

MAINE GUARANTEED ACCESS REINSURANCE ASSOCIATION
Minutes of the Board of Directors
October 16, 2017

A regularly scheduled quarterly meeting of the Board of Directors of the Maine Guaranteed Access Reinsurance Association (“MGARA” or the “Association”) was held by telephone conference call at 3:00 p.m. on October 16, 2017. Attendance is reflected in the record of attendance set forth below:

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| Jennifer Juke | Edward J. Kane |
| Katherine Pelletreau | Dr. David Howes |
| William M. Whitmore | Jolan F. Ippolito, Chair |
| Joel Allumbaugh | Dana Kempton |
| Kevin Lewis | Jim Koelbl |
| Bruce Nicholson | |

Also in attendance were Laren Walker (administrator), Chris Howard and Emily Cooke (counsel).

1. Approval of Minutes

The Board reviewed the minutes of the July 17, 2017 Board meeting. On motion duly made and seconded, it was

RESOLVED: To approve the Minutes of the Board meeting, as presented.

2. Monthly Operations Report

Mr. Walker presented the Monthly Operations Reports for the period ended September 2017. The report reflected the Association’s static state with nominal revenue and expense and a Fund Balance remaining at approximately \$5.3 million. Investment income continues at a modest rate.

Following limited discussion, on motion duly made and seconded, it was

RESOLVED: To approve the Monthly Operations Report, as presented.

3. Discussion re 1332 Waiver and Restart

The Board discussed the current environment surrounding Section 1332 waiver applications. The Board discussed in some detail the recent rejection of an Iowa 1332 application and the press reports regarding the Trump administration’s involvement in that process. The Iowa experience is in contrast to the experience of other states, including Alaska, whose application has been approved. Four to five applications are in the pipeline and Oklahoma’s was withdrawn due to delay. The Board concluded that no

definitive forward direction can be drawn from the status of other states' applications to date. The Board then discussed:

- Effect of Anthem's withdrawal from the Maine individual market
- 2018 rates being based on the assumption that the cost sharing reductions will not be funded
- Effect of the high rates on the 2018 marketplace, especially the unsubsidized population.
- What will happen in the market for 2019 with respect to rate levels (subsidized or unsubsidized?), level of APTCs that would be available if unsubsidized compared to subsidized, effect on marketplace rates, re-entry into market of people that withdrew in 2018.
- Status of Milliman analysis

This segment of the meeting concluded with the direction from the Board to have Milliman complete their data analysis and then the Board will convene an in-person meeting to receive presentation of their findings.

4. 2018 Meeting Schedule

The Board discussed the next formal quarterly board meeting scheduled for January 8, 2018; however, the Board agreed that Mondays at 3:00 p.m. would continue to be reserved for a series of telephonic or in-person informal work sessions to be scheduled on an as-needed basis. The Board recognized that the work on the 1332 application is best handled through work sessions and that the time should be reserved, subject to cancellation in the event Board review or input is not timely.

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



Duly Authorized Officer