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

**Minutes  
Board of Directors Meeting  
October 12, 2023**

A regular meeting of the Board of Directors of the New Hampshire Health Plan (NHHP) was held by videoconference and teleconference on October 12, 2023, with each participant being heard by, and able to hear, all participants.

The following individuals attended the meeting:

**Directors:**

Christopher Kennedy  
Steven Phillips  
Michelle Heaton  
Kathryn Skouteris  
David Trudo  
David Ellis  
Bruce King (*joined 9:45*)

**Other Attendees:**

J. Michael Degnan, Helms & Co.  
Kevin Stone, Helms & Co.  
Andrew Luce, Mason+Rich  
Mark McCue, Esq., Hinckley Allen

Christopher Kennedy, Chair, presided and called the meeting to order at 9:33 a.m., a quorum being present.

Mr. Kennedy reviewed the meeting agenda and then asked the Board if everyone had the opportunity to review the minutes of the annual Board meeting held on June 8, 2023. Upon a motion by David Trudo and seconded by David Ellis, it was unanimously:

**VOTED:** *To approve the minutes of the annual meeting of the Board of Directors held on June 8, 2023, in the form presented to the Board.*

Mr. Kennedy then asked Helms & Company to provide a financial report. Michael Degnan of Helms introduced Andrew Luce of Mason+Rich who has been engaged by NHHP to provide financial management and administrative services following John Hastings' retirement. Mr. Degnan reminded the Board that Mr. Luce is very familiar with NHHP and its finances because he served as an auditor of NHHP for many years. Mr. Luce began by reviewing the balance sheet as of June 30, 2023. He noted the cash balances of approximately \$2.1M in the Granite Advantage Program and explained that the Deferred Assessments were similar to retained earnings, and that most were paid in July. He noted that Reinsurance Program funds were invested in the Bank of NH promontory at favorable interest rates. Mr. Luce also explained that the Unearned Premium lines reflected the refund

of assessment overpayments in the form of a credit against future assessments of the members involved. He estimated that a small cash refund would be necessary to fully satisfy the refund obligation by May, 2024.

Mr. Luce then reviewed the profit and loss statement and discussed the separate lines of business in comparison to budget. He noted that assessable lives were slightly above budget, as was the Granite Advantage investment income. Mr. Luce concluded the presentation by noting that expenses to-date for both programs were close to budget.

Mr. Degnan then updated the Board regarding the request for proposals for a new auditor firm. He noted that NHHP solicited eight reputable firms but received proposals from only two. The proposed fees were similar but one firm, which had acquired a local accounting firm, was a large international firm. After consulting with the Chair of the Finance Committee, Bruce King, Helms engaged the Berry Dunn firm, a New Hampshire based firm, as NHHP's new auditors.

At the request of Mr. Kennedy, Mr. Degnan then presented the Reinsurance Program 2024 Budget and assessment proposal. He directed the Board's attention to the Section 1332 Waiver Funding Report contained in the meeting materials and submitted to the Centers for Medicare and Medicaid (CMS) in August 2023. Mr. Degnan also noted the September 15, 2023 report prepared by Leif Associates that details the March calculations used to establish the Reinsurance Program parameters. He then reviewed the Reinsurance Program dashboard. He stated that there is significant uncertainty about Medicaid enrollment in 2024 and he expects that it could be lower than current projections. Therefore, the 2024 budget conservatively projects average monthly assessable lives of 485,000. Mr. Degnan also noted the Reinsurance Program funding and distributions summary in the meeting materials. He commented that the distribution for the 2022 program year was slightly higher than the projected reinsurance percentage of 70%. The distribution for the 2023 program year is anticipated to be 58%.

Mr. Degnan concluded his Reinsurance Program report by reviewing the 2024 budget proposal contained in the meeting materials. He explained the significant line items and noted that NHHP will need to re-apply for the Section 1332 Waiver next year. Mr. Degnan stated that Leif Associates and Public Consulting Group had been engaged at favorable rates to assist with the application and actuarial analysis required by CMS, but that the application process would increase NHHP's administrative costs next year. He informed the Board that the Section 1332 Waiver re-application was unlikely to propose any changes to the structure of the current Reinsurance Program. Kevin Stone of Helms then reminded the Board that the assessment rate for the Reinsurance Program is formulaic and based on the second lowest cost silver plan premium as described in the plan of operation. Based on this formula, Mr. Degnan noted that the proposed Reinsurance Program assessment rate is \$2.24 per assessable life per month. He assured the Board that the proposed Reinsurance Program 2024 budget and assessment rate had been reviewed carefully and was being supported by the Finance Committee and the Actuarial Work Group.

