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## Minutes Board of Directors Meeting October 10, 2024

A regular meeting of the Board of Directors of the New Hampshire Health Plan (NHHP) was held by videoconference and teleconference on October 10, 2024, with each participant being heard by, and able to hear, all participants.

The following individuals attended the meeting:

**Directors:**

Christopher Kennedy  
Kathryn Skouteris  
Bradley T. Long  
Elaine Koskela  
Bruce P. King  
Martha McLeod  
David Trudo  
Michelle Heaton  
Tu Nguyen

**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 6, 2024. Upon a motion by Bruce King and seconded by Martha McLeod, it was unanimously:

**VOTED:** *To approve the minutes of the annual meeting of the Board of Directors held on June 10, 2024, in the form presented to the Board.*

Mr. Kennedy then asked Helms & Company to introduce the next agenda item: the election of Tu Nguyen as the NHHP Board representative of Anthem Health Plans of New Hampshire, Inc. (“Anthem”). Michael Degnan of Helms explained that Steven Phillips resigned from the NHHP Board in August. Under the NHHP Bylaws, Anthem nominates a successor representative to be elected by the NHHP Board of Directors. Mr. Degnan explained that Mr. Nguyen had been nominated by Anthem, and then provided Mr. Nguyen an opportunity to introduce himself to the Board. Following the introduction, and upon a motion by Mr. King and seconded by Kate Skouteris, it was unanimously:

**VOTED:** *To elect Tu Nguyen to the New Hampshire Health Plan Board of Directors to fill the seat vacated by Steven Phillips for the remainder of his term as the representative of Anthem Health Plans of New Hampshire, Inc.*

Following Mr. Nguyen's election, Andrew Luce of Mason+Rich provided the financial report. Mr. Luce began by reviewing the balance sheet as of June 30, 2024. He noted that the activities of the Granite Advantage Program, namely the collection and payment of assessments, resulted in relatively flat performance when comparing year-to-year. He explained that the Deferred Assessments were similar to retained earnings, and that most were paid in July. He noted that Reinsurance Program cash balance increased significantly, primarily because of favorable investment earnings from the Bank of NH promontory, and that receivables increased slightly because of a small rise in assessable lives. 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 concluded his review of the balance sheet by noting that NHHP will solicit proposals from other banks to test the competitiveness of Bank of NH's rates, but that the difference in competitor rates would have to be substantial to justify the costs of transitioning NHHP funds to another bank.

Mr. Luce then reviewed the profit and loss statement and discussed the separate lines of business in comparison to budget. He noted the positive variances created by assessable lives being approximately 15,000 per month higher than budget and by investment income. Mr. Luce concluded the presentation by noting that expenses to-date for both programs were in line with budget. Mr. King, as Chair of the Finance Committee, noted that the Committee had reviewed the financial results carefully at its most recent meeting.

Mr. Kennedy then asked Helms & Company to introduce the proposed First Amendment to the Second Amended and Restated Plan of Operation of New Hampshire Health Plan (the "First Amendment"). Kevin Stone of Helms explained that the Reinsurance Program Plan of Operation requires that the assessment rate equal 60 basis points of the premiums charged in prior plan years for the second lowest cost silver plan offered in the state. He noted that the second lowest cost silver plan filed this year for 2025 was provided by Wellsense, but that it was not offered in all counties of the state. Mr. Stone explained that the First Amendment expressly states the presumption that the second lowest cost silver plan on which the Reinsurance Program assessment rate is based must be offered in all counties of the state. After an opportunity to ask questions, and upon a motion by Ms. Skouteris and seconded by David Trudo, it was unanimously:

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

At the request of Mr. Kennedy, Mr. Degnan then presented the Reinsurance Program 2025 budget and assessment proposal. He began by summarizing the status of NHHP's request, on behalf of the State of New Hampshire, for an extension of the Section 1332 Waiver that is due to expire. Mr. Degnan informed the Board that the extension application was filed in August, and CMS acknowledged receipt and the completeness of the application on September 27, 2024. CMS has

90 days to reach a determination, and it is expected that the waiver extension application will be granted by year-end.

