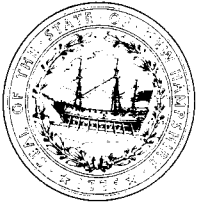


Joe 45



**THE STATE OF NEW HAMPSHIRE  
INSURANCE DEPARTMENT**

21 SOUTH FRUIT STREET SUITE 14  
CONCORD, NEW HAMPSHIRE 03301

Roger A. Seigny  
Commissioner

Alexander K. Feldvebel  
Deputy Commissioner

November 29, 2016

Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Council  
State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**      *Sole Source*

Authorize the New Hampshire Insurance Department (NHID) to amend a contract with Gorman Actuarial, Inc., Marlborough, Mass. (Vendor #263768) by increasing the amount by \$55,520 from \$499,470 to \$554,990 to improve the collection of the line of business data from carriers and third party administrators. The original contract was for the provision of consulting services in connection with the initiative to improve the data collection efforts of the Department related to health insurance premium rate review and medical care costs in New Hampshire. This agreement is to be effective upon Governor & Council approval through December 31, 2017.

The original contract was approved by the Governor and Council on December 23, 2014, agenda item #31. 50% Federal Funds, 50% Other Funds.

The additional funding is available in the account titled Rate Review Cycle IV Grant. 100% Federal Funds

FY2017  
02-24-24-240010-59300000-046-500464 Consultants \$55,520

**EXPLANATION**

The New Hampshire Insurance Department has received a federal grant to improve the health insurance premium rate review process and transparency related to health insurance premiums and medical care costs in New Hampshire. Under the grant, the vendor is developing data submission instructions and reporting templates in preparation for the annual hearing and the supplemental report submissions. The vendor has also assisted the Department to develop a strategic plan for the NHID data collection efforts that pertain to health policy and improve transparency and effectiveness of the health premium rate review process.

The amendment will allow the Department to improve the collection of the line of business data from carriers and third party administrators so that this can be available for market conduct and rate review activities. Major deliverables for Gorman Actuarial include:

- Providing recommendations on changes to the LOB survey for CY 2016.
- Provide recommendations to NHID for the creation of a local database with a structure to support the needs of NHID and the report templates.
- Process the output from the nform into a local database.
- Create report templates that utilize the data collected through the LOB survey and to meet the needs of NHID.
- Provide additional analyses that examine pharmacy costs and the premium assistance program.

The New Hampshire Insurance Department respectfully requests that the Governor and Council authorize the amendment of the Gorman Actuarial contract and an increase in funds of \$55,520. Your consideration of the request is appreciated.

In the event Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'R. Sevigny', written in a cursive style.

Roger A. Sevigny

## AMENDMENT

This Agreement (hereinafter called the "Amendment") dated this 22 day of November, 2016 by and between the state of New Hampshire acting by and through the New Hampshire Insurance Department (hereinafter referred to as "NHID") and Gorman Actuarial, Inc. (hereinafter referred to as the "Contractor").

WHEREAS, pursuant to an initial agreement (hereinafter called the "Agreement") which was first entered into upon Governor and Council approval on December 23, 2014, agenda item #31, the Contractor agreed to perform certain services to assist the NHID in connection with its development of updated network adequacy standards and;

WHEREAS, pursuant to paragraph 18 of the General Provisions of the Agreement, the contract may be amended, waived or discharged by written instrument executed by the parties hereto and approved by the Governor and Council, and;

WHEREAS, due to additional work required to assist NHID in updating the data collection efforts of the Department;

NOW THEREFORE, in consideration of the foregoing and the covenants and conditions contained in the Agreement as set forth herein, the Contractor and NHID hereby agree to amend the Agreement as follows:

### 1. Amendment of Agreement

- A. Amend Section 1.8 of the General Provisions by changing the price limitation from \$499,470 to \$554,990
- B. Replace Exhibit A with Exhibit A1: 2014-RRG-401-SR PH
- C. Replace Exhibit B with Exhibit B1: 2014-RRG-401-SR PH

### 2. Effective Date of Amendment

This Amendment shall be effective upon its approval by the Governor and Council of the State of New Hampshire. If such approval is withheld, this document shall become null and void, with no further obligation or recourse to either party.

### 3. Continuance of Agreement

Except as specifically amended and modified by the terms and conditions of this Amendment, the Agreement and the obligations of the parties thereunder shall remain in full force and effect in accordance with terms and conditions as set forth therein:

IN WITNESS WHEREOF, the parties have hereunto set their hands:

CONTRACTOR:

NHID:

Gorman Actuarial, Inc.

State of New Hampshire acting  
through the New Hampshire Insurance  
Department

By: Bela Gorman

Bela Gorman, President

By: RAS

Roger A. Sevigny, Commissioner

NOTARY STATEMENT

On this the 22<sup>nd</sup> day of November, 2016, there appeared before me Heather Manning (Notary Name) the undersigned officer appeared Bela Gorman (Designated Officer Name) who acknowledged him/herself to be President (Designated Officer Title) and that such officer, authorized to do so, executed the foregoing instrument for the purpose herein contained, by signing him/herself in the name of the Contractor.

