

**FLORIDA HEALTH MAINTENANCE ORGANIZATION  
CONSUMER ASSISTANCE PLAN**

**Board Meeting**

**Thursday, November 2, 2017 at 1 P.M. EDT**

**In Person and by Teleconference**

Board Members Participating

Dr. Raed Assar, Chairman  
John Hogan, Vice Chairman  
Chris Paterson  
Stephen Harris  
Karen Zeiler  
Michael Keeler

Others in Attendance

Toma Wilkerson, Florida Department of Financial Services  
Katina Johnson, Florida Office of Insurance Regulation  
Virginia Christy, Florida Office of Insurance Regulation  
Mary Brennan  
Bruce Platt, HMOCAP Plan Manager, Akerman  
Sheryl Rosen, Akerman  
LeShan Smith, Akerman

**I. Call to Order**

Chairman Dr. Raed Assar called the meeting of the Board to order and noted the presence of a quorum.

**II. Antitrust Preamble**

Chairman Assar read aloud the following antitrust preamble:

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.

**III. Review and Approval of Minutes**

Dr. Assar asked the board members for comments or changes to the draft minutes of the September 11, 2016 annual meeting. Hearing none, Mr. Hogan moved to accept the minutes as drafted. Ms. Zeiler seconded the motion, which passed unanimously.

#### **IV. Recommendation of New Board Members to the Department of Financial Services for Appointment**

Plan Manager Platt explained the Board member nomination and appointment process. He noted that there were two terms that were expiring – the terms for Dr. Assar and Mr. Matthews. He also noted that there was one term where the Board member was no longer with the HMO that had nominated her. He explained that the HMOCAP had received three nominations to fill the three positions. Aetna nominated Dr. Assar to retain his board position. UnitedHealthcare nominated Mr. Matthews to retain his board position. Finally, Amerigroup nominated Lourdes Rivas for the seat that had been vacated.

After discussion, Mr. Harris moved to accept all three nominations and to forward all three to the Department of Financial Services with the recommendation that they be appointed to the Board. Mr. Hogan seconded the motion, and it passed without opposition.

#### **V. Financial Statements**

Mr. Hogan reviewed the financial statements with the Board. He discussed the allocations of the HMOCAP's assets, and he noted that the HMOCAP was operating consistently with its budget.

#### **VI. Independent Auditor Report**

Mr. Hogan reviewed the independent auditor report. He noted that the auditor did not find any significant risk to the HMOCAP's assets, and he said that it was a clean opinion. Mr. Hogan moved to accept the Independent Auditor Report, Mr. Patterson seconded the motion, which passed without opposition.

#### **VII. Budget and Proposed Budget**

Mr. Hogan reviewed the budget and the proposed budget. He noted that the budgets had only minor changes from year-to-year, and that there were only very minor changes proposed for the 2018 budget. He also noted, as provided in the financial statements, that the HMOCAP's expenses in 2017 were essentially consistent with the budget. Mr. Hogan moved to accept the 2018 proposed budget. Mr. Harris seconded the motion, which passed without opposition.

#### **VIII. Investment Report**

Mr. Hogan reviewed the HMOCAP investment report. He noted that the HMOCAP was investing consistent with its investment policy that had been approved by the Board. He noted that one of the primary goals of the investment policy was preservation of capital. Dr. Assar commented that one of the other primary goals of the investment policy was liquidity of assets.

## **IX. Selection of Auditor**

Mr. Platt said that he and Ms. Rosen reviewed the HMOCAP's policies and procedures, and that they did not believe that the policies and procedures required that the HMOCAP request new proposals for an auditor for one more year. He said that the current auditor is Moran & Smith, and that he was happy with the current auditor's performance. He also noted that Mr. Moran had agreed to perform the audit for another year for the same amount of money (\$6,000), and he said that this was the lowest bid, by far, the last time the HMOCAP sought proposals for an auditor. Mr. Patterson made a motion to retain the current auditor for another year. Mr. Harris seconded the motion, and there was no opposition to it.

## **X. Plan Manager Report**

Mr. Platt noted that the Plan Manager is required to review the Plan of Operations each year to determine whether any revisions are necessary. He explained that he reviewed the Plan of Operations, and that he had no recommended changes at this time. Dr. Assar asked Mr. Platt whether he was aware of any potential legislation that would affect the HMOCAP. Mr. Platt said that he was aware of a national effort to combine HMO guarantee organizations (or similar entities, such as the HMOCAP) with Life and Health Insurance company guarantee associations. Mr. Platt explained that this was part of a compromise between national life insurance companies and national health insurance companies regarding the assessment base to pay the expenses associated with insolvent, long-term-care insurance companies. Mr. Platt noted that he was not aware of the current status of any related, Florida legislation. Mr. Patterson said that he understood that the efforts were stalled in Florida at this time.

## **XI. Review of Plan Manager**

Dr. Assar thanked the Akerman law firm representatives for their work on behalf of the HMOCAP, and he asked Mr. Platt if he had any comments. Mr. Platt thanked the board for allowing Akerman to work for the HMOCAP. He said that Akerman proposed to continue working as the HMOCAP's Plan Manager and General Counsel with the same terms as the prior year, and he said that there were no proposed changes to the contract. After discussion, Mr. Patterson moved to enter into the Plan Manager and General Counsel agreement with the Akerman law firm. Ms. Zeiler seconded the motion, which passed without opposition.

## **XII. Election of Board Officers**

Dr. Assar noted that the current board officers are as follows: Chairman – Dr. Assar; Vice Chairman - Mr. Hogan; Secretary/Treasurer – Mr. Schandel. Dr. Assar noted that all three had agreed to serve another term, and he asked whether the Board would like to consider each position individually. Mr. Patterson said that he believed the Board could address all three at the same time, and he moved to continue each officer in its current position. Ms. Zeiler seconded the motion, which passed without opposition.

## **XIII. Office of Insurance Regulation Updates and Issues**

Ms. Johnson noted that one new HMO had been licensed in 2017, and that it was a Medicare Advantage HMO. She said that the Office of Insurance Regulation had nothing else to report at this time.

**XIV. Department of Financial Services Update and Issues**

Ms. Wilkerson noted that there are no HMOs in receivership that would affect the HMOCAP. She reminded the board that the HMOCAP is not responsible for Medicare or Medicaid membership. She also noted that there have been some revisions to chapter 631, Florida Statutes, which are the laws that apply to insurance, guarantee organizations in Florida, and to similar organizations such as the HMOCAP.

**XV. Other Business**

Dr. Assar asked if the Board had any other business to discuss.

**XVI. Adjourn**

Hearing no further business, Ms. Harris moved to adjourn. The motion was seconded by Ms. Zeiler and passed without dissent. Dr. Assar declared the meeting adjourned.

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David C. Schandel, Secretary/Treasurer  
Florida HMO Consumer Assistance Plan

Dated this \_\_\_\_ day of \_\_\_\_\_, 2018