

**Florida Health Maintenance Organization Consumer Assistance Plan
Board of Directors Meeting
December 18, 2009**

Board Members Present via Teleconference:

Butch Simpson, Chair
Lisa Davies, Vice Chair
Craig Drablos, Treasurer
Peter Weiss
Frank Barrett
John Hogan
Valerie Beckles

Others Present or Participating via Teleconference:

Bruce Platt, Plan Manager
Donovan Brown
Mary Schwantes

I. Call to Order

Chairman Simpson noted the presence of a quorum and called the meeting to order.

II. Antitrust Preamble

Chairman Simpson read the following antitrust statement into the record:

We are here to discuss and act on matters relating to the business of the Florida Health Maintenance Organization Consumer Assistance Plan (HMOCAP). We are not here to discuss or pursue the business of our individual member companies. All of us should proceed with caution and awareness of the requirements and prohibitions of federal and state antitrust laws. We should not engage in discussions, either at this meeting or in private conversation, of our individual companies' plans or contemplated activities. We should concern ourselves only with the business of the HMOCAP as set forth in the agenda for this meeting. Only HMOCAP matters may be discussed at the meeting and each company's business plans cannot be discussed.

A motion was made by Mr. Hogan to conduct the meeting in accordance with the preamble. Ms. Davies seconded the motion and it was approved.

III. Approval of Minutes for September 21, 2009 Board Meeting

Chairman Simpson directed the members of the Board to the minutes and asked if there were any corrections or additions. Bruce Platt noted that Ms. Wilkerson of the Office of Insurance Regulation suggested that the minutes should be corrected to reflect her statement that "there were no new HMOs licensed since the last Board meeting," rather "there were no new *insolvencies* since the last Board meeting." Dr. Weiss made a motion to correct the minutes, and Mr. Hogan seconded. The motion to adopt the minutes as corrected was unanimously approved.

IV. Review of the Plan of Operations

Chairman Simpson directed Board members to review language proposing an addition to Article IX, Section 1 of the Plan of Operations. The proposed revision adds a duty to the HMOCAP Board's Powers and Duties under Article IX. Specifically, the new provision requires the Board to promulgate Policy and Procedure guidelines that also include a record retention policy.

Mr. Platt asked whether the Board believed there should be an amendment authorizing the Board to produce an HMOCAP website. After discussion, Board members agreed that such language was not necessary as the Board could take this action under existing powers and duties. Chairman Simpson asked for a motion to adopt the proposed change to the Plan of Operations, and Mr. Hogan so moved. Mr. Drablos seconded the motion, and it was unanimously approved.

V. Update on flhmocap.com Website Launch

Mr. Platt gave brief remarks on the background of the website design and build. He then gave an update on the current status of the website and announced it was launched. Mr. Platt mentioned that the website was built with a Content Management System, meaning most necessary changes or additions to the website could be done by the HMOCAP staff without technical assistance from the website developer. Mr. Platt thanked Dr. Weiss for his assistance as the HMOCAP Board Website Subcommittee. There was no further discussion or questions regarding this agenda item.

VI. Status of Contract with Preferred Benefits

Mr. Platt remarked on the background of the TPA contract development and selection of a vendor – Preferred Benefit Administrators ("PBA"). He noted the TPA agreement does not require any action or payment by the HMOCAP unless or until the occurrence of a commercial member's insolvency. Mr. Platt stated that he submitted the HMOCAP's version of the agreement to PBA two weeks ago, and currently is awaiting an answer from them.

VII. Status of the Policy and Procedure Manual

Mr. Platt told the Board that he was working on developing a Policy and Procedure manual for the Board. He remarked that he has enlisted the assistance of Chris Moran, the accountant that provided audit services to the HMOCAP, for financial policy and procedure guidelines. Mr. Platt also mentioned there had been some difficulty in developing the Policy and Procedure

guidelines because there was no good model for the manual due to the nature and processes of the HMOCAP. He stated that he was reviewing minutes of past HMOCAP Board meetings and had reviewed a variety of documents on not-for-profit policies and procedures.

