

BOARD MEETING MINTUES

MONTANA REINSURANCE ASSOCIATION

November 30, 2021; 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)

Board Members Not Present

- Tony Pfaff (Cypress Health)

Others Present

- Mark Florian (PacificSource)
- Sean Slinger (Jackson, Murdo & Grant)
- Bruce Spencer (Bruce Spencer Law)
- CSI (Mary Belcher, Erin Snyder, Ashley Perez, Shirley Davidson, Staci Litschauer, Troy Downing)
- River 9 (Laren Walker and Diane Kopecky)
- Nick Racine, Lisa Kelley (BCBSMT)

Welcome and Call to Order – Richard Miltenberger, Chair

1. Approval of the Minutes

Being a special meeting the minutes from November 12th will be presented at the next regularly scheduled meeting.

2. Inclusion of Risk Adjustment Payments in Premium

Last year, on December 21, 2020, BCBSMT submitted a letter, in part, objecting to the inclusion of risk adjustment payments in the CSI's calculation of direct premium income. BCBSMT submitted payment exclusive of its 2019 risk adjustment receipts. This was raised by the CSI at the board meeting on January 14, 2021, and the minutes reflect that Mary would review and get back to the board. Mary stated that whatever the outcome is it will reflect back to last year and adjustments will be made either direction.

Erin stated that the assessments were billed on the supplemental health care exhibit where premiums are post risk adjustments. Blue Cross paid their assessment, and they removed the risk adjustment, where both PacificSource and Mt Health Co-op did not. So, CSI is looking for the Boards input. MRA's short coming is around \$550,000 for last year.

Collette Hanson, from BCBSMT, stated that the letter clearly outlined their position on this matter, so she asked the other carriers to provide their opinions. Sean Slanger noted the definition is CSI's opinion since the reinsurance code does not address it and he does not feel, since he represents all carriers, he should have an opinion. He noted that the Board does not have to have a position on this but if they do, they can.

Richard wondered if the board has the authority to be the defining entity in this situation. Sean stated, in his legal opinion, that the authority lies solely with CSI. Erik Wood, from Pacificsource, stated that Pacificsource has had internal discussions on this matter and that he and Mark Florian agree that Pacificsource does pay on the risk adjustment for Idaho, and he believes Oregon (He will double check on Oregon and get back to Mary). Pacificsource feels consistency between the states would appropriate. Rich Daniels also agrees with the consistency and that CSI is the one to make the decision.

Richard Miltenberger discussed that he, as the Mt Health Co-op representative, is willing to submit a written position to CSI.

Nick Racine, from BCBSMT, feels that a post risk adjustment assessment does flow through to the members, not necessarily the carriers.

Mary and CSI's concern is to make sure that MRA is funded as it should be. They will continue to review this internally, but it is currently holding up the assessments.

The Board is not taking a position on this, but written positions from each carrier was requested from CSI and the carriers follow through so that CSI can make their decision as soon as possible.

3. Public Comment

No public comment

4. Next Meeting Date

The next meeting will be held on Thursday January 20, 2022.

5. Wrap-up and adjourn.

The meeting adjourned at 1:23 p.m.

Respectfully Submitted,

River 9 Consulting, Inc.