

Minutes
Board of Directors Meeting
September 15, 2016

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 September 15, 2016.

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:

David Ellis
David Sky
Bruce King (*by phone*)
Martha McLeod (*by phone*)
Paula Rodgers (Anthem designee)

Other Attendees:

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

In the absence of Chair Beth Roberts, Vice Chair David Ellis presided as Chair and called the meeting to order at 10:30 a.m. A quorum was present.

Mr. Ellis reviewed the meeting agenda and inquired whether the Board had an opportunity to review the minutes of the annual Board meeting. Upon a motion by Bruce King and seconded by David Sky, the Board unanimously:

VOTED: *To approve the minutes of the annual meeting of the Board of Directors held on June 9, 2016 in the form presented to the Board.*

Mr. Ellis 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 July 31, 2016. He noted that cash as of July 31, 2016 was \$2.705 Million, and that the forecast of remaining cash and liquid assets at the anticipated conclusion of risk pool and grant operations on September 30, 2016 was \$2.681 Million. Mr. Hastings noted that the last Consumer Assistance Grant (CAG III) expired on June 16, 2016, and that \$38,992 in unspent funds were not obligated and thus will remain with the federal government. The closing teleconference with the federal grant officials has occurred and Mr. Hastings noted that Mason & Rich completed an

agreed-upon procedures report pertaining to the CAG III, which report is in the meeting materials.

Upon a motion by Mr. Sky and seconded by Paula Rodgers, the Board unanimously:

VOTED: *To accept the Independent Accountant's Report on Applying Agreed-Upon Procedures in the form presented to the Board.*

Michael Degnan of Helms then presented his report on the operational implementation of the amendments to NHHP's enabling statute, RSA 404-G, pertaining to assessments in support of the New Hampshire Marketplace Premium Assistance Program (the "Premium Assistance Program"). He updated the Board on the action items approved at the June Board meeting, and noted that all of the major health insurance carriers provided updated covered lives information to serve as a base for the assessment calculation. Attorney Mark McCue then reviewed with the Board the material terms of the Amended and Restated Plan of Operation and Termination contained in the meeting materials. Attorney McCue responded to Board member questions, and acknowledged Mr. Sky's request that Section II(E)(1) (and any other relevant section) of the Amended and Restated Plan be clarified so that NHHP's obligation to remit assessment monies to the State of New Hampshire does not exceed 50% of the Remainder Amount. Mr. Degnan concluded the presentation by noting that he had provided a draft of the Amended and Restated Plan of Operation and Termination to the New Hampshire Department of Health and Human Services ("DHHS") and that the Department had not raised any significant issues.

Upon a motion by Ms. Rodgers and seconded by Mr. King, the Board unanimously:

VOTED: *To approve and adopt the Amended and Restated Plan of Operation and Termination substantially in the form presented to the Board, with the clarifications requested by Mr. Sky.*

Mr. Hastings then explained the calculation of the assessment rate in support of the Premium Assistance Program set forth in the meeting materials. He described the DHHS Commissioner's calculation of the Remainder Amount as required by statute, and reviewed the payment timeline. Mr. Hastings then reviewed his spreadsheet noting that he spread the rate evenly over the entire support period ending December 31, 2018 so that the rate and assessments would be consistent. The Board agreed that it preferred the consistency of this approach. Mr. Hastings also noted that although he accounted for the NHHP excess funds which will be accessible to DHHS, the Amended and Restated Plan will permit NHHP to retain a portion of those funds as a reserve against its budgeted expenses. Following discussion and upon a motion by Mr. King and seconded by Ms. Rodgers, the Board unanimously:

VOTED: *To approve and adopt the 2017 assessment rate calculation in support of the New Hampshire Marketplace Premium Assistance Program as presented to the Board.*

Mr. Degnan then discussed the proposed NHHP budget for 2017 set forth in the meeting materials. He reviewed the projected expenses and noted a \$100,000 contingency each year

because of potential uncertainty following the federal elections in November. Following discussion and upon a motion by Mr. King and seconded by Ms. Rodgers, the Board unanimously:

VOTED: *To approve and adopt the 2017 operating budget as presented to the Board.*

Mr. Degnan then noted that he and Chair Beth Roberts had agreed to continue Helms & Company's role as the NHHP Executive Director and Assessment Administrator through June 30, 2019. The first twelve months commencing October 1, 2016 will be at the current monthly fee of \$12,000. At the end of the first contract year, Helms may request an adjustment to the fee based on its experience in such first contract year. Upon a motion by Mr. King and seconded by Ms. Rodgers, the Board unanimously:

VOTED: *To ratify Beth Roberts' negotiation of the terms of the Helms & Company Executive Director and Assessment Administrator Contract as presented to the Board by Mr. Degnan, and to authorize Ms. Roberts, acting singly and on behalf of NHHP, to finalize, execute and deliver the revised contract to Helms & Company and to renegotiate the fee if appropriate after the first contract year.*

Mr. Degnan concluded by noting that Ms. Roberts has agreed to continue serving as Chair through June 30, 2017, and that he has been notified that the New Hampshire Department of Insurance will not be appointing a consumer representative to the Board because of the cessation of risk pool activities. Mr. Degnan indicated that he would contact new individual health carriers revealed by his recent polling of covered lives to determine whether any of them wish to nominate a representative to the open Board seats.

Mr. Ellis then called for an executive session. There being no business raised at the session and no further business, the meeting adjourned at 11:25 a.m.

Respectfully submitted,

J. Michael Degnan,
Secretary *Pro Tem*