In witness whereof I hereunto set my hand and official seal (provide seal, stamped name and expiration date).

By: Heather Manning



APPROVAL BY NEW HAMPSHIRE ATTORNEY GENERAL AS TO FORM, SUBSTANCE AND EXECUTION

By: J Christopher Marshall, Assistant Attorney General on 11/30/16

APPROVAL BY THE NEW HAMPSHIRE GOVERNOR AND EXECUTIVE COUNCIL

By: \_\_\_\_\_, on \_\_\_\_\_

**Agreement with Gorman Actuarial, Inc.**  
**2014-RRG-401-SR PH**

**Amended**

**Exhibit A-1**

**Scope of Services**

**The consultant's primary responsibility will be:**

1. Assist the New Hampshire Insurance Department (the Department) with tasks associated with producing three annual hearing reports (preliminary and final) and three annual hearings concerning premium rates in the health insurance market:
  - a. Design and administer a carrier data call
  - b. Perform quality assurance testing of submitted data and confirming findings with the carriers
  - c. Report writing and analyses
  - d. Communicate with carriers and non-carrier participants
  - e. Develop questions of participants and recommendations for format of the hearing
  - f. Facilitate organizational meetings
  - g. General project management
  - h. Assist with potential enforcement actions
  - i. Present findings to the Department and the public
  - j. Develop strategies for increasing the efficiency of NH's health care financing and delivery system
  - k. Address the statutory requirements of RSA 420-G:14a V-VI.
  - l. Conduct additional analyses that examine pharmacy costs.
  - m. Conduct additional analyses that examine the premium assistance program.
2. Assist the Department with tasks associated with producing three NH Insurance Department Supplemental Reports:
  - a. Revise the bulletin and template and make available timeline for a July 15 submission
  - b. Perform a series of data quality checks and work with data submitters to ensure quality
  - c. Consolidate the submissions into a single so files can be analyzed on an ad hoc basis
  - d. Produce the supplemental report on an annual basis
  - e. Recommend enforcement actions when submissions are non-compliant
  - f. Host of a public forum and presenting the finding annually
3. Assist the Department to develop a strategic plan for data collections efforts that pertain to health policy and that have the potential to reduce the overall reporting burden for carriers and third party administrators, improve the accuracy, completeness, timeliness, and compliance of data submitted to the Department and establish a fair and effective enforcement process:
  - a. Make recommendations to the Department for a more efficient and complete data collection process
  - b. Provide preliminary recommendations in a mid-term report by December 31, 2015
  - c. Provide final recommendations in a final report by September 30, 2016.
  - d. Assist the Department with the transition to collect annual hearing and supplemental data request (SDR) data using the nForm system.

4. Assist the Department with tasks associated with creating an improved data collection process and reporting process for the Line of Business (LOB) survey as was recommended in the *Strategic Plan for Data Collection*.
  - a. Provide recommendations to the NHID on changes to the LOB survey for CY 2016.
  - b. Review the nForm used to collect line of business data from carriers and third party administrators. The nForm will be created by the NHID, and/or the DoIT liaison.
    - i. It is assumed that the nForm will be tested using appropriate test data, and that the process of using the nForm to bring data into the DoIT database will also be tested. Vendor will review the results of the testing and advise if changes are required.
  - c. Provide recommendations to NHID for the creation of a local database whose structure supports the needs of NHID and the report templates created by vendor.
  - d. Design and build a system to process existing insurer/TPA LOB submissions for CY 2014 and 2015. The data from the existing 2014 and 2015 templates will be incorporated into the database. This is an optional feature. .
  - e. Design and build a system to process the output of the FormViewer utility into a local database. The local database will house the data that was exported from the DoIT database. The local database will be designed so that additional data can be added for subsequent LOB surveys.
  - f. Create report templates that utilize the data collected through the LOB survey and to meet the needs of NHID. Reports should include:
    - i. Individual carrier detail
    - ii. Medicare Product Summary
    - iii. Individual Product Summary
    - iv. Group size 1-50 Products
    - v. Group Size 50+ Products
    - vi. Long Term Care Products
    - vii. Dental Products
    - viii. Questionnaire Summary Report
    - ix. All Product Summary Report
5. Work set out in the response to the RFP (attached).

# **Agreement with Gorman Actuarial, LLC**

## **2014-RRG-401-SR PH**

### **Exhibit B-1**

#### **Contract Price, Price Limitations and Payment**

Gorman Actuarial (GA) has estimated the total cost for this effort and the not-to-exceed limit of \$554,990. Hours are billed only for time worked, and to the extent hours worked are lower, the costs will be proportionately lower.