Mr. Degnan then 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 2024. He noted that the Report contains a good summary of the Reinsurance Program and its performance. Mr. Degnan then reviewed the 2025 Reinsurance Program budget proposal contained in the meeting materials. He explained that he used projections for the third and fourth quarters of 2024 to establish the current year annual expenses and then established a budget to support similar expenses. Mr. Degnan noted that the 2024 expenses included an extraordinary expense of approximately \$200,000 for the Section 1332 Waiver extension application, which expense will not recur in 2025. He then reviewed the significant line items in the proposed 2025 budget. Mr. Stone 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 for 2025 is \$2.24 per assessable life per month. He assured the Board that the proposed Reinsurance Program 2025 budget and assessment rate had been reviewed carefully and was being recommended by the Finance Committee and the Actuarial Work Group.

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 Reinsurance Program 2025 Budget in the form presented to the Board and to approve and establish the Reinsurance Program 2024 Assessment Rate of \$2.24 per assessable life per month.*

Mr. Luce then review the Reinsurance Program dashboard contained in the meeting materials and noted that results to-date align with the budget.

Mr. Kennedy then asked Helms & Company to review the Granite Advantage Program with the Board. Mr. Degnan began by reviewing the State remainder letter and projected remainder amounts for State fiscal years 2025 and 2026, which amounts are higher than expected. Mr. Luce then reviewed the Granite Advantage 2025 budget and assessment proposal. He noted that the Granite Advantage Program expense budget for 2025 essentially is unchanged except for the cost of living adjustment under the Helms contract but that the higher remainder amounts result in an increase in the assessment rate. Mr. Degnan then explained that based on the State's remainder amount projections, a 2025 monthly assessment rate of \$4.03 is being proposed for the Granite Advantage Program. He noted that Helms & Company is working with the New Hampshire Department of Health and Human Services to reduce the remainder amount projection for State fiscal year 2026. Mr. King noted that the Finance Committee reviewed the Granite Advantage Program budget and assessment proposal in detail, and recommends that the Board adopt both.

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

**VOTED:** *To approve the Granite Advantage Program 2025 Budget in the form presented to the Board and to approve the Granite Advantage Program 2025 Assessment Rate of \$4.03 per assessable life per month..*

Mr. Degnan concluded the financial report by reviewing the Granite Advantage Program dashboards.

Mr. Kennedy then asked Mr. Degnan to present the final agenda item, the Ground Ambulance Cost Study special assessment. Mr. Degnan began by describing Senate Bill 407 and its mandate that NHHP prepare a request for proposals for, and oversee, a ground ambulance cost study. Mr. Kennedy explained that Senate Bill 407 was the result of legislative activity following a proposed bill which would have set ground ambulance cost rates for insurance purposes. Mr. Degnan explained that the RFP was issued and that Public Consulting Group (“PCG”) was awarded the contract to prepare the cost study. He noted that the study is to be completed by year-end, and that PCG appears to be on schedule. Mr. Degnan explained that Senate Bill 407, and RSA 404-G, permit NHHP to impose a special assessment upon assessable entities to cover the costs of the study and NHHP’s oversight. He then reviewed the anticipated expenses of the cost study, the proposed special assessment of \$0.04 per assessable life, and the request that the Board direct any unused special assessment funds to be retained in NHHP’s reserve fund(s).

Following an opportunity for discussion and upon a motion by Ms. Skouteris and seconded by Ms. McLeod, it was unanimously:

**VOTED:** *To approve a special assessment of \$0.04 per assessable life in 2025 to cover the costs of the Ground Ambulance Study authorized by Senate Bill 407, with any excess funds to be retained for use without restriction in the New Hampshire Health Plan Granite Advantage Program.*

The Board had no further business, and the meeting was adjourned at 10:25 a.m.

Respectfully submitted,

J. Michael Degnan,  
Secretary *Pro Tem*