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**Minutes**  
**Annual Board of Directors Meeting**  
**June 8, 2017**

The annual meeting of the Board of Directors of the New Hampshire Health Plan (NHHP) was held in person at the offices of Hinckley, Allen in Concord, New Hampshire on June 8, 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  
Bruce King (*by phone*)  
David Ellis  
David Sky  
Martha McLeod  
Dominic Palmieri (*by phone*)  
David Trudo  
Paula Rogers (*representing Lisa Guertin*)  
William Brewster (*invited Mr. Degnan*)

**Other Attendees:**

J. Michael Degnan, Helms & Co.  
John Hastings, Helms & Co.  
Mark McCue, Esq., Hinckley Allen (*by phone*)  
Kevin Stone, Helms & Co.  
Roger Sevigny – Commissioner of Insurance  
Jennifer Patterson – Department of Insurance  
Alex Feldvebel – Deputy Commissioner  
Danielle Barrick – Department of Insurance  
Deborah Fournier, Department of Health, and Human Services (*arrived at 10:30am*)

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

Ms. Roberts then invited Commissioner Sevigny and his colleagues to address the Board regarding House Bill 469 and related issues. Commission Sevigny spoke of the uncertainties in the health insurance marketplace resulting from changes to the Affordable Care Act being proposed by Congress, the economic challenges faced by New Hampshire health insurance carriers and the resulting uncertainty about their continued participation in the New Hampshire marketplace. The amendments to RSA 404-G proposed under House Bill 469 will give the Department of Insurance the direction and ability to establish programs and related mechanisms designed to improve or stabilize the New Hampshire individual health insurance marketplace, subject to approval by the Joint Oversight Committee.

Attorney Patterson noted that the Insurance Department has engaged Gorman Associates to evaluate mechanisms which could stabilize the New Hampshire health insurance marketplace and model their potential impact beginning in 2018. Attorney Patterson explained that the implementation of such mechanisms likely would require the Insurance Department to file a federal Section 1332 waiver request to facilitate funding.

Mr. Feldvebel spoke of the possibility of establishing a reinsurance pool or mechanism beginning in 2018, possibly with federal funding. There was general agreement that it was not feasible to re-institute the state individual health high risk pool for 2018, although it was acknowledged that this potentially could be accomplished in 2019 if desired.

There was general discussion concerning the next steps. Commissioner Sevigny emphasized the need to “get the wheels in motion as soon as possible.” Attorney Patterson mentioned the possible need for additional legislation once the Gorman proposals and modeling are prepared. She also suggested that the NHHP Board composition may need to be updated.

Ms. Roberts stated that the Board was willing to work with the Insurance Department to help find workable solutions to the insurance marketplace stability issues. The Commissioner then thanked the NHHP Directors and the Insurance Department representatives departed from the meeting at 10:30am.

Ms. Roberts then suspended the annual Director meeting so that the annual Member meeting could be held. Upon completion of the annual Member meeting at 10:40, Ms. Roberts reconvened the annual Director meeting.

Ms. Roberts invited Ms. Fournier from the New Hampshire Department of Health and Human Services (“DHHS”) to update Board members on the status of funding of the Premium Assistance Program. Ms. Fournier stated that the cash flow, both currently and for 2018, appears to be adequate for Program needs. Ms. Fournier cautioned, however, that current premium rate increases of approximately 40% that are being contemplated could – if adopted - substantially increase the remainder amount to be paid in 2018. Considerable discussion followed. Ms. Fournier stated that she could not discuss the specific assumptions and circumstance that informed her expectation that the remainder amount requirements will be met. In response to Ms. Roberts’ question, Ms. Fournier agreed that it does not appear that another prepayment of assessments will be required or requested again. Ms. Fournier further discussed the current enrollment trends in the Premium Assistance Program as well as other DHHS trends that are pertinent to the carriers. She stated that if there is any significant new information about the Premium Assistance Program, she will alert NHHP management in a timely manner.

Ms. Fournier thanked the Board and departed from the meeting at 11:00 a.m.

Ms. Roberts reviewed the meeting agenda and 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 Beth Roberts and seconded by Paula Rogers, it was unanimously,

**VOTED:** *To approve the following slate of officers for 2017-2018:*

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

Attorney Mark McCue then noted the requirements of Article V, Section E of the Plan of Operation, and concluded that the annual review would now be limited to the Plan of Termination provisions to be discussed later in the meeting.

The proposed Board Committee assignments were reviewed and it was noted that only the Executive and Finance/Audit Committees remain active because of the reduced scope of NHHP's activities and responsibilities. After a brief discussion, the Board accepted the committee assignments as presented.

Ms. Roberts then asked the Board if everyone had a chance to review the minutes of the February 16, 2017 Board meeting, and accepted a motion by Bruce King and a second by David Ellis. It was unanimously:

**VOTED:** *To approve the minutes of the Board of Directors Meeting of February 16, 2017.*

Ms. Roberts then asked Helms & Company to provide a financial report. John Hastings began by reviewing 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, 2016. 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. Hastings then reviewed the material provisions of the NHHP Form 990 for 2016, which had been previously distributed to the Board. He also provided the Board with an opportunity to ask questions and seek clarifications. Mr. King, as Chair of the Finance Committee, informed the Board that the Finance Committee reviewed the audited financial statements and the 2016 Form 990 in depth, with legal counsel, and recommends its approval by the Board.

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

**VOTED:** *To approve the 2016 audited annual financial statements and the 2016 Form 990 in the form presented to the Board.*

Mr. Hastings then continued the financial report by reviewing the balance sheet as of April 30, 2017 which reflected \$860,000 cash held in the Budget Reserve account for use through 6/30/2019 to complete the Premium Assistance Program work, \$622,000 of cash in the Program Reserve account which is held for the 1<sup>st</sup> Quarter, 2017 assessments collected. Estimated

Assessments Receivable stood at \$1.849 million reflecting the balance of the \$2.5 million estimated collections of the 1<sup>st</sup> Quarter assessment of \$1.67 per member per month. Additionally Mr. Hastings pointed out the Assessment Payments of \$3.666 million were paid in advance (i.e. prior to their due dates) by four carriers to meet the cash shortfall in the trust fund related to the Premium Assistance Program. These funds will be credited back to the four carriers in lieu of their final assessments due for 2018. Finally, administrative expenses of NHHP for the period were in line with the approved budget.

Mr. McCue was asked to provide the legal report and he informed the Board of his work researching legal questions regarding a possible line of credit to benefit NHHP. His conclusion is that NHHP may establish and use a line of credit only to the extent of the remaining assessments due and payable from NHHP members under the Restated Plan of Operation and Termination. The Board and management thus concluded that procurement of a line of credit does not seem warranted at this time.

Mr. Degnan and Mr. Hastings were excused from the meeting in order to allow the Board to hold an executive session to discuss personnel matters. Following the executive session:

*There being no further business, the meeting adjourned at 11:30 a.m.*

Respectfully submitted,

J. Michael Degnan,  
Secretary *Pro Tem*