



Finance Committee Meeting Minutes September 18, 2025

A meeting of the Finance Committee of the New Hampshire Health Plan was held on Thursday, **September 18, 2025**, commencing at 9:35 AM via Zoom videoconference with each participant being heard by, and able to hear, all participants.

Meeting attendees were:

Finance Committee Members

Bruce King, Chairman
Brenda Golden-Hallisey
(filling in for Michelle Heaton)
Elaine Koskela

Other Parties

Michael Degnan – Helms & Co.
Kevin Stone – Helms & Co.
Andrew Luce – Helms & Co./Mason+Rich
Mark McCue – Hinckley Allen

APPROVAL OF PREVIOUS MINUTES

The May 07, 2025 meeting minutes were reviewed.

No suggested changes were noted by committee members.

- **Motion:** Ms. Golden-Hallisey made a motion to approve minutes
- **Second:** Mr. King seconded the motion
- **Vote:** Unanimously approved.

FINANCIAL REVIEW

Mr. Luce presented financial statements (Period Ending June 30, 2025)

Key Highlights:

- **Cash Balances:** GAP program cash in line with expectations. RI program cash continues to be lower than expected YOY due to early Reinsurance program payment of \$14M (State's reinsurance portion), approximating the difference in cash. This payment typically happens in July.
- **Reporting Changes:** None.
- **Accounts Receivable:** Differences due increase in assessment rate and higher assessable base.
- **Accounts Payable:** Differences due to timing/ground ambulance liabilities at 12/31/24.
- **Prepaid Expenses:** DHHS provided calc reporting \$560K prepaid.
- **Deferred Revenue:** United no longer carriers deferred revenue balance
- **Assessments:** Covered lives exceed budget by 305,427 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.

Committee members raised questions regarding the increase in covered lives, leading to a discussion. It was noted that a regulatory change at the beginning of 2024 expanded the definition of covered lives to include TPAs. As a result, reporting appears to be improving, with an overall increase observed in the assessable base.

PROGRAM REVIEW

Granite Advantage Program

- **Dashboards:** Reviewed, increased covered lives noted, as previously discussed, no concerns.
- **Cash Flow:** Increasing trend compared to historical levels. Primarily attributable to 570,000 actual covered lives (monthly average) vs. budget of 495,000
- **DHHS Remainder Amount letter (August 14, 2025) & Assessment Rate Calculation:** Reviewed in relation to DHHS costs and assumptions used to reduce the 2025 surplus.

Reinsurance Program (Approved through December 31, 2030)

- **Dashboards:** Reviewed, increased covered lives noted, as previously discussed, no concerns.
- **CMS 2nd Quarter Report:** There was a post award forum held in June of 2025. 3rd quarterly reports and 1 annual report are due. No concerns.
- **CMS Application Approval:** Reviewed, no concerns.
- **Cash Flow:** Lower due to earlier than usual reinsurance payments, as previously discussed. Assumptions for covered lives for RI program similar to GAP program.
- **Medicaid Services Update:** Monthly meetings continue with Medicaid Services Director Henry Lipman. His most recent update highlighted legislative changes which will reduce Medicaid enrollment through measures such as work requirements and bi-annual reviews. These changes will not affect the Granite Advantage Program until January 2027.
- **Leif Associates Report:** reviewed noting parameters will remain consistent, no concerns.
- **Reinsurance Payments:** \$42,326,115 paid so far in 2025 which is earlier than usual. No additional reinsurance payments required for 2025.

APPROVAL OF PAYMENTS OVER \$5,000

- Reviewed payments exceeding \$5,000 (May 1, 2025 – September 8, 2025).
- Mr. Degnan noted he was satisfied with vendors and work performed.

Vote: approval of payments over \$5,000

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

BUDGET AND ASSESSMENT RATE APPROVALS

Granite Advantage Program

Mr. Luce presented the Granite Advantage Program budget, covering YTD June 30, 2025, with projections through Q2 2027:

- 2026 assessments budgeted on 550,000 covered lives per month.
- 2026 operating expenses projected at \$276,602, consistent with 2025.
- DHHS payments in the budget were misstated at \$5,905,525; actual payments will be \$5,754,000 in Q1 & Q2 2026 (per DHHS remainder letter) and \$5,869,000 in Q3 & Q4 2026 (reflecting COLA).
- The proposed 2025 assessment rate is \$3.35, set to cover program expenses while also reducing surplus generated in 2025.

Vote: approval of 2026 Granite Advantage Budget and \$3.35 Assessment Rate

- **Motion:** Ms. Koskela moved to approve the budget, including change in DHHS payments to \$5,754,000 for Q1 & Q2 2026 and \$5,869,000 in Q3 & Q4 2026.
- **Second:** Ms. Golden-Hallisey seconded.
- **Vote:** Unanimously approved.

Reinsurance Program

Mr. Luce presented the Reinsurance Program budget, covering YTD June 30, 2025, with projections through Q2 2027:

- 2026 budgeted assessments assume 550,000 covered lives per month.
- 2026 operating expenses are projected at \$387,739, consistent with prior year levels.
- 2026 reinsurance payments are budgeted at \$48,771,989.
- 2026 federal grant funds are budgeted at \$34,066,714
- The proposed 2025 assessment rate is \$2.24, equal to 60 basis points (0.6%) of the prior plan year's second-lowest cost silver plan premium.

Discussion followed on the potential for surplus within the reinsurance program, with the clarification that any surplus would be distributed to insurance carriers as reinsurance payments.

Vote: approval of 2026 Reinsurance Budget and \$2.24 Assessment Rate

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

OTHER BUSINESS

Ground Ambulance Study

- Program complete from management perspective, no further requirements expected.

Cash Reserve Review

Mr. Luce presented the proposed cash reserves:

- Methodology reviewed. Members found it helpful and appreciated BerryDunn's recommendation.
- Reserves provide reserves for winding down programs and stability in case of reduced cash flow or fewer covered lives.
- Any unused reserves at program end will be returned to insurance carriers.
- Our intent is to review reserves annually
- Calculation reviewed as presented.

Vote: approval of Cash Reserves

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

ADJOURNMENT

Meeting concluded at 10:29 AM