GA will submit separate invoices for grant and non-grant related tasks. GA will submit invoices to the New Hampshire Insurance Department on the first business day of each month. Invoices will contain the total number of hours and corresponding labor charges for each member of GA and their subcontractors for the preceding calendar month. Invoices will be submitted electronically.

It is anticipated that the contract will run through December 31<sup>st</sup>, 2017.

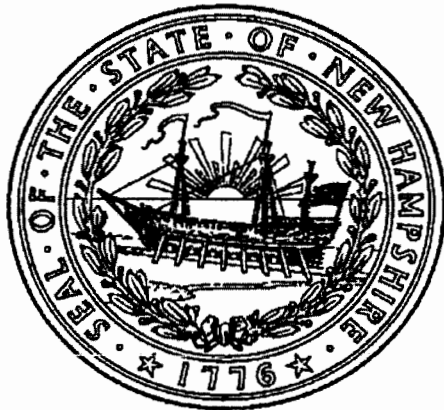
# State of New Hampshire

## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that GORMAN ACTUARIAL, INC. is a Massachusetts Profit Corporation registered to do business in New Hampshire as GORMAN ACTUARIAL NH on December 12, 2014. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 718720



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 21st day of October A.D. 2016.

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State



I, Donald Gorman, do hereby certify that:  
(Name of Clerk of the Corporation; cannot be contract signatory)

1. I am a duly elected <sup>Secretary</sup> ~~Clerk~~ of Gorman Actuarial, Inc.  
(Corporation Name)

2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on October 21, 2016  
(Date)

**RESOLVED:** That this Corporation enter into a contract with the State of New Hampshire Insurance Department, for the provision of  
actuarial service services.

**RESOLVED:** That the President  
(Title of Contract Signatory)

is hereby authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of the 21<sup>st</sup> day of October, 2016.  
(Date Contract Signed)

4. Bela Gorman is the duly elected President  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Corporation.

MASSACHUSETTS  
STATE OF ~~NEW HAMPSHIRE~~  
County of MIDDLESEX

[Signature]  
(Signature of ~~Clerk~~ of the Corporation)  
Secretary

The forgoing instrument was acknowledged before me this 21 day of October, 2016.

By Donald Gorman  
(Name of ~~Clerk~~ of the Corporation)  
Secretary

[Signature]  
(Notary Public/Justice of the Peace)

Commission Expires: Feb 17/2023

(NOTARY SEAL)





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/24/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> BERLINER-GELFAND & CO INC 188 Main Street - Suite A  Monroe CT 06468	<b>CONTACT NAME:</b> James Berliner <b>PHONE (A/C, No, Ext):</b> (203) 367-7704 <b>FAX (A/C, No):</b> (203) 333-0710 <b>E-MAIL ADDRESS:</b> Jim@BerlinerInsurance.com													
	<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A: Sentinel Insurance Co</td> <td>11000</td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Sentinel Insurance Co	11000	INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:
INSURER(S) AFFORDING COVERAGE	NAIC #													
INSURER A: Sentinel Insurance Co	11000													
INSURER B:														
INSURER C:														
INSURER D:														
INSURER E:														
INSURER F:														
<b>INSURED</b> Gorman Actuarial Inc. 210 Robert Rd  Marlborough MA 01752														

**COVERAGES**

CERTIFICATE NUMBER: 2016-17 Certs

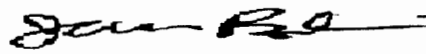
REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			31SBAZN8964	1/20/2016	1/20/2017	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000 Non-owned \$ 2,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			31SBAZN8964	1/20/2016	1/20/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

**CERTIFICATE HOLDER****CANCELLATION**

New Hampshire Insurance Department Tyler Brannen NH	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE James Berliner/SC 

© 1988-2014 ACORD CORPORATION. All rights reserved.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
10/24/16

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

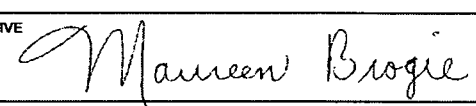
<b>PRODUCER</b> InsuranceBee Inc 2 Mill and Main Place Suite 425 Maynard, MA 01754	<b>CONTACT NAME:</b> Maureen Brogie <b>PHONE (A/C, No, Ext):</b> 978.344.4200 <b>FAX (A/C, No):</b> 1.888.217.5785 <b>E-MAIL ADDRESS:</b> contactus@insurancebee.com
	<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Admiral Insurance Company <b>INSURER B:</b> <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>
<b>INSURED</b> Gorman Actuarial Inc 210 Robert Rd  Marlborough MA 01752	

**COVERAGES**                      **CERTIFICATE NUMBER:**                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<input type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A If yes, describe under DESCRIPTION OF OPERATIONS below						<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability / Errors and Omissions			EO0003086902	10/16/2016	10/16/2017	\$ 1,000,000 Each claim \$ 2,000,000 Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
Evidence of coverage

