



Minutes Board of Directors Meeting October 9, 2025

A regular meeting of the Board of Directors of the New Hampshire Health Plan (NHHP) was held by videoconference and teleconference on October 9, 2025, with each participant being heard by, and able to hear, all participants.

The following individuals attended the meeting:

Directors:

Kathryn Skouteris
Tu Nguyen
Jon Hendrickson
Bruce P. King
Martha McLeod
David Trudo
Brenda Golden Hallisey (NHID)

Other Attendees:

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

In the absence of Chair Christopher Kennedy, Kathryn Skouteris, Vice-Chair, presided and called the meeting to order at 9:33 a.m., a quorum being present.

Ms. Skouteris 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 5, 2025. Upon a motion by Bruce King and seconded by David Trudo, with Brenda Golden Hallisey abstaining, it was unanimously:

VOTED: *To approve the minutes of the annual meeting of the Board of Directors held on June 9, 2025, in the form presented to the Board.*

Ms. Skouteris then asked Andrew Luce of Mason & Rich to provide the financial report. Mr. Luce began by reviewing the Statement of Financial Position as of June 30, 2025. He noted that the cash for the Granite Advantage Program had increased a little, as expected. He also noted that the cash for the Reinsurance Program had decreased, but explained that this was a timing issue based on the payout of claims earlier than planned. Mr. Luce stated that accounts receivable were in line with expectations, and that the prepaid expenses amount in the Granite Advantage Program reflects the State of New Hampshire's calculation of NHHP's share of the remainder amount and payments made by NHHP in excess of that amount.

Mr. Luce then reviewed the Statement of Activities versus Budget and discussed the separate lines of business in comparison to budget. He noted that assessment collections for the Granite Advantage Program exceeded budget primarily because covered lives were higher than expected and the State's program expenses were lower than planned. Mr. Luce then explained that the Reinsurance Program "expenses paid" line was unfavorable to budget only because NHHP accelerated the timing of claims payments. He concluded the presentation by noting that expenses to-date for both programs generally were in line with budget. A discussion followed regarding the uncertainty as to whether Affordable Care Act subsidies would be continued, and the potential impact of the loss of subsidies on the Granite Advantage Program.

At the request of Ms. Skouteris, Mr. Degnan then presented the Reinsurance Program update and 2026 budget and assessment proposal. He began by directing the Board's attention to the Section 1332 Waiver Quarterly Report contained in the meeting materials and submitted to the Centers for Medicare and Medicaid (CMS) in August 2025. He noted that the Report contains a good summary of the Reinsurance Program and its performance. Mr. Luce briefly reviewed the Reinsurance Program dashboards and explained that the numbers highlighted in green were projections used for the 2026 budget. Mr. Degnan then directed the Board's attention to the CMS Notice of Award in the meeting materials, stating that the federal funding for the Reinsurance Program in 2025 is \$34,066,714. Mr. Degnan explained that these funds would be drawn and utilized next June when reinsurance claims are paid. Kevin Stone of Helms concluded the update by reviewing the Program's payment history and explaining the mechanics of the Reinsurance Program for new board members.

Mr. Luce then reviewed the 2026 Reinsurance Program budget proposal contained in the meeting materials. He explained that he used projections to establish the current year annual expenses and then established a budget to support similar expenses. Mr. Luce reviewed the significant line items in the proposed 2026 budget. He noted that the investment income projection was conservative, and that the operating surplus from the prior year would remain in the Reinsurance Program account. Mr. Degnan then presented the proposed 2026 assessment rate for the Reinsurance Program. He 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 2026 remains at \$2.24 per assessable life per month. He assured the Board that the proposed Reinsurance Program 2026 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 Martha McLeod, it was unanimously:

VOTED: *To approve the Reinsurance Program 2026 Budget in the form presented to the Board and to approve and establish the Reinsurance Program 2026 Assessment Rate of \$2.24 per assessable life per month.*

Ms. Skouteris then asked Mr. Degnan to review the Granite Advantage Program with the Board. Mr. Degnan began by describing his meetings with Henry Lipman, the State's Director of

Medicaid Services, regarding the potential impact of federal legislation. Mr. Lipman projected that Granite Advantage could lose 10-15% of its current enrollees when the work requirements begin in 2027. Mr. Luce then reviewed the Reinsurance Program dashboards, and Mr. Degnan summarized the State final remainder letter for State fiscal year 2025 and projected remainder amounts for State fiscal years 2026 and 2027. He also directed the Board to the sufficient funding letter in the meeting materials.

Mr. Luce then reviewed the Granite Advantage Program 2026 budget proposal. He noted that the Granite Advantage Program projected actual expenses in 2025 of approximately \$290,000 exceeded budgeted expenses of approximately \$273,000 because of the ambulance study. Mr. Luce explained that, because the ambulance study will not be a recurring expense in 2026, he used the 2025 budgeted expense amount as the starting point for the 2026 budget. The proposed budget of \$276,602 reflects only a modest cost of living adjustment under the Helms contract with other expenses essentially remaining level.

Mr. Degnan then explained that the same model as previous years was used to determine the 2026 Granite Advantage Program assessment rate. He noted the surplus in the Program but is proposing that the surplus be used to gradually reduce the assessment rate over a few years to avoid dramatic drops and rises in the rate year-to-year. Therefore, a 2026 monthly assessment rate of \$3.35, a decrease from the current rate of \$4.07 (which includes a \$.04 special assessment rate for the ambulance study), is being proposed for the Granite Advantage Program. 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. Trudo and seconded by Ms. McLeod, it was unanimously:

VOTED: *To approve the Granite Advantage Program 2026 Budget in the form presented to the Board and to approve the Granite Advantage Program 2026 Assessment Rate of \$3.35 per assessable life per month.*

Ms. Skouteris then asked if there was other business to be discussed at the meeting. Mr. Luce asked to speak about NHHP reserve funds. He informed the Board that NHHP's auditors recommended that NHHP conduct a more formal review of its reserve funds each year. Mr. Luce explained that NHHP's reserves are intended to provide funding, without the need for a special assessment, for the following: (1) eventual winddown costs if the NHHP Programs terminate; (2) unforeseen operating costs of the Reinsurance Program; and (3) unforeseen operating costs or assessment shortfalls of the Granite Advantage Program. He noted that the Reinsurance Program claims liability is limited to available cash, so the reserves for that Program are limited to operating costs. Mr. Luce also explained that a 5% reserve has been established for the Granite Advantage Program. Therefore, management is recommending an increase in reserves of \$335,254, bring total NHHP reserves in 2025 to \$2,181,000.

Following an opportunity for discussion and upon a motion by Mr. King, and seconded by Mr. Trudo, it was unanimously:

VOTED: *To approve the reserve funds maintained by NHHP, and to increase the reserves in 2025 by an amount of \$335,254.*

Mr. Degnan concluded the presentation by welcoming Brenda Golden Hallisey to the Board. He explained that the Insurance Commissioner had appointed her as his representative to replace Michelle Heaton, who serves several other roles for the Insurance Department.

The Board had no further business, and the meeting was adjourned at 10:20 a.m.

Respectfully submitted,

J. Michael Degnan,
Secretary *Pro Tem*