

**MAINE GUARANTEED ACCESS REINSURANCE ASSOCIATION**  
**Minutes of the Board of Directors**  
**October 28, 2024**

A regularly scheduled meeting of the Board of Directors of the Maine Guaranteed Access Reinsurance Association (“MGARA” or the “Association”) was held via videoconference at 3:00 p.m. on October 28, 2024. Attendance is reflected in the record of attendance set forth below:

Terry Brann ( <i>absent</i> )	Ben Johnston
Scott Cremens	Kevin Lewis
Dan Demeritt	Jim Lyon ( <i>absent</i> )
Dr. David Howes	Bruce Nicholson
Jolan F. Ippolito, Chair	Ellen Schneider ( <i>absent</i> )
Eric Jermyn	

Also in attendance were Laren Walker and Diane Kopecky of River 9 (administrator), Chris Howard and Emily Cooke of Pierce Atwood LLP (counsel to the Association), and Tom Murawski and Jeremy Siborg of Milliman, Inc. (actuary to the Association); and Bob Carey, Superintendent of Insurance with the Maine Bureau of Insurance (the “Bureau”).

**1. Approval of Minutes**

The Board reviewed the minutes of the September 23, 2024 Board meeting (the “Minutes”). On a motion duly made and seconded, it was

RESOLVED: To approve the Minutes as presented.

**2. Operations Report**

Mr. Walker presented the Operations Report for Q3 2024. Assessment revenue was \$7.3MM, consistent with projections. Claims incurred YTD as of 9/30/24 were \$18.3MM, representing 44% of total projected claims for the year, which is consistent with the back-end-loaded nature of claims in the retrospective model. Professional fees tracked higher than projected due to the extra actuarial work requested of Milliman. MGARA continues to use a ladder approach to its investments, with a focus on liquidity.

Mr. Walker briefly reviewed 1332 Grant activity. A lower proportion of the 1332 Waiver Grant funds have been drawn YTD compared with this time in 2023, but this is consistent with the fact that the 1332 Waiver Grant funds were made available at a later point in the year in 2024 as compared with 2023. Of the award of \$45,726,151, \$23.5MM was drawn in July, and an estimated draw of \$18.5MM is anticipated at the beginning of November, leaving a balance of \$3.6MM. Per MGARA’s standard practice, once the 1332 Grant funds are fully drawn down, MGARA will start drawing on its existing reserves.

Mr. Walker noted that the quarterly cash disbursements reflect lower claims levels than in prior years, which in turn reflects MGARA’s more restrictive 2024 attachment points. He noted the significant drop in number of lives in the project, reflecting the change to a retrospective model with no mandatory

ceding. He pointed participants to the Large Claims Report, which reflects that the large majority of ceded claims hit the maximum attachment point of \$185K.

Lastly, Mr. Walker noted that there remain some slow-reporting carriers, but added that they remain within the requirements of the Plan of Operation.

### **3. Milliman Mid-Year Report in Support of 2025 Pass-Through Payment Determination**

Mr. Howard reminded participants that each year, Milliman prepares an estimate of expected pass-through federal funding pursuant to Maine’s Section 1332 Waiver for the coming year, which the Centers for Medicare and Medicaid Services (CMS) uses in determining pass-through funding for that year. Milliman presented an initial analysis in June and an update in September, which it has now further updated to account for additional 2024 experience.

Mr. Siborg and Mr. Murawski presented the updated report, as contained in the meeting materials. Mr. Siborg noted that the report remains largely the same as the draft presented at September’s meeting; the most significant update is an update to 2023 runout claims that lowers MGARA’s projected surplus by about \$5.3MM. The report also updates grant revenue projections for 2025, incorporating additional information about CMS’s grant methodology. Other data and projections remain stable.

### **4. Board Candidate**

Mr. Howard reminded Board members that David Regan resigned from the Board due to his departure from Point32 Health. Per MGARA’s standard approach to vacancies in carrier seats, Point32 Health has identified Kate Skouteris to fill this vacancy, and Ms. Ippolito has met with Ms. Skouteris. Ms. Ippolito reported that she had a very positive conversation with Ms. Skouteris, who she found to be highly attuned to the Maine landscape and familiar with the dynamics of the small-group market merger. On this basis, Ms. Ippolito strongly recommended that the Board approve Ms. Skouteris’s candidacy to the Board. To that end, on a motion duly made and seconded, it was

RESOLVED: To appoint Kate Skouteris to the seat vacated by David Regan’s resignation for a term expiring April 1, 2026, or until her successor is duly appointed and qualified.

### **5. Follow-Up Discussion Regarding Any Proposed Changes to Enabling Legislation**

Mr. Howard noted that this topic is included on the meeting agenda to afford the Board an opportunity to comment on the topic of MGARA’s approach regarding policymaking and legislative changes that affect MGARA’s operating model or market impact. Mr. Howard added that he is not aware of active current developments in this landscape, but nonetheless wants to ensure Board members have the opportunity for periodic information-sharing. No additional comments were offered at this time.

### **6. Executive Session**

From 3:40-3:45 p.m., the Board entered Executive Session. Following Executive Session, on a motion duly made and seconded, it was

RESOLVED:

To approve the proposed contract with River 9 to serve as MGARA's third-party administrator for a three-year term with terms and conditions specified in the RFP and the River 9 response, as renegotiated by counsel and reported to the Board in Executive Session.

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 letter 'A' with a horizontal line through it, followed by a flourish.

---

Duly Authorized Officer