<b>CERTIFICATE HOLDER</b> New Hampshire Insurance Department Tyler Brannen 21 South Fruit Street, Suite 14 Concord NH 03301	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
---	---



THE STATE OF NEW HAMPSHIRE  
INSURANCE DEPARTMENT

21 SOUTH FRUIT STREET SUITE 14  
CONCORD, NEW HAMPSHIRE 03301

Roger A. Sevigny  
Commissioner

Alexander K. Feldvebel  
Deputy Commissioner

December 8, 2014

Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Council  
State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**

Authorize the New Hampshire Insurance Department (NHID) to enter into a contract in the amount of \$499,470 with Gorman Actuarial, LLC, Marlborough, Mass. (Vendor # 219508), to assist the Department in preparing data for and producing an annual supplemental report on the health insurance market in New Hampshire, provide consulting services in connection with the annual public hearings concerning health insurance premium rates and to develop a strategic plan for the data collection efforts of the Department. This agreement is to be effective upon Governor & Council approval through December 31, 2017. 50% Federal Funds, 50% Other Funds.

The funding is available in various accounts as follows, subject to legislative approval of the next two biennial budgets.

**Rate Review Grant**

	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>
02-24-24-240010-59780000-046-500464	\$75,000	\$50,000	\$0
Consultants			

**Rate Review Cycle IV Grant**

02-24-24-240010-59300000-046-500464	\$25,000	\$50,000	\$50,000
Consultants			

**Department of Insurance Administration**

	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>
02-24-24-240010-25200000-046-500464	\$50,000	\$75,000	\$75,000	\$50,000
Consultants				

## EXPLANATION

The New Hampshire Insurance Department has received a federal grant to improve the health insurance premium rate review process and transparency related to health insurance premiums and medical care costs in New Hampshire. Under the grant, the vendor will develop data submission instructions and reporting templates in preparation for the annual hearing and the supplemental report submissions. The vendor will also assist the Department to develop a strategic plan for the NHID data collection efforts that pertain to health policy and improve transparency and effectiveness of the health premium rate review process.

Pursuant to NH RSA 420-G:14-a (data collection and public hearings concerning health insurance cost increases), the vendor will assist with evaluating increases to New Hampshire health insurance rates and the underlying cost drivers, in conducting annual public hearings concerning premium rates in the health insurance market, and in drafting the Commissioner's annual report (for three years) as required under RSA 420-G:14-a, V-VII.

Pursuant to RSA 400-A:36 and other provisions of Title XXXVII, the Insurance Commissioner has the authority to prescribe the format and content of financial and other reports filed by licensed insurers in New Hampshire. The reports submitted by licensed carriers and other entities are required to evaluate the financial solvency of carriers operating in New Hampshire as well as to understand the characteristics of New Hampshire's insurance markets. The vendor will assist in evaluating and processing the supplemental report submissions, consolidating the data, and producing three years of supplemental reports for publication.

The major deliverables for Gorman Actuarial include:

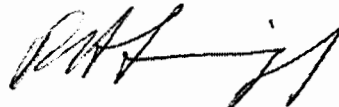
1. Assist the New Hampshire Insurance Department (the Department) with tasks associated with producing three annual hearing reports (preliminary and final);
2. Assist the Department with tasks associated with producing three NH Insurance Department Supplemental Reports; and
3. Assist the Department to develop a strategic plan for data collections efforts that pertain to health policy and that have the potential to reduce the overall reporting burden for carriers and third party administrators, improve the accuracy, completeness, timeliness, and compliance of data submitted to the Department and establish a fair and effective enforcement process.

After reviewing the bid responses, the Commissioner selected the Gorman Actuarial proposal as the most responsive to the Request for Proposals (RFP). The Request for Proposals was posted on the Department's website November 7, 2014 and sent to past bidders for Department contract work and companies doing work in this field. Two bids were received. Bids were evaluated by Department staff familiar with the project goals using a scoring system included in the RFP.

The department respectfully requests that the Governor and Council authorize funding for this consulting work. Your consideration of the request is appreciated.

In the event Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'RAS', written over a horizontal line.

Roger A. Sevigny



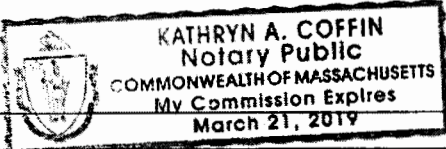
Subject: Gorman Actuarial-Supplemental Report/Public Hearings

**AGREEMENT**

The State of New Hampshire and the Contractor hereby mutually agree as follows:

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

1.1 State Agency Name New Hampshire Insurance Department		1.2 State Agency Address 21 S. Fruit Street, Suite 14, Concord, NH 03301	
1.3 Contractor Name Gorman Actuarial, LLC		1.4 Contractor Address 210 Robert Road, Marlborough, MA 01752	
1.5 Contractor Phone Number (508) 229-3525	1.6 Account Number	1.7 Completion Date December 31, 2017	1.8 Price Limitation \$499,470
1.9 Contracting Officer for State Agency Alexander Feldvebel, Deputy Commissioner		1.10 State Agency Telephone Number (603) 271-7973	
1.11 Contractor Signature <i>Bela Gorman</i>		1.12 Name and Title of Contractor Signatory Bela Gorman, President	
1.13 Acknowledgement: State of <u>MA</u> , County of <u>Middlesex</u> On <u>12/11/14</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace <i>Kathryn A Coffin</i> [Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace <i>Kathryn A Coffin</i>			
1.14 State Agency Signature <i>Alexander K. Feldvebel</i>		1.15 Name and Title of State Agency Signatory Alexander K. Feldvebel, Deputy Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By: <i>Mike Brun</i> On: <i>12/11/14</i>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			



**2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**  
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").  
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.** Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.**  
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.  
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.  
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.**  
6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.  
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.  
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**  
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.  
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.  
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

Contractor Initials BoJ  
Date 12/8/14

## 8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

## 9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

**10. TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

**11. CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

**12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

**13. INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

## 14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be

attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

**15. WORKERS' COMPENSATION.**

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

**16. WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

**17. NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

**18. AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

**19. CONSTRUCTION OF AGREEMENT AND TERMS.**

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual

intent, and no rule of construction shall be applied against or in favor of any party.

**20. THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

**21. HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

**22. SPECIAL PROVISIONS.** Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

**23. SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

**24. ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

# **Agreement with Gorman Actuarial, LLC 2014-RRG-401-SR PH**

## **Exhibit A**

### **Scope of Services**

**The consultant's primary responsibility will be:**

1. Assist the New Hampshire Insurance Department (the Department) with tasks associated with producing three annual hearing reports (preliminary and final) and three annual hearings concerning premium rates in the health insurance market:
  - a. Design and administer a carrier data call
  - b. Perform quality assurance testing of submitted data and confirming findings with the carriers
  - c. Report writing and analyses
  - d. Communicate with carriers and non-carrier participants
  - e. Develop questions of participants and recommendations for format of the hearing
  - f. Facilitate organizational meetings
  - g. General project management
  - h. Assist with potential enforcement actions
  - i. Present findings to the Department and the public
  - j. Develop strategies for increasing the efficiency of NH's health care financing and delivery system
  - k. Address the statutory requirements of RSA 420-G:14a V-VI.
2. Assist the Department with tasks associated with producing three NH Insurance Department Supplemental Reports:
  - a. Revise the bulletin and template and make available timeline for a July 15 submission
  - b. Perform a series of data quality checks and work with data submitters to ensure quality
  - c. Consolidate the submissions into a single so files can be analyzed on an ad hoc basis
  - d. Produce the supplemental report on an annual basis
  - e. Recommend enforcement actions when submissions are non-compliant
  - f. Host of a public forum and presenting the finding annually
3. Assist the Department to develop a strategic plan for data collections efforts that pertain to health policy and that have the potential to reduce the overall reporting burden for carriers and third party administrators, improve the accuracy, completeness, timeliness, and compliance of data submitted to the Department and establish a fair and effective enforcement process:
  - a. Make recommendations to the Department for a more efficient and complete data collection process
  - b. Provide preliminary recommendations in a mid-term report by December 31, 2015
  - c. Provide final recommendations in a final report by September 30, 2016.
4. Work set out in the response to the RFP (attached).

---

**Annual Hearing and Report, Supplemental  
Report and Strategic Plan for Data Collection  
Efforts**

---

**Prepared for the New Hampshire Insurance  
Department**

**2014 RFP RRG-401-SR PH**

**Gorman Actuarial, Inc.**

**December 1, 2014**



# Table of Contents

<b>Section Title</b>	<b>Page Number</b>
1. Introduction	3
2. Project Goals	3
3. Scope of Work	4
3.1. Year 1 (2015): Annual Hearing & Report, Supplemental Report and Strategic Plan for Data Collection Efforts	4
3.2. Year 2 (2016): Annual Hearing & Report, Supplemental Report and Strategic Plan for Data Collection Efforts	7
3.3. Year 3 (2017): Annual Hearing & Report and Supplemental Report	8
4. Skills and Experience	8
4.1. NHID Annual Report	8
4.2. NHID Market Analysis Study and Modeling	9
4.3. NHID Premium Rate Review Grant Cycle I and Cycle II	9
4.4. New York Department of Financial Services: Hospital Price Study Ongoing	9
4.5. Massachusetts Health Policy Commission: Market Impact due to Provider Consolidations	10
4.6. Massachusetts Attorney General's Office: CY 2009 - Present	10
4.7. Massachusetts Division of Insurance (DOI): PPACA Study CY 2012/CY 2013	11
4.8. Massachusetts Division of Insurance: Rating Examination CY 2012/CY 2013	11
4.9. Massachusetts Division of Insurance: Rate Filing Review	11
4.10. Rhode Island Office of the Health Insurance Commissioner: Rate Filing Review	12
4.11. Summary	12
5. General Qualifications	12
6. References	14
7. Conflict of Interest	15
8. Team Roles	15
9. Project Plan	16
10. Budget	19
11. Closing	20
12. Resumes	20



## 1. Introduction

The New Hampshire Insurance Department (NHID) is seeking consulting services related to three project components: the annual hearing and report, the supplemental report and the strategic plan for data collection efforts.

