

BOARD MEETING MINTUES

MONTANA REINSURANCE ASSOCIATION

October 24, 2022; 11:00 a.m. to 12:00 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)
- Wakely (Julie Peper and Lydia Tolman)
- Sean Slinger (Jackson, Murdo & Grant)
- Bruce Spencer (Bruce Spencer Law)
- CSI (Mary Belcher, Troy Downing, Erin Snyder, Drew Cziok and Frank Cote)
- River 9 (Laren Walker and Diane Kopecky)
- BCBSMT (Nick Racine and Lisa Kelley)
- Nic Ramey (Leif and Associates)

Welcome and Call to Order – Richard Miltenberger, Chair

1. Approval of the Minutes

Minutes from July 21, 2022, board meetings were discussed.

A motion was made by Rich Daniels to approve the minutes of July 21, 2022, meeting. The motion was seconded by Collette Hanson and carried.

2. Operational Report

Laren Walker presented the 3rd Quarter Operations Report. Claims that were received on August 15, 2022, with estimated expenditures around \$38.5 million. This is in line with the IBNR of \$39 million. Erin Snyder will have an update later in the meeting on the status of the audit of those claims. A total of \$282,662 has been drawn in 1332 Grant funds for the administration of the Program along with \$44,279 in Assessments for the 2020 run out claims in April. The program has adequate funding for the estimated 2021 claims.

3. 2022 Audit

Laren discussed the 2022 audit with Eide Bailly. Eide Bailly is asking for an increase to \$32,000 due to inflation which is a 10% increase. River 9 has reminded them they had agreed to hold their rates consistent with the 2021 fees. Rich Daniels stated the 10% is quite a large increase. Eric agrees that some negotiating can be done. River 9 will continue to negotiate the rate with them.

Motion to enable Laren Walker to negotiate for the Board with a maximum of a 10% increase was made by Rich Daniels and seconded by Collette Hanson and carried.

4. Update on Claims Audit

Erin Snyder gave the Board an update on the claims audit at CSI. CSI is working on updating the coding. Erin also agrees with Laren that there is enough funding. Realistically they are expecting to have the data together to present to the Board shortly and expect funding to take place around November 15, 2022. The information will be presented to the Board via email.

5. Plan of Operation Change

Laren Walker discussed that there is a change he feels needs to be made in the Plan of Operation. It was originally set at April 30th, but we have learned that there are variations to that date. He suggested the cutoff date be stated as “the edge server cutoff date”. Sean Slanger agrees but suggested a “no later than date”. Mary also suggested a “current edge server cutoff date”. Sean will address this when he does the update to the Plan of Operations. Sean and Laren will work on those updates going forward.

6. Changes to the Assessment Base

CSI feels that the changes are not significant enough to bring to the Board. Collette was pleased to see the Wakely report addressing this and the alternatives, so they were able to make an informed decision.

7. Update on 1332 Waiver

Julie Peper discussed the Pass-through funding report submitted in September and that the impact was greater than expected. She stated that CMS gave no indication on future pass-through funding, but they are hoping for the best.

8. Cost Containment

Mary Belcher has sent the template to the carriers requesting a more detailed explanation of cost containment programs for all claims including utilization review, large claim management, subrogation, and other processes. This information will be included in the Annual report to CMS. Reports are due by end of business today.

9. Other Business/Legislative Updates

CSI will be meeting internally to identify the items that need to be changed by legislation. This includes dates and a few other things they are working on. They will notify the Board as soon as they are finalized.

CSI is going through an audit currently that includes the reinsurance program, and they feel that there will be a finding. It is a finding on their internal processes, but they are also thinking that some changes with reporting will be needed with River 9 going forward. Laren stated that River 9 will work with CSI to accommodate what is needed.

Erin Snyder also wanted the Board to know that December will be the next round of assessment collections.

Richard mentioned that the Chair is not an appointed position, so if there is someone else that would like to be the Chair it can be discussed in January.

10. Public Comment

No public comment

11. Next Meeting Date

The next quarterly meeting will be held on Thursday January 19, 2023.

12. Wrap-up and adjourn.

The meeting adjourned at 11:38 p.m.

Respectfully Submitted,

River 9 Consulting, Inc.