Following an opportunity for discussion and upon a motion by Bruce King as Chair of the Finance Committee, and seconded by Mr. Trudo, it was unanimously:

**VOTED:** *To approve the Reinsurance Program 2024 Budget in the form presented to the Board.*

Upon a motion by Steven Phillips and seconded by Kathryn Skouteris, it was unanimously:

**VOTED:** *To approve the Reinsurance Program 2024 Assessment Rate of \$2.24 per assessable life per month.*

Mr. Degnan then reviewed the Granite Advantage 2024 Budget and assessment proposal. He noted that the New Hampshire Department of Health and Human Service's remainder amount calculation and sufficient funding letter were included in the meeting materials. Mr. Degnan explained that NH DHHS is projecting that NHHP's share of the remainder amount for the Granite Advantage Program in State fiscal years 2024 and 2025 will be approximately \$21.4M and \$21.1M, respectively. He noted that the Granite Advantage Program expense budget for 2024 essentially is unchanged except for the cost of living adjustment under the Helms contract. Based on these projections, a 2024 monthly assessment rate of \$3.70 is being proposed for the Granite Advantage Program, down from the current monthly assessment of \$3.75. Mr. King noted that the Finance Committee reviewed the budget and assessment proposal in detail and supports both.

Following an opportunity for discussion and upon a motion by Mr. King as Chair of the Finance Committee, and seconded by Mr. Trudo, it was unanimously:

**VOTED:** *To approve the Granite Advantage Program 2024 Budget in the form presented to the Board.*

Upon a motion by Mr. Trudo and seconded by Mr. King, it was unanimously:

**VOTED:** *To approve the Granite Advantage Program 2024 Assessment Rate of \$3.70 per assessable life per month.*

Mr. Kennedy then asked Ms. Heaton to describe the New Hampshire Insurance Department's preliminary evaluation of a hybrid individual health exchange market. Under such a proposal, the State likely would fund consumer education efforts and bring the navigator program under local control. The Department is utilizing federal grant funds to conduct a feasibility analysis through a consulting firm because the Department does not want to increase program costs or lose federal funding. If such a model is determined to be feasible, the Department likely will seek legislative support.

Mr. Kennedy then asked Attorney Mark McCue to review for the Board the legislative changes to NHHP's governing statute, RSA 404-G, and the necessary amendments to NHHP's governance documents and Plan of Operation. Attorney McCue directed the Board's attention to the chart in the meeting materials and described the most significant changes to RSA 404-D enacted by the passage of House Bill 613. Among these changes is the removal of references to old programs that were terminated, an updated purpose statement, the broadening of the assessment base to include third party administrators, and

clarity regarding NHHP membership. Attorney McCue informed that Board that the statutory changes become effective on January 1, 2024.

Attorney McCue explained that the statutory changes require corresponding changes to NHHP's governance documents. He recommended that the Board approve amendments to the NHHP Articles of Agreement now and update the Bylaws in early 2024. He then reviewed the proposed amendments to NHHP's Articles of Agreement. Following discussion and upon a motion by Mr. King and seconded by Ms. Skouteris, it was unanimously:

**VOTED:** *To amend Articles II, V, VI and IX of the Amended and Restated Articles of Agreement of the Corporation filed with the New Hampshire Secretary of State on April 1, 2003, as subsequently amended by an Affidavit of Amendment filed with the New Hampshire Secretary of State on June 9, 2021, by deleting them in their entirety and replacing them with the revised Articles II, V, VI and IX set forth on the attached Attachment A.*

**FURTHER**

**VOTED:** *That the foregoing resolutions and amendments to the Corporation's Amended and Restated Articles of Agreement will become effective on January 1, 2024, subject to the approval of the New Hampshire Insurance Commissioner.*