Gorman Actuarial (GA) is ideally positioned to assist the NHID in this project given our extensive experience in New Hampshire from a multitude of perspectives, in addition to our experience in other states. Specifically for New Hampshire, GA recently completed work on their third annual hearing and report where GA worked closely with the NHID to increase the exposure and applicability of the information presented at the hearing and in the report. Over the past three years, GA has recommended changes and improvements to the report and the hearing format which have been implemented successfully. GA also has hands on experience with the supplemental report and the supplemental data since it is a valuable source of information used in several GA projects for the state of New Hampshire which include the annual hearing and report, changes to the rate filing process and a New Hampshire Market Study. GA's experience in the New Hampshire rate filings process and our in-depth knowledge of the New Hampshire markets allows the GA team to hit the ground running if awarded this project as there will be no learning curve required. In addition, our actuaries have extensive industry experience assisting regulatory bodies in other states with similar projects.

Below, please find Gorman Actuarial's (GA) response to NHID's 2014 RFP RRG-401-SR PH. In addition, Gorman Actuarial will subcontract the services of Jennifer Smagula, FSA, MAAA, Linda Kiene, ASA, MAAA, along with Gabriella Lockhart and Lianna Cohen from Freedman HealthCare.

## 2. Project Goals

It is our understanding that over the next three years, NHID wishes to produce three annual hearing reports, three supplemental reports, conduct annual hearings each year, and also develop a strategic plan for data collection and integration. Through our work with New Hampshire, GA has observed redundancies in work efforts and has recognized places where efficiencies can be realized. It is our goal over the next three years to integrate the timeline, data request, and reports for the annual hearing and the supplemental report. We propose that the presentation of findings from the annual hearing report and the supplemental report both take place at the annual hearing. We propose that the reports be issued at the same time. Whether these reports are separate documents, fully integrated or something in between can be determined as we work with the NHID on their requirements. These goals will be achieved through the development of a strategic plan for data collection and integration. Our final goal will be to consider all the data sources that NHID uses to support health policy and provide recommendations for improvement which may include revising and streamlining data collection efforts.



### 3. Scope of Work

Gorman Actuarial is proposing the following key areas of focus to complete the deliverables outlined in the RFP. Under the headings below, the work is separated by year: Year 1 and Year 2 (2015 and 2016) contain each of the three project components while Year 3 (2017) contains just the annual hearing & report and the supplemental report. We have assumed that work would commence in February 2015 and be completed by December 31, 2017.

#### 3.1. Year 1 (2015): Annual Hearing & Report, Supplemental Report and Strategic Plan for Data Collection Efforts

We propose having a kick-off meeting to address all three project components in February 2015. The primary goal of this meeting will be for GA and the NHID to discuss initial thoughts on the integration of the annual hearing and supplemental report studies. In addition, we will discuss NHID's vision for the strategic plan for data collection and integration efforts, which includes a review of all data sources to be considered as part of the strategic plan. GA also recognizes that RSA 420-G:14-a VI now requires the commissioner to consider additional information when producing his report. Some of this information can be obtained from the insurers while other information such as uncompensated care will need to be obtained elsewhere. Finally, we will review the key findings from the prior year annual hearing and supplemental reports. This meeting will also serve to provide information to finalize the work plan for the upcoming year.

Based on feedback from the kick-off meeting and based on GA's past experience working with both the annual hearing data request and the supplemental report data request, GA will update the carrier data survey for the annual hearing and the supplemental report simultaneously. As needed, GA will also assist with updating the supplemental report bulletin. In this first year, GA's goal is to keep the data requests separate for each project but to look for areas of overlap and places to gain immediate efficiencies between the two requests. This may include items such as membership, premium and member responsibility reporting. In addition, 2015 will be the first time where data are collected for the 2014 reporting year, when many of the provisions of the Affordable Care Act (ACA) were fully implemented and the data request may need to be updated to reflect the new provisions of the ACA. For example, we may expand upon membership reporting by grandmothers<sup>1</sup> and grandfathered policies in the Individual Market. We will also modify the request to include new requirements from RSA 420-G:14-a VI, such as what the carriers pay for uncompensated care and what is included in the premiums for uncompensated care. We will also explore including information on

---

<sup>1</sup> Grandmothered plans are those transitional, non-grandfathered plans that were in place by October 1, 2013.





medical care by payment type and insurance premiums by provider network (Limited Network, HMO and PPO). GA has requested and performed analysis on medical costs by payment type and premiums by provider network for the Massachusetts Attorney General's office. GA will utilize its recent experience to assist with drafting the request for New Hampshire. All these modifications to the information request for Year 1 will provide input and insight into the development of an initial strategic plan for data collection and integration.

