

LOUISIANA HEALTH PLAN

MINUTES

BOARD OF DIRECTORS MEETING

August 16, 2013

ATTENDANCE:

Board Members Present: Scott Westbrook, Kevin Bridwell, Michele Calandro, Derrell Cohoon, Dr. William Dimattia, Emma Fontenot, Phyllis Perron

Not Present: Robelynn Abadie

Also Present: Jill Gautreau, Attorney for LHP

LHP Staff Present: Leah Barron, Carl Mautner, Jon Bonneval, Kathy Stern

MINUTES

Minutes from the October 18, 2012 Board meetings were presented.

MOTION

Derrell Cohoon made a motion to approve the Minutes as presented for the board meeting held on October 18, 2012. Motion seconded by Michele Calandro. No opposition. Motion passed.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

Amended Plan of Operation III – Dissolution Plan

Leah Barron referred the board members to
(a) Amended Plan of Operation III
(b) a copy of House Bill 638 that was enrolled in the 2012 Session and
(c) a copy of her synopsis of the Bill.

Ms. Barron explained that part of the process to dissolve Louisiana Health Plan is that Louisiana Health Plan is required to submit the Dissolution Plan to the Commissioner of Insurance by August 30, 2013.

The Amended Plan of Operation III, including the Dissolution Plan, was carefully reviewed and discussed. It was decided that on page 5, under Article V., that “e” be added. The language to be added, as appropriate, is: at “e” (currently located at vii., page 7): “vii. Effective December 31, 2013, fees assessed to participating health insurers and insurance arrangements under R.S.22:1210 shall cease.”

MOTION

Michele Calandro made a motion to amend the draft of the Dissolution Plan as follows: Move section vii. on page 7 to page 5 under Article V. and add it as “e”, as appropriate. Therefore, Article V., Section 1 would have added to it: “e. Effective December 31, 2013, fees assessed to participating health insurers and insurance arrangements under R.S.22:1210 shall cease.” Motion seconded by Derrell Cohoon. No opposition. Motion passed.

MOTION

Phyllis Perron made a motion to accept the Plan of Operation III, as amended, and with authority of the CEO to make any technical changes required at the request of the Commissioner of Insurance to comply with the August 30, 2013 deadline. Motion seconded by Dr. Dimattia. No opposition. Motion passed.

Directors & Officers and Errors and Omissions Coverage

Leah Barron reviewed the renewal of coverage for D&O and E&O coverage. Additionally, Ms. Barron explained that because of the claims runoff and liability, she obtained 3 and 5-year quotes. Ms. Barron presented two quotes (a) Indian Harbor (the current carrier) and (b) Crum and Foster. Ms. Barron recommended Indian Harbor at the current levels of coverage and retention with renewal for 2 years and a 3-year runoff.

There was a brief discussion about the cost variance and the advantage of Indian Harbor. Upon review, Indian Harbor was thought to have more advantageous coverage. Therefore, Indian Harbor was recommended to remain the carrier.

MOTION

Michele Calandro made a motion to approve the Renewal for 2 years; with a 3-year runoff of Indian Harbor for both D&O and E&O as specified in the proposal, with payment to be made up front to ensure that all premiums are paid before the total dissolution of LHP. Motion seconded by Kevin Bridwell. No opposition. Motion passed.

Budget

Leah Barron explained that the Budget is an item that has been on the agenda since 2012 so it should look familiar to you. We have been using it as an interim operating budget.

The Budget for the year 2013 was presented by Carl Mautner. Michele Calandro reminded the board members that they have seen this Budget several times and that it has been discussed and they have had it well in advance of this board meeting.

MOTION

Derrell Cohoon made a motion to approve the 2013 Budget as presented and that the Budget has been discussed multiple times previous to this meeting. Motion seconded by Phyllis Perron. No opposition. Motion passed.

Financial Report

Carl Mautner reviewed the financial statement for the High Risk Pool and for the HIPAA Plan as of June 30, 2013.

MOTION

Michele Calandro made a motion to accept the financial reports as presented. Motion seconded by Derrell Cohoon. No opposition. Motion passed.

Legislative Report

Leah Barron referred board members to a copy of Act 325 and to the synopsis of the act. This had been previously discussed while reviewing the Amended Plan of Operation III.

CEO Report

Ms. Barron briefly reviewed the enrollment numbers and claims reports. Ms. Barron announced that to her knowledge, LHP is the first state in the country to submit a Dissolution Plan. Also, in terms of current dissolution timelines, we are ahead of schedule in executing the details.

Executive Session

MOTION

Phyllis Perron made a motion to go into Executive Session to discuss employee evaluation; including, but not limited to, character, reputation, professionalism, skills, performance, ranking, and rating of the CEO and LHP Staff and December 31, 2013 closure date. Motion seconded by Kevin Bridwell. No opposition. Motion passed.

MOTION

Kevin Bridwell made a motion to return from Executive Session. Motion seconded by Dr. Dimattia. No opposition. Motion passed.

MOTION

Dr. Dimattia made a motion to adjourn. Motion seconded by Derrell Cohoon. No opposition. Motion passed.