Chairman Simpson remarked that it would be a difficult task and asked the Board for comments or suggestions to assist in drafting the guidelines. He also commented that the most important aspect of the guidelines should address how the HMOCAP should approach and administer an insolvency, and how assessments on member companies should be levied.

Vice Chair Davies commented that the driving force behind needing these guidelines was the last state audit report regarding the HMOCAP. She stated that some aspects of the audit could be used to develop the guidelines but, outside of the report, there were probably not many sources Mr. Platt could use as a model to develop the HMOCAP guideline.

VIII. Other Business

Chairman Simpson inquired if there was any other business. Ms. Schwantes stated there was no report from the Department of Financial Services.

IX. Adjourn

As there was no further business to conduct, Mr. Barrett moved to adjourn. Dr. Beckles seconded the motion and Chairman Simpson called the meeting adjourned.

Florida HMO Consumer Assistance Plan
Executive Committee Meeting
Minutes of May 27, 2010 Committee Telephonic Meeting
10:00 A.M.

Committee Members Present:

Butch Simpson
Craig Drablos
Lisa Davies

Other Persons Present:

Bruce Platt
LeShan Smith
Terri Jay
Toma Wilkerson
Mary Schwantes
Chris Moran, CPA

Call to Order

– Chairman Simpson noted the presence of a quorum and called the meeting to order. He directed the committee members to be mindful of antitrust concerns and pointed to the antitrust statement in the agenda. Ms. Davies moved to adopt the statement, Mr. Drablos seconded and it was adopted.

HMOCAP Draft Audit

- Mr. Drablos reviewed the draft audit (copy attached). He noted that there was little activity, and he said that it was a fairly simple financial statement. He noted that it was an unqualified opinion. He recognized that there were increased administrative expenses over the prior year – primarily due to the development of the HMOCAP's website. Mr. Moran and Mr. Drablos explained that the interest payment income covered the HMOCAP's operating expenses. Mr. Moran said that he and Mr. Platt were working on a draft policy and procedure manual for the HMOCAP. Mr. Simpson asked that Mr. Platt circulate a draft to the Executive Committee for review when ready.

HMOCAP Statute update

- Mr. Platt noted that the HMOCAP website was functioning and that the meeting was noticed on the website. He said that the HMOCAP evaluation of a potential TPA, Preferred Benefits Administrators ("PBA"), was almost complete. He noted that he and Mr. Brown met with them and were satisfied with their understanding of the HMOCAP and its requirements, and he explained that persons from Florida Health Care Plan were to perform a more technical review. He said that the HMOCAP should be able to enter into a contract with PBA pending the results of the review.

Finally, Mr. Platt noted that the state is to conduct an audit of the HMOCAP. Originally, it was

scheduled for early 2010. He said that the audit has been postponed, and he said he would let the HMOCAP Board of Directors know as soon as it is rescheduled.

Other

- Mr. Simpson noted that the federal health legislation appears to be focused on the affordability of premiums, and he expressed concern that inadequate premiums could impact the HMOCAP through HMO insolvencies. He asked if the Office of Insurance Regulation was aware of this. Ms. Wilkerson said that the Office was working with the NAIC on medical loss ratio and rate approval concerns. Mr. Platt explained that he had spoken with Ms. Senkewicz of the Office, and she said that the Office was aware of "general" concerns regarding rate approvals and loss ratio requirements. She asked whether the HMOCAP had specific comments about the most recent NAIC proposals. The Executive Committee directed Mr. Platt to prepare a statement on behalf of the HMOCAP and circulate a draft to it.

- Mr. Platt asked if the Department of Financial Services was making progress in closing the estates of insolvent HMOs. Ms. Schwantes said that, because federal claims have priority over some others, the Department can not close estates of insolvent HMOs until it obtains a release from the federal government. She noted that the Department has recently been successful obtaining such releases, and she said that the Department anticipates filing the HMO insolvencies with the federal government by the end of October. She said that she hopes to have the outstanding HMO insolvencies resolved early next year.

Adjourn

There being no further business, Mr. Simpson asked for a motion to adjourn. Ms. Davies made the motion, Mr. Drablos seconded and the meeting was adjourned..