner of Health and Human Services to support the New Hampshire Marketplace Premium Assistance Program as required by law and the NHHP Amended and Restated Plan of Operation. The remainder of the funds are being held in the budgeted reserve account as required by the Amended and Restated Plan of Operation. Mr. Hastings concluded by noting that the Marketplace Premium Assistance Program was favorable to budget for the last quarter of 2016 (its first quarter of operation).

Mr. Hastings then updated the Board on the status of the independent audit of NHHP's finances. He indicated that the audit was substantially complete, that draft financials were being reviewed, and that no issues or internal control concerns were identified. The draft Form 990 also is under review. Mr. Hastings explained that the audited financials and Form 990 will be reviewed by the Finance Committee at its May 17, 2017 meeting at New London Hospital, and then by the Board at its annual meeting on June 8, 2017.

Michael Degnan of Helms then reviewed the board materials pertaining to the Marketplace Premium Assistance Program. He noted the Commissioner's calculation of the remainder amount, a corrected calculation, and the documentation of the \$1,697,000 request and payment of surplus funds in support of the Program. Mr. Degnan also noted that Helms checked with NHHP's Board Chair and legal counsel before processing the payment. He concluded by reminding the Board that the remainder amount will be recalculated again in August, which then will be factored into the 2018 assessments on the Association's members.

Mr. Hastings then reviewed the materials under the Other Business tab of the Board packet. He described that CMS has confirmed that an internal control problem identified in a 2014 audit has been corrected and no further action is required. Mr. Hastings then explained that the third and final Consumer Assistance Grant has been completed and closed, with approximately \$39,000 of unallocated funds remaining in the grant. Lastly, Mr. Hastings and Attorney McCue described the criminal prosecution of the principals of HCA Direct, who have been ordered to repay NHHP a total of \$70,648 for illegally placing individuals covered by their employer's self-funded group plan in the NHHP high risk pool. Attorney McCue explained that the defendants were paying the restitution in small amounts that could be modified in the future, so it was not possible to determine when (and if) NHHP will be fully repaid.

Ms. Roberts then asked the Board whether any member desired to hold an executive session. There being no business for executive session and no further business, the meeting adjourned at 10:00 a.m.

Respectfully submitted,

J. Michael Degnan,  
Secretary *Pro Tem*