



**[The following Minutes are in draft form,
and have not yet been reviewed and approved by the NHHP Board]**

Minutes Annual Board of Directors Meeting June 13, 2019

The annual meeting of the Board of Directors of the New Hampshire Health Plan (NHHP) was held in person at the offices of Helms & Company in Concord, New Hampshire on June 13, 2019.

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

Directors:	Other Attendees:
David Ellis	J. Michael Degnan, Helms & Co.
Lisa Guertin	John Hastings, Helms & Co.
Geraldine Vaughan	Roland Lamy, Helms & Co.
Christopher Kennedy	Kevin Stone, Helms & Co. <i>(by phone)</i>
Dr. William Brewster	Mark McCue, Esq., Hinckley Allen
Bruce King	John Elias, NH Insurance Commissioner
David Sky	Alexander Feldvebel, NH Deputy Insurance Commissioner
David Trudo	Tyler Brennan, NH Insurance Department
Martha McLeod <i>(by phone)</i>	Jon Hendrickson, Symetra Life Insurance Company

David Ellis presided as Chair and called the annual meeting of the Directors to order at 9:30 a.m., a quorum being present.

Mr. Ellis welcomed Commissioner Elias, Deputy Commissioner Feldvebel and Mr. Brennan from the New Hampshire Insurance Department and invited them to make their presentation to the Board. Commissioner Elias thanked the Board for the opportunity to meet and outlined that the purpose of the meeting was to explain Senate Bill 228 (SB 228) and discuss how the Board and the Insurance Department could collaborate regarding its implementation. Deputy Commissioner Feldvebel outlined SB 228, beginning with the risk adjustment program for association health plans which is contingent upon a resolution of outstanding lawsuits determining that such program does not violate the Affordable Care Act. He then focused on the risk sharing program proposed for the individual health insurance market, which program would require a successful application to the Centers for Medicare and Medicaid (CMS) for a Section 1332 waiver. Mr. Brennan explained that the Insurance Department has engaged an actuarial consultant to determine whether such a risk sharing program would be advantageous to the

individual market, and to provide the actuarial support for the 1332 waiver application if one is filed. Deputy Commissioner Feldvebel noted that SB 228 also would require the NHHP Board to develop a plan of operation for the new risk sharing program if directed to do so by the Commissioner based on the actuarial findings.

Commissioner Elias then noted that the Department seeks to file the 1332 waiver by January 1, 2020 so that the risk sharing program could become operational by January 1, 2021. He concluded the presentation by explaining that the 1332 waiver and the plan of operations for the new risk sharing program will need to be coordinated and consistent, and that the Insurance Department believes that the expertise of the NHHP Board would be valuable to the development of both. He also explained that if the Insurance Department prepares the 1332 waiver, its engagement of a consultant will need to go through a lengthy State approval process which would jeopardize the timely implementation of the new program.

The Insurance Department representatives then responded to numerous questions from the Board and from the Executive Director regarding the waiver application process, costs, timing and the nature of the risk sharing program. Commissioner Elias concluded by stating that he would meet again with the NHHP Board on June 27th to present the actuarial findings, and to determine whether NHHP is willing to engage a consultant to complete the 1332 waiver application. Mr. Ellis thanked the Insurance Department representatives for their presentation, and they left the meeting.

The Board then discussed at length the advantages and disadvantages of engaging a consultant to prepare the Section 1332 waiver application for the risk sharing program. Mr. Degnan estimated the cost of the required consultant services, but noted that he would inquire further after the meeting to obtain a better understanding of the likely costs of the application. Mr. Hastings confirmed that NHHP has a reserve fund of approximately \$500,000 which could be used for the application cost, and Attorney McCue confirmed that the Board could decide to utilize those funds for the waiver application if it understood that it was reducing the reserves available for the Granite Advantage Health Program. After further discussion, and upon a motion by Christopher Kennedy, seconded by Dr. William Brewster, it was unanimously:

VOTED: *That the New Hampshire Health Plan will undertake the preparation of the Section 1332 waiver application required by Senate Bill 228, when passed by the New Hampshire legislature, if the New Hampshire Insurance Commissioner directs the Board of Directors to prepare a plan of operations for the new individual health insurance risk sharing program; provided that the cost of the application preparation does not exceed \$250,000.*

Mr. Ellis then suspended the meeting at 10:45 a.m. so that the Annual Meeting of Association Members could be held.

