

MAINE GUARANTEED ACCESS REINSURANCE ASSOCIATION
Minutes of the Board of Directors
February 25, 2019

A special meeting of the Board of Directors of the Maine Guaranteed Access Reinsurance Association (“MGARA” or the “Association”) was held via teleconference at 3:00 p.m. Attendance is reflected in the record of attendance set forth below:

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

Also in attendance were Chris Howard and Emily Cooke of Pierce Atwood LLP, counsel to the Association, and Laren Walker, Administrator.

1. Approval of Minutes

The minutes of the Board meetings of January 14, 2019 (the “Minutes”) were reviewed. On a motion duly made and seconded, it was

RESOLVED: To approve the Minutes.

2. Status Report re Plan of Operation Implementation

Mr. Walker provided a status report on assessments under the Amended and Restated Plan of Operation (the “Plan”). He reported that the first assessment is due on May 15. In the meantime, River 9 is updating the assessment forms and working with the bank to establish a “lockbox” where all assessments are to be sent, as some carriers still require the use of checks.

Mr. Walker next provided an operations report. He reported that last week was the first due date for ceding reports. Carriers have been instructed that every carrier should submit a ceding reports, even if a carrier has zero cedes, to avoid uncertainty as to whether a carrier failed to submit or simply had no cedes to report. Mr. Walker further reported that one carrier has submitted 18 voluntary cedes. So far, MGARA has received no mandatory cedes and no claims. Mr. Walker added that the Association is ready to process claims once they do start coming in. In response to Board member inquiries, Mr. Walker confirmed that no change in anticipated in the planned pace of drawing down funds.

Mr. Howard next provided a report on the CMS/CCIIO pass-through payment process. He observed that steady, if not rapid, progress had been made. The CMS/CCIIO team has been consistently supportive, and the process highly cooperative. The pass-through

payment grant itself is slated to be formally awarded in late March or early April; MGARA's Payment Management System account will be funded in early April.

Mr. Howard noted that, as previously discussed, federal pass-through funding will be drawn first, and the timing of draws will depend on the timing of MGARA's cash needs.

3. Board Vacancies

The Board turned to a discussion of updates with respect to several Board seats.

Jolan Ippolito reported favorably on her conversation with Marybeth Liang, Director of Commercial Business for Aetna, a candidate to fill the Board seat vacated when Jennifer Jukes resigned. The candidate filling this seat will serve out the remainder of the term, until April 2020. Following this report and a brief discussion, on a motion duly made and seconded, it was

RESOLVED: To appoint Marybeth Liang to the seat vacated by Jennifer Juke's resignation, which seat has one year remaining on the term expiring April 2020, or until her successor is duly appointed and qualified.

Mr. Howard reported that Ed Kane submitted his resignation from the Board, as he is no longer employed with Harvard Pilgrim. It was agreed that MGARA would solicit recommendations from Harvard Pilgrim for candidates to fill the seat vacated by Mr. Kane's resignation, and to obtain supporting documentation about any such candidates in advance of the April board meeting.

Finally, Mr. Howard reported that the Bureau of Insurance is seeking potential candidates to fill the seat vacated by Jim Koelbl's relocation to Kansas. Mr. Howard will obtain a status update from the Bureau and report back to the Board.

4. Report re Legislative Activity

Mr. Howard provided a brief report on legislative activity salient to MGARA. He indicated that proposed L.D. 367, which would have exempted multiple-employer welfare arrangements from MGARA's assessments, has been withdrawn.

Mr. Howard noted that there are various other items of prospective legislation in the pipeline that would affect the healthcare market generally, and therefore would potentially affect MGARA by extension. Pierce Atwood will continue to monitor these and keep the Board informed.

Board members noted that the prospective MaineCare expansion could potentially have significant implications for MGARA, and discussed whether it might be valuable to have representatives of the Bureau of Insurance come to speak with the Board at some point regarding this.

5. Board Meeting Schedule Confirmation

It was agreed that Board members would maintain the normal Monday afternoon time slot for calls and meetings, to be scheduled on an as-needed basis. Mr. Howard confirmed the following in-person quarterly meetings, each with a public comment session: April 9, 2019; July 22, 2019; October 21, 2019; and January 27, 2020.

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

A handwritten signature in black ink, appearing to be a stylized 'H' or similar initials, positioned above a horizontal line.

Duly Authorized Officer