

HEALTHTRUST, INC.
FINANCE & PERSONNEL COMMITTEE
Minutes of September 20, 2022

COMMITTEE MEMBERS PRESENT:

Rossner, Daniel, Business Admin, SAU #48, <i>Chair</i>	Ford, Duane, Business Admin, SAU #67
Clark, Michelle, Business Admin, SAU #66	Stacey, Cathy Ann, Reg of Deeds, Rockingham Cnty

COMMITTEE MEMBERS UNABLE TO ATTEND:

Dean, Russell, Town Manager, Exeter	
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BOARD MEMBERS PRESENT:

Hilchey, Susan, Director of HR, SAU #25	
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STAFF PRESENT:

DeRoche, Scott, Member & Enrollee Svcs Manager	Parker, Wendy, Executive Director
Herrick, Jeanne, General Counsel	Tsiopras, George, Chief Financial Officer
Olson, Barbara, Executive Assistant	Simmons, Darlene, Engagement Manager

CONSULTANTS PRESENT:

Buzby, Eric, Milliman, Actuary (<i>Remote</i>)	Murphy-Barron, Catherine, Actuary, Milliman (<i>Remote</i>)
Klein, Brad, Johnson Lambert, CPA	Partlow, Joshua, Partner, Johnson Lambert

Committee Chair, Daniel Rossner opened the meeting at 9:00 a.m.

Minutes of July 27, 2022 Finance & Personnel Committee Meeting

Mr. Rossner asked if Committee members had reviewed the minutes and were there any recommended revisions. None were made.

MOTION by Michelle Clark, seconded by Duane Ford, to accept the minutes of the July 27, 2022 HealthTrust, Inc. Finance & Personnel Committee meeting.

MOTION passed unanimously.

HealthTrust Audited Financial Statements Ending June 30, 2022

George Tsiopras welcomed and introduced Joshua Partlow and Brad Klein with Johnson Lambert to present the draft June 30, 2022 Audited Financial Statements to the Committee. Mr. Partlow noted future changes in the team from Johnson Lambert and stated that he will no longer be working with HealthTrust. Carrie Rice will be on board and will attend the October 4, 2022 Board meeting with Brad Klein. Mr. Partlow presented the draft HealthTrust Audit, in detail with assistance from Brad Klein. He stated they anticipate issuing an unqualified, clean opinion on the financial statements. The auditors found no material weaknesses nor any significant deficiencies in internal controls. They stated it was a clean audit and the financial statement disclosures are neutral, consistent, and clear. Mr. Partlow thanked the HealthTrust staff and noted there were no issues working with the HealthTrust team. Mr. Partlow and Mr. Klein both confirmed that staff have been very cooperative, professional and responsive with materials as requested. Discussion ensued. The Committee thanked the Johnson Lambert staff for presenting their report.

MOTION by Michelle Clark, seconded by Duane Ford, to recommend adoption of the FY2022 HealthTrust Audited Financial Statements, to the full Board at the meeting on October 4, 2022.

MOTION passed unanimously.

Proposed CY2023 and FY2024 Rates

Chair Rossner invited Catherine Murphy-Barron to review the rate letters that were provided to the Committee. Ms. Murphy-Barron proceeded to review her rate letters for the July FY2024 Medical Renewal GMR (July 1, 2023-June 30, 2024), January CY2023 (January 1, 2023-December 31, 2023) Medical renewal; CY2023 and FY2024 Dental Rates; and CY2023 and FY2024 Short-term Disability rates.

July 2023 GMR Medical Pool Rating

Ms. Murphy-Barron reviewed her rate letter, in detail. The overall rate increase before the GMR charge is recommended to be 7.4%, and with the GMR risk charge of 1.0%, the average guaranteed maximum rate increase is recommended to be 8.4%. The GMR rate increase by group ranges from -1.7% to +20.0%. Ms. Murphy-Barron invited questions. No questions were raised and the Committee agreed to hold their vote on the rates until Ms. Murphy-Barron completed her presentation on all of the remaining renewal rates.

January 2023 Medical Pool Rate

Catherine Murphy-Barron reviewed her rate letter, in detail. The overall rate increase for the January CY2023 medical renewal is a recommended increase of 5.2% with rate changes by group ranging from -7.0% to +17.8%. She offered to answer any questions. None were raised.

Joshua Partlow and Brad Klein left the meeting at 10:17 a.m.

CY2023 and FY2024 Dental Rates

Ms. Murphy-Barron reviewed rating calculations for the dental program, in detail. Her recommendation is for an overall rate increase of 1.5%.

CY2023 and FY2024 Short-Term Disability

Ms. Murphy-Barron shared rating calculations for the short-term disability program, in detail. Her recommendation is for an overall rate increase of 3.2%. Chair Rossner asked the Committee if they had any questions for Ms. Barron. None were raised. He thanked her for her review of the above-noted rates.

Chair Rossner invited a motion addressing all of the rates discussed for CY2023 and FY2024.

MOTION by Michelle Clark, seconded by Duane Ford on rates for CY2023 and FY2024 as follows: to recommend an overall rate increase for the FY2024 July Medical Renewal GMR as recommended by the actuary of 8.4%; to recommend an overall rate increase for the January CY2023 Medical renewal as recommended by the actuary of 5.2%; to recommend an overall rate increase of 1.5% for the CY2023 and FY2024 Dental program, as recommended by the actuary; to recommend an overall rate increase of 3.2% for the CY2023 and FY2024 Short-Term Disability program, as recommended by the actuary; and, further, that all of the above-noted proposed rates be shared at the Public Hearing on Rates on September 22, 2022, and with the full Board on October 4, 2022.

MOTION passed unanimously.

Catherine Murphy Barron and Eric Buzby left the meeting at 10:25 a.m.

CY2023 & FY2024 FSA & HRA Administrative Fee

Chair Rossner invited Wendy Parker to review the FSA & HRA calculations. Ms. Parker gave an overview of staff's recommendation that the current program, including rates, be approved for CY2023 and FY2024 with the addition of the new Open Access High Deductible Health Plan (OAHD/2.5K/20COIN) to the list of

HRA preferred medical benefit options. Staff's recommendation is to keep the FSA and HRA fees of \$2.75 per-participant, per-month for CY2023 and FY2024.

MOTION by Michelle Clark, seconded by Duane Ford, to recommend the full board adopt the FSA and HRA Administrative Fee and program, as outlined above, at their meeting on October 4, 2022, and to share this information at the Public Hearing on Rates on September 22, 2022.

MOTION passed unanimously.

Presentation on Workforce Design

Daniel Rossner invited Wendy Parker to present on the status of HealthTrust workforce design especially with respect to remote work as an alternative work arrangement. Ms. Parker proceeded to do so. Significant discussion ensued regarding the current remote, hybrid and in-office staffing including the purposes served at a time when the transmission rate of COVID-19 has subsided and the suitability of remote work for the work performed by various HealthTrust staff. There was also discussion about policy development and approval and which policies are reviewed and approved by the Board. Committee members agreed that this topic should be discussed at the next Board meeting in October. Staff will add this item to the agenda.

Other Business

Nothing additional was added.

MOTION by Cathy Ann Stacey, seconded by Michelle Clark, to adjourn the meeting.

MOTION passed unanimously at 11:16 a.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Barbara Olson". The signature is written in a cursive style and is positioned above a horizontal line.

Barbara Olson, Executive Assistant