

BOARD MEETING MINTUES
MONTANA REINSURANCE ASSOCIATION

November 14, 2023; 9:00 a.m. to 10:00 a.m.
Via Zoom: (669) 900-6833 Meeting ID: 931 155 4655

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

- Raelynn Williams (MRA Executive Director)
- Wakely (Michael Cohen, Lydia Tolman, Julie Peper)
- Sean Slanger (Jackson, Murdo & Grant)
- Nic Ramey (Leif)
- CSI (Drew Cziok, Erin Snyder, Amber Long-Thorvilson)
- River 9 (Laren Walker and Diane Kopecky)
- BCBSMT (Nick Racine)
- Bruce Spencer (Spencer Law Office)

Welcome and Call to Order – Richard Miltenberger, Chair

1. Changes to the Agenda

2. Approval of the Minutes

Minutes from July 20, 2023, board meetings were discussed.

A motion was made by Collette Hansen to approve the minutes. The motion was seconded by Erik Wood and carried.

3. Operational Report

Laren Walker presented the 3rd Quarter Operations Report noting the claims payable amount which is \$1.5 million more than the Wakely projections. All other expenses are falling in line. Note 4, Grant Funds, the remaining amount looks high, but we need to remember we have allocated the funds for 2023 claims, but we are only paying the 2022 claims. Note 5, IBNR, shows the excess claims that came in. The Claims-by-Claims range for 2022 shows the 2103 members that make up the \$45 million in claims.

4. 2022 Claims Settlement

Laren noted that River 9 has processed the claims, and they were submitted to CSI. Erin Snyder discussed the process for the audit of those claims with the EDGE server. They validated the information that River 9 processed. She showed her estimated reimbursement results. Questions have been sent to the carriers, responses are coming in and Erin expects payment to go out at the end of the month.

Motion to approve the claims up to \$45,768,396 for reimbursement was made by Collette Hansen. The motion was seconded by Erik Wood and carried.

Erin reminded the Board that since the runout law did not become effective until 2023, there will be one more runout claim run for 2022. Laren responded that the carriers have until 12/31 to submit to the program. A reminder will go out at the end of this month. (see correction to runout submission date at agenda item #11, below)

5. Wakely Contracting Update

RaeLynn explained that the extension of the Wakely contract was completed and does not include pricing. Going forward SOWs will be completed with a description of work and related pricing. SOW 3 was executed to cover the activities Wakely completed to test the four statutory guardrails for the reinsurance program. SOW 4 has been drafted to cover the actuarial consulting services for the 2025 and 2026 benefit years which are dependent on the approval of the 1332 waiver extension.

Motion to approve SOW 4 is approved as long as the 1332 waiver stays intact by Richard Daniels. The motion was seconded by Erik Wood and carried.

6. Procurement Policy

Sean said it is a little more conservative but will be available at the next meeting.

7. 1332 Waiver Extension

Julie discussed the Guardrail report first, to show that the reinsurance program has met the 4 guardrails. Premiums have been 8%-10% lower with the program, the pass through has been around \$30 million per year. The waiver has been more impactful than it was first expected to be.

8. Grant Renewal Application Process/Guardrails Analysis

Drew discussed the application process that he presented earlier. CSI will file the extension request after 1/1/2024, they are working to make this process seamless.

Input from the public and tribe must be completed by March 22, 2024. We can roll it into the public forum, but the public forum will need to be held prior to what we have

done in the past. We have enough time to make this possible, but we need to have the award in order to combine them. Drew noted that we should do a public forum for the renewal and the post award public notice separately. Drew is suggesting a zoom meeting for the tribe meeting.

Sean noted that we may need a separate board meeting to approve the additional work Wakely will need to do for the extension, once known.

9. 2024 Pass Through Report

Julie discussed the pass-through funding report. There is a lot of uncertainty with 2024 with enrollment and subsidies. Wakely is expecting the federal grant funds to be less than past year. The second lowest cost silver plans are lower than expected; they did use what the members gave them, but there were items that they had to make adjustment to. The 2022 surplus is going down more than expected due to less funding, not necessarily claims.

For 2023 we should be fine and may be adding to the surplus. For 2024 we will need to consider using some of the surplus when setting the parameters.

10. Other Business/Legislative Updates

Drew wanted to introduce Amber Long-Thorvilson. She spent most of her time in Administration, so she comes with many skills that will benefit CSI and MRA.

Erin Snyder wanted the Board to be aware of an observation she discovered on the EDGE server claims and the Board may want to discuss this in the next meeting. Claims with a date of service in 2021 were just shy of \$200,000. The current Plan of Operations does not allow for reimbursement of claims in a different benefit year. There is a difference in how the reinsurance program recognizes the crossover claims compared to the CMS EDGE server rules. For example, EDGE server recognizes crossover claims in the subsequent year since they were inpatient and not released until the next year. Julie Peper added that they work with many states, and they are done both ways. Richard suggested a Steering committee to discuss this to include the carriers.

11. Runout Claims for 2022

Laren noted that he misspoke earlier that runout claims were due by November 1st. Sean noted that it would be best to take this to an email discussion and go from there if an emergency board meeting is required it will be set up. Laren noted he is currently following the plan of operations and will not do something unless the board decides to do something different.

12. 2023 Audit

Laren discussed the fees for the audit with Eide Bailly, they have increased to \$36,000 which is much larger than a 3% increase (keeping with the 3-year contract that has ended). He did note that their bid includes a claims audit for \$7,000. Richard did state

there are only a number of qualified auditors for these types of programs, and it is his opinion that we continue. The discussion did continue if the Claims audit is required federally. Sean feels that maybe it would be best to extend for this year and do some checking to see if going forward we can eliminate it.

Motion to engage Eide Bailly for the 2023 audit was made by Rich Daniels. The motion was seconded by Collette Hanson and carried.

13. Public Comment

No public comment

14. Next Meeting Date

The next quarterly meeting will be held on Tuesday January 23, 2024.

15. Wrap-up and adjourn.

The meeting adjourned at 10:30 a.m.