

**Minutes**  
**Board of Directors Meeting**  
**September 27, 2018**

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 Manchester, New Hampshire on September 27, 2018.

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

**Directors:**

Bruce King  
Geraldine Vaughan  
Lisa Guertin (*by phone*)  
Dr. William Brewster (*by phone*)  
David Sky (*by phone*)  
David Trudo (*by phone*)  
Christopher Kennedy (*by phone*)  
Domenic Palmieri (*by phone*)

**Other Attendees:**

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

In the absence of Chair David Ellis, Vice Chair Lisa Guertin presided and called the meeting to order at 9:30 a.m., a quorum being present.

Ms. Guertin reviewed the meeting agenda and then asked the Board if everyone had a chance to review the minutes of the Board meeting held on June 14, 2018. Upon a motion by Bruce King and seconded by William Brewster, it was unanimously:

**VOTED:** *To approve the minutes of the Board of Directors Meeting of June 14, 2018 in the form presented to the Board.*

Ms. Guertin then turned the meeting over to Michael Degnan of Helms & Company to provide an update on the State's transition from the New Hampshire Health Protection Program ("HPP") to the New Hampshire Granite Advantage Health Care Program ("Granite Advantage"). Mr. Degnan referred the Board to the two letters in the meeting materials from New Hampshire Health and Human Services Commissioner Jeffrey Meyers regarding the so-called "remainder amount" under each program. John Hastings of Helms explained that assessment monies paid

to the HPP through August 31, 2018 were sufficient to cover the remainder amount for that program. Mr. Degnan informed the Board that Paula Rogers of Anthem had noted some inaccuracies in the Granite Advantage remainder amount letter. The reference to “High Risk Pool” should be changed to “New Hampshire Health Plan.” The notation at the bottom of the first page of the letter also needs to be corrected to include taxes attributable to premiums written for medical services for the newly eligible Medicaid population in the calculation of the cap on NHHP’s contribution obligation to Granite Advantage. Mr. Degnan has informed the Commissioner of these required changes to future remainder amount letters.

Mr. Degnan then asked Attorney Mark McCue to review the proposed First Amendment (the “First Amendment”) to the Amended and Restated Plan of Operation and Termination of NHHP (the “Restated Plan”). Attorney McCue began by outlining the significant differences between the HPP and Granite Advantage and NHHP’s obligations under each program. He also described the format of the First Amendment, which replaces Section II of the Restated Plan. Attorney McCue then reviewed each section of the First Amendment with the Board. Following an opportunity for questions and discussion, and upon a motion by Mr. King and seconded by Domenic Palmieri, it was unanimously:

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

Attorney McCue noted that the First Amendment now must be approved by the New Hampshire Insurance Commissioner and the New Hampshire Health and Human Services Commissioner.

Ms. Guertin then asked Helms & Company to provide the financial review. Mr. Hastings reviewed with the Board the balance sheet for the period ended August 31, 2018. He explained that recovery from Minuteman of the difference between its last assessment payment and NHHP’s obligation to repay Minuteman’s advance assessment payment, an amount of \$32,414, is considered doubtful. He noted the reserve for NHHP’s obligation to repay the remaining carriers who made a prepayment of their assessment obligations and explained that “prepaid expenses” constituted remittances of assessment monies to the HPP. Mr. Hastings then reviewed the profit and loss statement for the period ending August 31, 2018 and for the period beginning at the inception of the HPP. He concluded his presentation by reviewing the summary of assessment collections and payments contained in the meeting materials which reflects the accumulation of cash to repay carriers who prepaid their assessments as well as the projected effect of the Minuteman liquidation.

Mr. Hastings then turned to a discussion of NHHP’s operating budget. Because of the transition from the HPP to Granite Advantage, Mr. Hastings explained that he was proposing three separate budget actions by the Board. First, he explained proposed changes to the NHHP operating budget due to unanticipated circumstances for the period ending December 31, 2018, which is the end of the HPP. Mr. Hastings then reviewed with the Board the NHHP operating budget for calendar year 2019, which will be the first year of Granite Advantage and proposed that the existing contingency fund simply be retained for use in connection with contingencies under Granite Advantage, as contemplated by the First Amendment. Finally, he explained that Granite

Advantage has an expected term of five years, which extends the anticipated NHHP winding down period. He also noted that the Granite Advantage Program is structured differently, and that there will be a significant run-out period after the Program ceases operation on December 31, 2023. Therefore, the last budget action is to revise the winding down period budget to reflect the anticipated effect of inflation resulting from the delay of the NHHP wind-down by five or more years. Mr. Hastings noted that a more complete budget for the winding down period would have to be developed after the Granite Advantage program becomes operational and its termination date is closer. Following an opportunity for questions and discussion, and upon a motion by Mr. Palmieri and seconded by Mr. King, it was unanimously:

**VOTED:** *To approve and adopt the changes to the NHHP operating budget for the period ending December 31, 2018, to approve and adopt the NHHP operating budget for the calendar year 2019, and to approve and adopt the preliminary changes to the NHHP winding down budget, all as presented to the Board.*

Mr. Hastings then reviewed with the Board the proposed repayment of carriers who made advance payments of their assessment obligations. He asked the Board to review the summary in the meeting materials, and explained that the monies collected from the third quarter assessments – which are not required to be remitted to the HPP – will cover NHHP’s repayment obligation to these carriers and have approximately \$130,000 in cash remaining. Mr. Hastings concluded his presentation by noting that the 2018 fourth quarter assessment collections and the 2019 first quarter assessment collections would be retained by NHHP to establish a reserve fund for contingencies under Granite Advantage, as permitted by the First Amendment. Following an opportunity for questions and discussion, and upon a motion by Mr. King and seconded by Dr. Brewster, it was unanimously:

**VOTED:** *To approve the use of excess assessment collections to repay carriers who made advance payments of their assessment obligations, and to establish a contingency reserve fund in connection with the New Hampshire Granite Advantage Health Care Program, as presented to the Board.*

Mr. Hastings then reviewed the proposed assessment rate for calendar year 2019. He reviewed the assessment scenarios contained in the Board meeting materials, and noted that the assessment rates for the first year of HPP were \$1.67 and for the second year were \$2.25. Mr. Hastings also explained that their projections assume a 10% cost increase in Granite Advantage expenses in 2020, and noted that the assessment base will decrease because the lives covered by Granite Advantage drop out of the marketplace exchange and into the Medicaid Managed Care Organization contracts. Mr. Degnan stated that Helms & Company is recommending a 2019 assessment of \$1.75 per member per month. After discussion, and upon a motion by Mr. King and seconded by Mr. Palmieri, it was unanimously:

**VOTED:** *To approve and adopt an assessment rate for 2019 of \$1.75 per member per month.*

Mr. Degnan indicated that he would report this assessment rate to the Insurance Commissioner for his approval, as required by statute.

Ms. Guertin then called for an executive session to discuss the Helms & Company contract. The contract term presently extends to June 30, 2019, which was the expected winding down period following the expiration of the HPP. Now that Granite Advantage has been implemented with a five-year term, the Board agreed that the Helms & Company contract should be extended. Upon a motion by Dr. Brewster and seconded by Geraldine Vaughan, it was unanimously:

**VOTED:** *To delegate to the Chair, David Ellis, and the Treasurer, Bruce King, in consultation with legal counsel, the authority to negotiate and execute on behalf of NHHP an extension to the Helms & Company contract to cover the expected term of the Granite Advantage program and subsequent winding down period.*

The Board had no further business, and the meeting adjourned at 10:45 a.m.

Respectfully submitted,

J. Michael Degnan,  
Secretary *Pro Tem*