

STATE OF NEW HAMPSHIRE
DEPARTMENT OF STATE

IN THE MATTER OF:)
)
Local Government Center, Inc., et al.) C-2011000036
)
RESPONDENTS)

STATEMENT OF STIPULATED FACTS

The New Hampshire Bureau of Securities Regulation (“Bureau”), HealthTrust, Inc. (“HealthTrust”), and the eight municipalities that were granted intervenor status in the matter (“Intervenors”) jointly submit the following Statement of Stipulated Facts in advance of the hearing on the merits of the issues presented in this remanded proceeding.

1. In September 2014, HealthTrust distributed the \$17.1 million repayment from PLT.

2. The September 2014 distribution of the \$17.1 million was made to 352 of HealthTrust’s then-current Members based on each Member’s proportional payments to HealthTrust’s medical and dental coverage lines during the 2014 fiscal year. HealthTrust returned the \$17.1 million to its 2014 members as set forth in Exhibit A (Spreadsheet listing disbursements of \$17.1 million to HealthTrust Members).

3. On June 3, 2014, the HealthTrust Board unanimously approved a Motion “to authorize staff that subject to the receipt of payment of the \$17.1 million debt from PLT, HealthTrust declares a \$17.1 million surplus to be distributed on September 8, 2014, as a check or contribution holiday to the member groups as ordered by the BSR or the Hearing Officer to receive such distribution, or if no such order is issued, to HealthTrust’s Medical and Dental

Members proportionally to contribution received during Fiscal Year 2014 (September 1, 2013- June 30, 2014) as provided for in the HealthTrust, Inc. Bylaws.”

4. The total amount of the payments to HealthTrust made by its Members during the years 2003 to 2010 was \$2,296,772,739. See Exhibits B and C.

5. Exhibit B is a spreadsheet that identifies all former HealthTrust Members that made contributions to HealthTrust in years 2003 to 2010 but did not receive disbursements as part of the 2014 distribution of the \$17.1 million because they were no longer HealthTrust Members in September 2014.

6. There were 28 former HealthTrust Members that made contributions to HealthTrust during the years 2003 to 2010 that did not participate in the distribution of the \$17.1 million because they were no longer Members of HealthTrust when the distribution was made in September 2014. Exhibit B.

7. Two of the 28 former HealthTrust Members that made contributions to HealthTrust during the years 2003 to 2010, SAU 38 and East Derry Fire Precinct, dissolved before the September 2014 distribution of the \$17.1 million. Exhibit B.

8. If the 2014 disbursements of the \$17.1 million had been allocated to include the remaining 26 former HealthTrust Members based on their proportional share of the total Member payments made to HealthTrust during the years 2003 to 2010, the aggregate amount those 26 former HealthTrust Members would have received would have been \$1,271,439.99. The individual amounts each of the remaining 26 former Members would have received based on this reallocation are identified on Exhibit B.

9. Exhibit C identifies 2014 HealthTrust Members that: (a) made contributions to HealthTrust in years 2003 to 2010; (b) dropped medical and/or dental coverage prior to the 2014

distribution of the \$17.1 million; and (c) either (i) received disbursements as part of the 2014 distribution of the \$17.1 million (because they continued to participate in either medical or dental during the 2014 fiscal year) or, (ii) did not receive such disbursements because they no longer participated in either medical or dental (but participated in a HealthTrust disability and/or life coverage line) during the 2014 fiscal year.

10. The 58 HealthTrust Members identified on Exhibit C received the aggregate amount of \$685,711.76 in disbursements as part of the 2014 distribution of the \$17.1 million.

11. If the September 2014 disbursements of the \$17.1 million had been re-allocated to the 58 Members identified on Exhibit C based on their proportional share of the total Member payments made to HealthTrust during the years 2003 to 2010, rather than based on their proportional share of medical and dental contributions during FY 2014, the aggregate amount that would have been received by those 58 HealthTrust Members would have been \$1,491,569.95. Exhibit C.

12. If the 2014 disbursements were re-allocated as described in paragraph 11 above, 48 of the 58 HealthTrust Members identified on Exhibit C would have received increased disbursements and the total increased amount would be \$1,036,542.30. Exhibit C. The individual increases each of the 48 Members would have received based on this reallocation are identified on Exhibit C.

13. The sum of the \$1,271,439.99 re-allocated to the 26 former HealthTrust Members identified on Exhibit B (as described in paragraph 8 above), and the \$1,036,542.30 re-allocated increases to the 48 HealthTrust Members identified on Exhibit C (as described in paragraph 12 above), is \$2,307,982.29. Exhibits B and C.

14. In September 2014, five of the Intervenors were current HealthTrust Members that had dropped medical or dental coverage and are included on Exhibit C, and three Intervenors were former HealthTrust Members and are included on Exhibit B.

15. Four of the five then-current HealthTrust Member Intervenors, Auburn, Bennington, Meredith, and Peterborough, received disbursements as part of the 2014 distribution of the \$17.1 million. Exhibits A and C.

16. Attached as Exhibit D is a spreadsheet which includes the information used to produce Exhibits B and C.

17. In March 2012, the Bureau entered into a Risk Pool Practices Agreement with New Hampshire Public Risk Management Exchange (“Primex”). Exhibit E.

18. In April 2012, the Bureau entered into a Risk Pool Practices Agreement with New Hampshire School Health Care Coalition (“SchoolCare”). Exhibit F.

Respectfully submitted,

N.H. Bureau of Securities Regulation

HealthTrust, Inc.

By Its Attorneys,

By Its Attorneys,

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