

**BOARD MEETING MINTUES**  
**MONTANA REINSURANCE ASSOCIATION**

January 20, 2022; 1:00 p.m. to 2:00 p.m.  
Via Zoom: (669) 900-6833 Meeting ID: 931 155 4655

**Board Members:** Richard Miltenberger, Richard Daniels, Tony Pfaff,  
Collette Hanson, Erik Wood

**Board Members Present**

- Richard Miltenberger (Mountain Health Co-op)
- Collette Hanson (BCBSMT)
- Richard Daniels (Allegiance)
- Erik Wood (PacificSource)
- Tony Pfaff (Cypress Health)

**Board Members Not Present**

**Others Present**

- Mark Florian (PacificSource)
- Clara Comes (PacificSource)
- Julie Peper (Wakely)
- Sean Slanger (Jackson, Murdo & Grant)
- Bruce Spencer (Bruce Spencer Law)
- CSI (Mary Belcher and Erin Snyder)
- River 9 (Laren Walker and Diane Kopecky)
- Nick Racine (BCBSMT)

**Welcome and Call to Order – Richard Miltenberger, Chair**

**1. Approval of the Minutes**

*A motion was made by Richard Daniels to approve the minutes of the November 12, 2021, and the November 30, 2021, meeting with no changes. The motion was seconded by Collette Hanson and carried.*

**2. Operational Report**

Laren Walker presented the 4th Quarter Operations Report. A total of \$17,577,834 has been drawn in Grant funds for the administration of the Program and a total of \$7,774,711 in State Funds. The claims for 2020 are reflected in this report showing a total of \$25,066,759. Claims were reduced by \$8,714,410 due to a carrier not meeting the MLR requirements. Laren discussed the current Projected Funding and Expenses, noting that the report is a recap of the Wakely Budget review.

### **3. Claims paid after 6/30 cutoff date**

Laren Walker provided the Board with the summary notes from the committee meeting on December 9<sup>th</sup>. The committee made a number of recommendations found in the report provided with the board packet. The committee recommended a change to the Montana Reinsurance Act to disallow all claims paid after April 30 date. The committee recommended changing the claim submission date from June 30 to April 30 to align with the EDGE server cutoff. Until that can be done, they request a second runout period from July 1 with a cut off December 31. For 2020, those claims must be reported by March 1, 2022. For all years after, until the Montana Reinsurance Act is changed, the runout period would be from July 1 to December 31, with claims due by January 31.

*Collette Hanson made a motion that the Board approve the subcommittee's recommendation related to runout claims and claims reporting dates as found in the Addendum of the board packet, with the caveat that the July 1 date for 2021 claims be changed to May 1, and also that the plan of operations be amended to reflect the same. The motion was seconded by Erik Wood and carried.*

*Collette Hanson made a motion that the Board approve the subcommittee's recommendation that the cut-off date for runout claims be changed from June 30 to April 30 for all future years to align with the EDGE Server cutoff date and that the Plan of Operations be amended to reflect the same. The motion was seconded by Erik Wood and carried.*

### **4. Changes to the Plan of Operations**

Laren will make the changes to the Plan of Operation as requested and approved by the Board. Sean will forward that on to Mary so it can be approved by the commissioner.

### **5. 2020 and 2021 Assessment**

Erin Snyder with the CSI updated that the 2021 assessments have been sent and the CSI is expecting to receive \$9.8 million.

### **6. Budget Review**

Julie Peper informed the Board that Wakely is working with CSI and updating the assessment amounts for the budget report. Julie presented the budget report for 2020-2023, noting that the cumulative balance of \$7,247,485 was caused by one carrier not meeting the MLR. Reinsurance payments are estimated to exceed reinsurance funding in 2022 since pass-through amounts are estimated to be lower than expected due to the smaller change in the second lowest cost silver plan. Additionally, enrollment is up in 2022 and Julie has adjusted the expenses to account for an estimated 6-7% increase. The cumulative balance is expected to be spent on the 2022 claims. There are two scenarios provided for 2023 but given the uncertainty of the political landscape and the market,

reality may be different than the scenarios. 2023 estimates will become more certain once the initial 2022 enrollment and pass-through amounts are known.

**7. Schedule of the Post Award Public Forum**

Mary Belcher noted that May 20<sup>th</sup> is the date on which the Post Award public form must be held and also noted that the meeting notice must be posted 30 days prior. Laren Walker proposed a date of April 28<sup>th</sup> for the Post Award Public Forum. The notice will be posted on the website before March 25<sup>th</sup>.

**8. Update on 1332 Waiver**

Laren Walker has begun working on the 2021 Annual 1332 report that is due on March 31, 2022.

**9. Other Business/Legislative Updates**

Mary Belcher provided an update that the CSI is in the process of identifying needed changes to the Montana Reinsurance Act.

Mary stated the Board and Carriers may work with the CSI if they are not satisfied with the Montana Reinsurance Act or how CSI has defined total premium.

**10. Public Comment**

No public comment

**11. Next Meeting Date**

The next meeting will be held on Thursday April 21, 2022.

**12. Wrap-up and adjourn.**

The meeting adjourned at 2:02 p.m.

Respectfully Submitted,

River 9 Consulting, Inc.