



Finance Committee Meeting Minutes May 7, 2025

A meeting of the Finance Committee of the New Hampshire Health Plan Board of Directors was held on Thursday, **May 7, 2025**, commencing at 1:03 PM via Zoom videoconference with each participant being heard by, and able to hear, all participants.

Meeting attendees were:

Finance Committee Members Other Parties

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|----------------------------------|----------------------------------|
| Bruce King, Chairman | Michael Degnan – Helms & Company |
| Brenda Golden-Hallisey | Kevin Stone – Helms & Company |
| (filling in for Michelle Heaton) | Andrew Luce – Helms & Company |
| Greg Daily | Mark McCue – Hinckley Allen |
| | Chris Mouradian – BerryDunn |
| | Joseph Byrne – BerryDunn |
| | Nathan Dunlap – BerryDunn |

APPROVAL OF PREVIOUS MINUTES

The February 13, 2025 meeting minutes were reviewed. No suggested changes were noted by committee members.

AUDIT AND 990 REVIEW

Mr. Degnan welcomed the team from BerryDunn (BD) and invited them to review the draft Audit Reports and IRS Form 990 for the year ended December 31, 2024.

Mr. Mouradian and Mr. Dunlap presented the financial statement audit highlights, including:

- **Clean Opinion:** Clear guidance and standards were applied in NHHP's financial reporting; the organization complies appropriately.
- **Internal Controls:** BD reviewed internal controls as part of planning but did not provide an opinion; no issues were noted.
- **Accounting Policies:** No new accounting policies were adopted in 2024.
- **Transaction Timing:** All significant transactions were recorded in the appropriate period.
- **Adjustments:** No significant adjustments were required.

Mr. Dunlap presented Yellow Book audit highlights:

- **Compliance Major Federal Program:** Conducted for the Reinsurance Program; no

non-compliance identified. Their opinion was unmodified/it was a clean opinion.

- **Government Audit Standards:** The audit included a review of non-compliance items material to the financials; no such items were found. No formal opinion was issued on compliance in relation to f/s, but no issues were noted.

Mr. Byrne presented the Form 990 highlights:

- The 990 emphasizes responses to questions over financial data.
- The financial information reconciles with the audited financials.
- It is considered good governance to review the 990 prior to filing.
- Mr. Byrne reviewed the document in detail.

Mr. King asked the staff to leave the room so the Committee could speak to the auditors in private, which was done. Following a few minutes of private discussion, Mr. King called the staff back into the room and BD was excused from the zoom meeting.

Vote: Approval of Financial Statement Audit, Yellow Book audit, and Form 990

- **Motion:** Mr. Daily moved to approve the financial statement audit, Yellow Book audit, and Form 990 as presented for board approval.
- **Second:** Ms. Golden-Hallisey seconded the motion
- **Vote:** Unanimously approved.

FINANCIAL REVIEW

Mr. Luce presented financial statements (Period Ending March 31, 2025)

Key Highlights:

- **Cash Balances:** GAP program cash in line with expectations. RI program cash lower than expected YOY due to early Reinsurance program payment of \$7M (½ of State's reinsurance portion), approximating the difference in cash. This payment typically happens in July.
- **Reporting Changes:** None.
- **Accounts Receivable/Payable:** Differences due to timing.
- **Deferred Revenue:** United's balance under \$2K; cash collections from United's assessments to resume Q2 2025.
- **Assessments:** Covered lives exceed budget by 75,642 lives, increasing assessment revenue
- **Operations:** GAP performance better than budget expectations; RI performance behind budget expectations due to earlier than usual Reinsurance program payment. Projections thru YE remain mostly on track.

PROGRAM REVIEW

Granite Advantage Program:

- **Dashboards & Sufficient Funds Letter (March 26, 2025):** No concerns noted.
- **Cash Flow:** Trending in line with historical levels. Assumptions:

- \$4.07 assessment rate used vs. \$4.03 budget; difference is attributed to the ground ambulance program assessment.
- 515,000 covered lives used vs. budget of 495,000, more closely aligning with actual activity.
- DHHS payment expected to be \$6.083M, though final determination will not occur until mid-August.
- **Federal and Legislative Outlook:** Mr. King raised questions regarding federal and state funding levels as well as any pending legislative updates. Mr. Degnan provided an overview and noted that the situation remains fluid, with legislation still under review. He emphasized that greater clarity is expected by mid-summer once the legislative process is further along.

Reinsurance Program (Approved through December 31, 2030):

- **Dashboards:** Reviewed, no concerns.
- **Cash Flow:** Stable and aligned with historical trends. Assumptions for covered lives for RI program similar to GAP program.
- **Reinsurance Payments:** \$35,080,917 paid in March 2025, including \$7,045,198 State portion—earlier than usual.

APPROVAL OF PAYMENTS OVER \$5,000

- Reviewed payments exceeding \$5,000 (February 5, 2025 – April 30, 2025).
- Mr. Degnan confirmed all payments were expected and aligned with the approved budget.

Vote: Approval of payments over \$5,000

- **Motion:** Mr. Daily moved to approve.
- **Second:** Ms. Golden-Hallisey seconded.
- **Vote:** Unanimously approved.

OTHER BUSINESS

Ground Ambulance Study

- The state has requested additional information to aid the study previously prepared.
- PCG has been contacted and is able to provide required updates.
- Estimated cost is under \$10,000 and will be covered by remaining project funds.

Cash Reserve Policy Review

- Mr. Luce and Mr. Degnan will review current cash reserve levels and prepare a recommendation for Finance Committee approval and subsequent board approval.
- BerryDunn encouraged a review since it had been some time since the last time it was reviewed and approved. This recommendation is supported by Mr. Degnan and Mr. Luce as a sound business practice to formalize reserves via a board-level vote.

ADJOURNMENT

- Meeting concluded at 2:18 PM