Attorney McCue then explained that the statutory amendments will require revisions to NHHP's Plan of Operations. Because a number of technical operational revisions also may be required, Attorney McCue recommended that the Board adopt the Fifth Amendment to the Amended and Restated Plan of Operation and Termination of NHHP contained in the meeting materials, which contains a directive and authorization to NHHP's Executive Director to prepare a fully-amended and restated Plan of Operation containing such revisions for submission to the New Hampshire Insurance Commissioner without need for further Board approval. Attorney McCue then reviewed the sections of the proposed Fifth Amendment. Following an opportunity for discussion and upon a motion by Mr. Trudo and seconded by Ms. Skouteris, it was unanimously:

**VOTED:** *To approve the Fifth Amendment to the Amended and Restated Plan of Operation and Termination of NHHP in the form presented to the Board.*

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

Respectfully submitted,

J. Michael Degnan,  
Secretary *Pro Tem*

**ATTACHMENT A**

*Amendments to Articles II, V, VI and IX of the Amended and Restated Articles of Agreement  
of  
New Hampshire Individual Health Plan Benefit Association*

**ARTICLE II. ADDRESS**

The Corporation’s principal place of business is located at One Pillsbury Street, Suite 200, Concord, New Hampshire 03301. The Corporation’s principal place of business may be changed from time to time by the Corporation’s Board of Directors, in its discretion.

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**ARTICLE V. PURPOSES AND POWERS**

A. Purposes. Pursuant to (i) the Orders of the New Hampshire Insurance Commissioner (the “Commissioner” dated November 26, 1997 and February 25, 2020, as supplemented by a Supplemental Order dated September 30, 2020, respectively (collectively the “Orders”), and (ii) RSA 404-G, as enacted effective August 25, 1998 by 1998 N.H. Laws 340:6, and as amended through 2023 N.H. Laws 92:1 effective January 1, 2024, the Corporation is established for the following purposes:

- I. To protect the citizens of New Hampshire who participate in the individual health insurance market by providing a mechanism to equitably distribute the excessive risk sometimes associated with this market and to promote market stability.
- II. To promote the purposes and carry out the requirements of RSA 404-G, as it may be amended from time to time, under oversight by the Commissioner.
- III. To support the affordability and accessibility of health insurance in New Hampshire’s individual market.
- IV. To establish one or more individual health insurance market mandatory risk sharing plans as a mechanism to distribution the risks associated within the nongroup, individual market.
- V. To support the New Hampshire Granite Advantage Health Care Program established in RSA 126-AA or any successor program.
- VI. To establish an assessment mechanism to fund the Corporation’s programs as defined in RSA 404-G:2(IX) and the Corporation’s support of the New

Hampshire Granite Advantage Health Care Program established in RSA 126-AA or any successor program.

As required by RSA 404-G:5, the Corporation will conduct each of its Programs pursuant to a Plan of Operation, which may be amended and restated from time to time (the “Plan of Operation”). Any reference to “Plans of Operation” in these Articles of Agreement means the Plan of Operation. All other capitalized terms used but not defined in these Articles of Agreement will have the meaning ascribed to them by RSA 404-G.

B. References to RSA 404-G. All references in these Articles of Agreement to RSA 404-G or portions thereof include the statute as it may be amended from time to time, unless the context clearly requires otherwise.

C. Corporate Powers. The Corporation, acting through its Board of Directors, will possess all powers and be entitled to take all actions of a nonprofit, voluntary corporation organized under RSA 292, any additional powers approved by the Commissioner under RSA 404-G:3(I), all powers set forth or referenced in RSA 404-G:3(II), and any further powers available under applicable law. Nothing in these Articles of Agreement will be deemed to authorize or permit the Corporation to carry on any business for profit, to exercise any power, or to do any act that a corporation formed under RSA 292 or any substitute statute may not lawfully carry on or do.

## **ARTICLE VI. MEMBERS**

The Corporation will not have capital stock or membership certificates, but it has members who have those rights provided under RSA 292, RSA 404-G, these Articles of Agreement and under the Corporation’s Bylaws. Membership in the Corporation shall be comprised of all Assessable Entities as defined in RSA 404-G:2(I).

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## **ARTICLE IX. BOARD OF DIRECTORS**

The affairs of the Corporation will be governed by a Board of Directors, the composition of which will be as set forth in RSA 404-G:4(II). The procedures for electing the Board of Directors and its officers will be set forth in the Corporation’s Bylaws, and will conform to all applicable requirements of RSA 404-G:4.