

HEALTHTRUST, INC.
FINANCE & PERSONNEL COMMITTEE
Minutes of March 7, 2024

COMMITTEE MEMBERS PRESENT:

Dunn, Scott, Town Admin, Gilford, <i>Chair</i>	Rossner, Daniel, Business Admin, SAU #48 <i>ex officio</i>
Clark, Michelle, Business Admin, SAU #66	Ruehr, Timothy, Chief Financial Officer, SAU #29 (<i>virtual</i>)
Dean, Russell, Town Manager, Exeter (<i>virtual</i>)	

OTHER BOARD MEMBERS PRESENT

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

Blodgett, Allison, HR Coordinator	Herrick, Jeanne, General Counsel
Bodwell, Erica, Benefits & Coverage Counsel	Kalgren, Jason, Chief Information Officer
DeRoche, Scott, Executive Director	Simmons, Darlene, Engagement Manager
Fox, Kathleen, Controller	Tsiopras, George, Chief Financial Officer

Committee Chair, Scott Dunn opened the meeting at 9:05 a.m. Chair Dunn noted that Russell Dean and Timothy Ruehr would be participating remotely as it was not reasonably practical for each of them to attend in-person. When Chair Rossner asked if there was anyone in the room with Mr. Dean, he responded, no, and when Chair Dunn asked if there was anyone in the room with Mr. Ruehr, he responded, no. Chair Dunn stated that all votes would be taken by roll call.

Minutes of February 15, 2024 Finance & Personnel Committee Meeting

Scott Dunn asked if Committee members had reviewed the minutes and if there were any recommended revisions. Russell Dean noted his name was spelled wrong. No other revisions suggested.

MOTION by Michelle Clark, seconded by Daniel Rossner to accept the minutes of the February 15, 2024 HealthTrust, Inc. Finance & Personnel Committee meeting as amended.

Roll call vote

Michelle Clark	Y	Daniel Rossner	Y
Russell Dean	Y	Timothy Ruehr	Ab
Scott Dunn	Y		

MOTION passed 4-0. Timothy Ruehr abstained.

FY2025 Revised Budget

The committee reviewed the proposed FY2025 budget with the adjustment requested to the Executive Director's salary line, no other adjustments to the FY2025 budget were made.

MOTION by Timothy Ruehr, seconded by Michelle Clark, to recommend the full Board adopt the Proposed FY2025 Budget in the amount of \$11,455,681.

Roll call vote

Michelle Clark	Y	Daniel Rossner	Y
Russell Dean	Y	Timothy Ruehr	Y
Scott Dunn	Y		

MOTION passed unanimously.

Retiree Credit Card Processing Fees

At the last Finance and Committee meeting, the Chair requested that staff look at credit card processing fees and whether those can be collected directly from individuals using credit cards as a form of payment. Susan Hilchey expressed concern about the burden that such an additional assessment would place on those who may be least able to afford it. General Counsel Jeanne Herrick offered that staff could look into what is legally available and appropriate including a report on the process for calculating administrative fees.

FY2025 July Medical Revisit Rating

Scott Dunn invited George Tsiopras to introduce HealthTrust's Actuary. Mr. Tsiopras introduced Eric Buzby and Cathy Murphy-Baron and invited them to present Milliman's recommendations for the Revisit Rating for July 2024 Medical Renewal. Mr. Buzby reviewed the letter in detail including factors that impact the indicated overall revisit rate change. Those factors primarily included updating claims and enrollment with newer experience through November 2023 as well as trends, completion factors, administrative expenses, and pooling charges. Though the overall revisit increase is lower than the overall GMR, the calculated revisit rate increase exceeds the GMR for 32 rating entities. For these entities, the aggregate indicated rate is \$4.2 million higher than the GMR rating contributions. The \$4.2 million cost to honor the GMR of these 32 rating entities can be fully covered by charging the 40 remaining rating entities an assessment up to 2.4% (subject to each entity's GMR rating). With this assessment, the final rates for groups will range from 6.4% to 25%. Discussion ensued. Staff and the actuaries confirmed that no Group's adjustment would be higher than their GMR but that the resulting rates will fully cover the expected claims.

MOTION by Daniel Rossner, seconded by Michelle Clark, to recommend to the full Board a final revisit rate for each group be the Group's indicated rate plus 2.4%, or the GMR, whichever is less; resulting in an overall revisit rate of 15.3% as depicted in Scenario D of the Milliman report.

Roll call vote

Michelle Clark	Y	Daniel Rossner	Y
Russell Dean	Y	Timothy Ruehr	Y
Scott Dunn	Y		

MOTION passed unanimously.

