

MAINE GUARANTEED ACCESS REINSURANCE ASSOCIATION
Minutes of the Board of Directors
January 14, 2019

A regularly scheduled quarterly meeting of the Board of Directors of the Maine Guaranteed Access Reinsurance Association (“MGARA” or the “Association”) was held at 254 Commercial Street, Portland, Maine 04101 at 3:00 p.m. Attendance is reflected in the record of attendance set forth below:

Katherine Pelletreau	Edward J. Kane
William M. Whitmore	David Howes
Joel Allumbaugh	Jolan F. Ippolito, Chair
Kevin Lewis (absent)	Dana Kempton
Bruce Nicholson	Jim Lyon

Also in attendance were Chris Howard and Emily Cooke of Pierce Atwood LLP, counsel to the Association, Laren Walker, Administrator, and, for the portion of the meeting discussing Milliman, Inc.’s engagement, David Williams of Milliman, Inc.

1. Public Session

The Public Session of the Board was opened. There being no members of the public present, the Board concluded the Public Session without comment.

2. Approval of Minutes

The minutes of the Board meetings of the following dates were reviewed: December 10, 2018 (the “Minutes”). On a motion duly made and seconded, it was

RESOLVED: To approve the Minutes as presented.

3. Monthly Operations Report

Laren Walker presented the Monthly Operations Report. Mr. Walker commented that the Association’s principal financial activity continues to be expenditure on actuarial, legal and administrative fees associated with the Section 1332 and restart efforts, which professional fees were in line with projected restart costs.

4. Status Report re Plan of Operation Implementation

Mr. Walker provided a status Report regarding progress to date on the Plan of Operation implementation. He reported on carrier workshops conducted and progress to date. Mr. Howard reported on the progress with CMS/CCIIO regarding the transfer of the Section 1332 “Grant” from MBOI to MGARA and the development of the process for grant award and payment through the PMS system. Overall timely and steady progress being made.

5. Discussion of Jen Juke's Resignation and Replacement

Mr. Howard reported on the process for filling the vacancy resulting from Jen Jukes resignation. Pursuant to MGARA bylaws, mid-term vacancies on the Board are filled by vote of the Board. Once Jen's current term expires, the Member Insurers will appoint the person to fill that seat. He reported that Aetna contacted him proposing Marybeth Liang be appointed to fill the vacancy. Ms. Liang's CV was include in the Board package and reviewed by the Board. Discussion ensued regarding the diligence process that should be employed in selecting new Board members. Following discussion, it was the consensus of the Board that the Chair should interview Ms. Liang and report back to the Board.

6. Legislative Titles and Upcoming Briefing Session

Mr. Howard reviewed with the Board the bills introduced in the Maine Legislature that could have an effect upon or directly implicate MGARA. A list of these bills was included in the Board package. Several of the bills were in name only, so limited information was available as to their actual substance. Two LRs specifically addressed MGARA, LR#1042 "An Act to Amend the Definition of "Insurer" under the Maine Guaranteed Access Reinsurance Association Act" introduced by Senator Foley and LR #2079 "An Act to Reform the Maine Guaranteed Access Reinsurance Association Act" introduced by President Jackson. General discussions ensued, but limited information was available on the proposed legislation.

7. Status of 2020 Planning and Risk Scores

The Board turned to a discussion of whether any current work should be done regarding potential MGARA alternatives and 2020 planning. Following discussion, it was the consensus of the Board that, given the potential for MGARA-related legislation, the best course of action is to focus on MGARA operations and hold off on any research, development or analysis until the legislative picture becomes clearer.

8. Milliman Engagement 2019

The Board turned to consideration of Milliman Inc.'s engagement for 2019. Following discussion, it was, on motion duly made and seconded

RESOLVED: to continue Milliman's engagement as the Association's actuary based on the same terms and conditions as their current engagement, and to authorize Mr. Howard to work with Milliman to implement an engagement letter reflecting those terms.

6. Board Meeting Schedule Confirmation

The Board discussed the schedule of upcoming Board meetings for 2019. The Board approved the following schedule for quarterly in person Board meetings:

April 9, 2019
July 22, 2019
October 21, 2019
January 27, 2020

It was agreed that Board members will keep available the Monday afternoon 3pm time slot through April, with Mr. Howard to schedule conference calls or in-person meetings on an as-needed basis.

There being no further business to come before the Board, the meeting was adjourned.

A handwritten signature in black ink, consisting of a large, stylized 'H' followed by a cursive flourish.

Duly Authorized Officer