Once the data requests are distributed, GA will make ourselves available to carriers to answer questions related to the data request and can proactively reach out to carriers and make them aware of any key changes to the data request.

In addition to data collected from the carriers, GA will explore data available through the rate filings, Supplemental Health Care Exhibits (SHCE), and the New Hampshire Comprehensive Health Care Information System (NH CHIS). This will serve both to collect additional information for use in the annual hearing report and the supplemental report, but also in the development of recommendations for the strategic plan for data collection efforts. In addition, there are several new components that need to be examined in the annual hearing report, including the impact of uncompensated care, total public reimbursement to hospitals and other health care providers, and the comparison and analysis to insurance claim data in other states. GA has experience working with hospital cost reports for the states of Massachusetts and New York. These reports could be the source of uncompensated care and payer mix (public reimbursement to hospitals) data. GA will work with the NHID to research and explore these data sources (and others) to address these new provisions.

GA will also work with the NHID on analyzing various strategies for increasing the efficiency of NH's health care financing and delivery system. Some of these strategies may include providing the appropriate information to consumers and employers so that they make high value choices for their care. GA will draw upon its experience with work performed for the MA Attorney General's office, the MA Health Policy Commission, and the New York Department of Finance on provider price transparency.

GA will also begin working on a report format for the annual hearing and supplemental reports. The goal is to evolve the report format from Year 1 to Year 3 so that the final product includes consistent structure, content, and format to create efficiency. GA will also work on integration of the annual hearing and supplemental reports. GA will solicit input from NHID on this process. All of this work will provide guidance for recommendations to the strategic plan for data collection.

GA will receive all data and evaluate the data for reasonableness. Any discrepancies between the various sources or any unusual changes compared to last year's data submissions will be summarized and presented back to the carrier for their review. Consistent with prior years, we also recommend that GA create a high level summary of



the carrier's submitted data to be shared with each carrier for their review and sign-off. This helps to ensure the most accurate interpretation of the data submission as possible. The data checks and the reconciliation of data developed here will provide valuable insight into developing a reconciliation process for the strategic plan. In addition, when submissions are non-compliant, overdue, or contain multiple errors, GA will recommend enforcement actions to NHID.

GA will conduct analyses and summarize results for both the annual hearing data and the supplemental report data to be presented in a draft report prior to the annual hearing. In 2015, we propose that both the annual hearing and supplemental report components are presented as two reports with similar formats to prior years. We also propose that both reports be presented at the same public hearing in the fall of 2015. GA will also aggregate the data for the supplemental report in a text file format and provide this file to NHID.

Similar to GA's work with past annual hearings, GA will be available to assist with the annual hearing preparation including consulting with the NHID on the format of the public hearing, the participants involved in the hearing and the topics to be addressed at the hearing. At least a week prior to the public hearing, GA will provide a draft report to the NHID. We propose that GA present summaries and findings from the annual hearing report and the supplement report at the public hearing. GA will issue either two final reports or a single final report containing both the annual hearing and supplemental report two weeks after the public hearing. In the final report GA will include relevant testimony and documents that are submitted at the public hearing.

On a parallel track with the annual hearing and supplemental report work, GA will be moving forward with several key tasks related to the strategic plan for data collection efforts. While carriers are working on responding to the 2015 annual hearing data request and supplemental report data request, GA will explore streamlining and integrating these two requests with the goal of ultimately combining these into one request. In addition, GA will explore other data sources used to inform health policy to assist in the development of the data collection strategic plan.

Some key tasks include:

- Conducting interview calls or brief surveys with the carriers and NHID staff to collect feedback related to data collection efforts, uses of the data, efficiencies to be gained in the data collection and thoughts on initial proposals such as the integration of the annual hearing and supplemental report data request.
- Develop a database of the various data sources used to support health policy information needs at the NHID. This database will come from GA's knowledge and experience working with the NHID for the past several years, carrier and NHID interviews, and information from the report issued in "Analysis of Data Sources to Support Rate Review", January 2013.



- Develop a reconciliation process for the various data sources. Our experience in reconciling information for the annual hearing and supplemental report will inform our process here.
- Develop a strategic plan which will include preliminary recommendations and creation of an integrated data collection template.
- Present the preliminary report on this strategic plan at the annual hearing in fall 2015.
- Revise the preliminary report with any feedback from the carriers and members of the public and refine preliminary recommendations.
- Publish the preliminary report by December 31, 2015.