CY2025 Medicare Advantage Administrative Fee

Chair invited George Tsiopras to present information regarding development of the CY2025 Medicare Advantage administrative fee. Mr. Tsiopras explained that staff worked with Milliman actuaries to develop the proposed administrative fees for Medicare Advantage plan for CY2025. He further explained that the calculation takes the most recent budget estimates and allocates appropriate expenses based on expected enrollment. Staff is proposing \$35.98 per enrollee per month for CY2025 to cover costs associated with enrollment, billing and maintaining this plan. The administrative fee will be added to the contracted Anthem rate and will result in a total monthly premium of \$409.23. In future years, the Board will set the administrative rate for the upcoming renewal at the Board retreat.

Daniel Rossner clarified that the challenge this year is that the July 1 renewal will include a partial year renewal for Medicomp Three to provide coverage for retirees from July 1 through December 31, 2024. The Medicare Advantage coverage will begin January 1, 2025 and renew annually for all Medicare Advantage enrollees on a calendar year basis. Executive Director Scott DeRoche stated this is correct.

In response to a question from Tim Ruehr, George Tsiopras provided detailed information regarding the operating budget components for development of the administrative fee. Scott DeRoche added that in accordance with CMS regulations, the administrative fee will be visible to retirees and that it is calculated by actuaries.

MOTION by Michelle Clark, seconded by Dan Rossner, to recommend to the full Board a HealthTrust MAPD Administrative Fee of \$35.98 per Retiree per month for the calendar year 2025. This fee will be added to the contracted Anthem rate of \$373.25 for a total contribution amount of \$409.23 per Retiree per month. This fee will be in effect for both January and July renewal groups for the CY2025 MAPD plan year.

Roll call vote

Michelle Clark	Y	Daniel Rossner	Y
Russell Dean	Y	Timothy Ruehr	Y
Scott Dunn	Y		

MOTION passed unanimously.

Position Title Change - Deputy Director

Scott Dunn welcomed Scott DeRoche, Executive Director to review the position he recently vacated. Mr. DeRoche explained that while the title of the position was Deputy Director, the essential functions all related to risk pool operations. Accordingly, he proposed changing the position title to Director of Risk Pool Operations. Mr. DeRoche further stated that this is a critical role for the organization and the revised job description retains all essential functions and remains a member of the Leadership Team. Mr. DeRoche stated that he did not recommend any changes to the position beyond the title change and the few modifications to the job description that was provided. Further, he stated that, in consultation with the Leadership Team, there were no further recommended changes to the organizational structure resulting from the recent employment transitions.

Brigitte Codling joined remotely as an observer at 9:47 a.m.

MOTION by Dan Rossner, seconded by Russ Dean, to recommend to the full Board to accept the job description as proposed pending staff evaluation of the salary grade and reaffirming the updated Organization Chart effective April 1, 2024.

MOTION passed unanimously.

Roll call vote

Michelle Clark	Y	Daniel Rossner	Y
Russell Dean	Y	Timothy Ruehr	Y
Scott Dunn	Y		

Following the vote, the committee requested that the Executive Director along with Leadership team evaluate the Deputy Director designation for the CFO position including whether it would create any conflicts under current policies.

Cathy Ann Stacey joined remotely as an observer.

Investment Policy Update

George Tsiopras presented the memo and the accompanying revised and restated Investment Policy with portfolio allocation updates as recommended by HealthTrust's investment advisor and investment managers. Mr. Tsiopras reviewed in detail all material changes and the reasons therefore. He suggested one additional adjustment to section 6.1 Asset Strategy. Discussion ensued.

MOTION by Michelle Clark, seconded by Russ Dean, to recommend to the full Board to accept the policy change as recommended with the amendment in section 6.1 Asset Strategy to change classification for "High Yield Fixed

Income” to state “Managed through mutual funds and/or ETFs excluding below investment grade bonds and bank loans.”

Roll call vote

Michelle Clark	Y	Daniel Rossner	Y
Russell Dean	Y	Timothy Ruehr	Y
Scott Dunn	Y		

MOTION passed unanimously.

Recruitment and Hiring Process Update

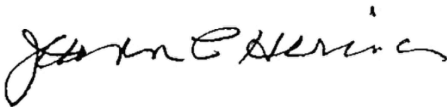
Scott Dunn welcomed Allison Blodgett, HR Coordinator to provide an overview of HealthTrust’s recruitment and hiring process. Allison provided a brief presentation to the board regarding the recruitment process and strategy to attract the best candidates. She also reviewed recent process revisions with respect to applications, reference checks and background checks implemented to streamline the process and promote EEO compliance. Chair Scott Dunn asked if there needed to be any formal confirmation by the committee; General Counsel Jeanne Herrick stated they did not have to make any formal recommendation at this time.

Other Business

Chair Scott Dunn asked the Committee if there was any other business. No other business was brought forth.

Chair Scott Dunn declared meeting adjourned at 11:00am.

Respectfully submitted,



Jeanne Herrick, General Counsel