



Minutes Board of Directors Meeting October 8, 2020

A meeting of the Board of Directors of the New Hampshire Health Plan (NHHP) was held by videoconference and teleconference on October 8, 2020 in compliance with the emergency orders of the Governor of New Hampshire.

The following individuals attended the meeting:

Directors:

David Ellis
Dr. William Brewster
David Sky
Geraldine Vaughan
Lisa Guertin
Bruce King
Martha McLeod
David Trudo
Domenic Palmieri

Other Attendees:

J. Michael Degnan, Helms & Co.
Kevin Stone, Helms & Co.
John Hastings, Helms & Co.
Mark McCue, Esq., Hinckley Allen

David Ellis, Chair, presided and called the meeting to order at 10:00 a.m., a quorum being present.

Mr. Ellis reviewed the meeting agenda and then asked the Board if everyone had the opportunity to review the minutes of the meeting held on June 10, 2020. Upon a motion by Bruce King and seconded Lisa Guertin, it was unanimously:

VOTED: *To approve the minutes of the meeting of the Board of Directors held on June 10, 2020, in the form presented to the Board.*

Mr. Ellis then asked Helms & Company to provide a financial report. John Hastings began by reviewing the Balance Sheet as of August 31, 2020 and noting that almost all of the second quarter assessment payments had been received. Mr. Hastings also reported that on October 2, 2020 the Department of Health and Human Services refunded approximately \$2.9 Million of excess payments from NHHP under the former Medicaid expansion program. He noted that NHHP expenses remain within budget and that the Reinsurance Program actual expenses were lower than budgeted. Mr. Hastings concluded his review by informing the Board that Helms projects covered lives in 2021 to be 470,000, which will constitute the base for today's

assessment rate setting, and by explaining that the balance sheet now reflects the FASB zero balance accounting standards which have become effective.

Mr. Ellis then asked Michael Degnan of Helms for an update on the Reinsurance Program. Mr. Degnan informed the Board that the U.S. Departments of Treasury and Health and Human Services have approved the State's Section 1332 Waiver application, subject to standard terms and conditions. He also explained that the New Hampshire Insurance Commissioner requested that NHHP, as the Administrator of the Reinsurance Program, receive the Section 1332 Waiver grant funds directly, and he issued a Supplemental Order requiring additional changes to the Reinsurance Program Plan of Operation. Mr. Degnan then asked Attorney Mark McCue to review the proposed Third Amendment to Amended and Restated Plan of Operation and Termination of New Hampshire Health Plan that was in the Board meeting materials (the "Third Amendment"). Attorney McCue then reviewed with the Board the Supplemental Order and the terms and impact of the Third Amendment. Following an opportunity to ask questions or seek clarification, upon a motion by Domenic Palmieri and seconded by David Trudo, it was unanimously:

***VOTED:** To approve the Third Amendment to Amended and Restated Plan of Operation and Termination of New Hampshire Health Plan, in the form presented to the Board.*

Mr. Hastings then reviewed the status of the New Hampshire Granite Advantage Health Care Program and the remainder letter of the Health and Human Services Commissioner included in the board meeting materials. Mr. Hastings proceeded to review the Program assessment rate proposal contained in the meeting materials. He explained the assumptions and projected cash flow for the upcoming year and noted that Helms is recommending that \$2.5 Million of the refund from the prior program be held in reserve because of the uncertainties in Medicaid enrollment which may result from the coronavirus pandemic. Mr. Hastings concluded his presentation by stating that Helms was recommending an assessment rate of \$3.60 per member per month for 2021. Discussion then followed and Bruce King, Chair of the Finance Committee, noted that the Finance Committee was recommending both the proposed assessment rate and the 2021 budget. Upon a motion by Mr. King and seconded by Geraldine Vaughan, it was unanimously:

***VOTED:** To approve and adopt a per member per month assessment rate of \$3.60 for calendar year 2021.*

Mr. Hastings then reviewed the proposed annual operating budget for 2021. He noted that the budget included expenses for both the New Hampshire Granite Advantage Health Care Program and the Reinsurance Program. Upon a motion by Dr. William Brewster and seconded by Ms. Guertin, it was unanimously:

***VOTED:** To approve and adopt the operating budget of NHHP for calendar year 2021, in the form presented to the Board.*

Mr. Ellis then called for an executive session of the Board to review the Helms contract with legal counsel, and Messrs. Degnan, Stone and Hastings left the meeting. Attorney McCue reviewed with the Board the current status of the Helms contract and the proposed amendments. Discussion followed regarding the scope of Helms' duties upon the implementation and operation of the Reinsurance Program, and Mr. Ellis agreed to ask Helms to provide that information to the Board following the meeting. Upon a motion by Mr. King and seconded by Mr. Trudo, it was unanimously:

VOTED: *To approve an amendment to the Helms contract to: (1) appoint Helms as Administrator of the Reinsurance Program; (2) continue the existing monthly compensation through December 31, 2021, at which time future compensation will be negotiated; and (3) allow for (i) early termination of the contract only if both the Granite Advantage Health Care Program and the Reinsurance Program terminate before the contract expiration date of August 31, 2025 and (ii) a negotiated renewal of the term if one or both programs continues to operate, and to authorize David Ellis, as the Board Chair, to negotiate, execute and deliver on behalf of NHHP an amendment to the Helms contract that implements the foregoing resolution.*

The Board had no further business, and the meeting adjourned at 11:10 a.m.

Respectfully submitted,

J. Michael Degnan,
Secretary Pro Tem