Following the conclusion of the Annual Association Member Meeting, Mr. Ellis re-opened the annual meeting of Directors at 10:55 a.m. and reviewed the meeting agenda.

Mr. Ellis identified the slate of officers nominated for election for the upcoming year as specified in Article VI, Section 2 of the Bylaws. Upon a motion by Bruce King and seconded by Lisa Guertin, it was unanimously,

VOTED: *To approve the following slate of officers for 2019-2020:*

*Chair: David Ellis
Vice-Chair: Lisa Guertin
Treasurer: Bruce King
Secretary: Martha McLeod
Assistant Secretary: Mark McCue*

The proposed Board Committee assignments were reviewed briefly and approved by consensus.

Mr. Ellis then asked the Board if everyone had a chance to review the minutes of the Board meeting held on February 21, 2019. Upon a motion by Mr. King and seconded David Trudo, it was unanimously:

VOTED: *To approve the minutes of the meeting of the Board of Directors held on February 21, 2019, in the form presented to the Board.*

Mr. Ellis then asked Helms & Company to provide a financial report. Mr. Hastings began by reviewing with the Board the trend charts in the Board meeting materials. He explained that no payments were due to the New Hampshire Department of Health and Human Services (DHHS) for the beginning months of the Granite Advantage Health Program and that the first payment from NHHP will be due on July 15, 2019. Mr. Hastings then reviewed the cash flow analysis which projects a cash balance of \$673,623 after four payments between July 15, 2019 and April 15, 2020. In addition to the \$673,623, NHHP holds the budget and program reserves and amounts in the NHHP operating account totaling \$1,142,197. Mr. Degnan reminded the Board that the next Remainder Amount calculation was due on August 15, 2019, and that DHHS had indicated its expectation that costs of the Granite Advantage Health Program would increase in SFY 2021. Mr. Degnan stated that there would be more discussion with DHHS about these projections, which he will report to the Board when more information is available.

Mr. Hastings then reviewed the audited financials of NHHP. He noted that NHHP's auditors, Mason+Rich, issued an unqualified opinion concluding that the statements present fairly, in all material respects, the financial position of NHHP as of December 31, 2018. He also reviewed some of the material notes to the audited financials and explained that the auditors determined that all internal controls were in place and no deficiencies existed.

Mr. King, as Chair of the Finance Committee, informed the Board that the Finance Committee reviewed the audited financial statements in depth with NHHP's auditors and legal counsel, and recommends its approval by the Board. Upon a motion by Mr. King and seconded by Dr. Brewster, the Board unanimously:

VOTED: *To approve the fiscal year 2018 audited annual financial statements of NHHP in the form presented to the Board.*

Mr. Degnan then directed the Board's attention to the schedule of Board meetings for the remainder of 2019, and Mr. Degnan and Mr. Hastings were excused from the meeting to allow the Board to hold an executive session to provide an opportunity to discuss personnel matters. The Board did not raise any issues during the executive session.

The next Board meeting will be held on Thursday June 27, 2019 starting at 9:30 at the Helms office at 1 Pillsbury St. in Concord, NH. The primary purpose for this meeting is to hear the DOI presentation on their actuarial study relative to the 1332 waiver and to understand the estimated costs to develop the waiver application.

There being no further business, the meeting adjourned at 11:25 a.m.

Respectfully submitted,

J. Michael Degnan,
Secretary *Pro Tem*