### **3.2. Year 2 (2016): Annual Hearing & Report, Supplemental Report and Strategic Plan for Data Collection Efforts**

At the beginning of Year 2, GA will utilize the recommendations from the preliminary report on the strategic plan for data collection efforts to assist in revamping the carrier information request to be issued in April 2016 for the annual hearing and supplemental report. Our proposal is to have a combined data request for the annual hearing and supplemental report in Year 2. GA will conduct a conference call with carriers to review the changes to the data requests and will be available to answer questions throughout the data collection process. Another change in 2016 is the inclusion of two additional carriers to the survey process: Minuteman Health and Maine Community Health Options CO-OPs. These carriers are both entering the NH market in 2015.

Once the data are collected for Year 2, the annual hearing & report and supplemental report project timeline will follow a similar track as in Year 1, where the key tasks leading up to the annual hearing in the fall include reconciliation of data, analysis of data, drafting of preliminary report and preparation for annual hearing. GA proposes that a single, consolidated report be issued in Year 2. GA will work with NHID on whether to integrate the material from both reports or to have one report with two subsections that would mirror the format of historical annual hearing and supplemental reports.

Any lessons learned from the data collection efforts in Year 2 can be reflected in a final report on the strategic plan for data collection efforts to be issued and presented by September 30, 2016. This will include an updated data collection template for the annual hearing and supplemental report data to be used in 2017 and future years. This will also include any changes to the data validation and reconciliation process. Finally, the final report on the strategic plan will also include a proposal for a fair and effective enforcement process. We will look to other state enforcement processes as guidance to assist us with this proposal. We propose to present final recommendations in the summer of 2016 with a final report issued by September 30, 2016 incorporating any feedback from the carriers and members of the public.



### **3.3. Year 3 (2017): Annual Hearing & Report and Supplemental Report**

In Year 3 (2017) of the project proposal, the final data collection template developed in Year 2 will be used for the now combined annual hearing and supplemental report data request. While some updates may be necessary at this time, it is assumed that most, if not all, of the updates will be maintenance related. The project plan for Year 3 will be very similar to Year 2, excluding any work related to the strategic plan which was completed by September of 2016. It is also assumed that given the vetting and testing completed in Year 1 and Year 2 of the new data collection template and report, there will be efficiencies gained in Year 3 which includes increased ease of completion for the carriers and increased ease of analysis and report creation.

## **4. Skills and Experience**

In this section we have detailed several client projects and how those projects demonstrate our experience and skills directly related to the tasks outlined in this RFP.

### **4.1. NHID Annual Report**

Gorman Actuarial has worked collaboratively with the NHID on the 2012, 2013, and 2014 annual reports and public hearings to examine health care cost trends. The work includes creating a data survey tool for carriers, validating the data, interacting with the carriers on the data, assisting the NHID with preparation for the hearing and the writing of the report. The report focuses not only on the health care cost drivers in the past year, but also compiles several data sources to create actionable findings for the NHID in their pursuit of addressing health care affordability in New Hampshire. In addition to the carrier specific data survey, we examined other data sources which included the detailed data submissions for the supplemental report. We have worked with the data submissions for years 2009 through 2013 and we are very familiar with the data bulletin, data structure and idiosyncrasies of the data set. We have been involved with making recommendations and highlighting data anomalies of the supplemental report data and working collaboratively with the NHID and their vendors to resolve data discrepancies. Our goals with the NHID annual report are to report on information in a consistent manner from one year to the next and to improve and advance the information presented in the report. GA views these goals as similar to the goals of the supplemental report.

GA personnel also have experience with NAIC's System for Electronic Rate and Form Filing (SERFF), i-Site and StateNet systems. In addition to access for New Hampshire, GA uses SERFF for rate filing review in Massachusetts and Rhode Island.



## **4.2. NHID Market Analysis Study and Modeling**

In September 2012, Gorman Actuarial delivered a model developed for the NHID to assist in modeling the impacts of policy changes due to health care reform. The model allows the user to vary inputs and see the impacts on membership and premium rates for market segments such as the individual, small group and uninsured populations. The accompanying market study required using data from several data sources including the data submissions for the supplemental report, data extractions from the NH CHIS data set, Current Population Survey (CPS) data and New Hampshire carrier rate filings. GA developed three distinct databases to support the market study representing three distinct populations: the Individual Market, the Small Group Market, and the Uninsured. This required GA to merge data from different data sets into a single, master data set. Through this study, GA gained experience in understanding the variation in data submissions in the supplemental report requirements and NH CHIS.

## **4.3. NHID Premium Rate Review Grant Cycle I and Cycle II**

In CY 2011, Gorman Actuarial developed recommendations for the NHID which included creating rate filing review exhibits and a corresponding instruction manual. These recommendations were developed after thoroughly reviewing best practices of other states as well as reviewing current practices in New Hampshire. Interviews with key stakeholders were conducted to better inform the recommendations. Continuing into CY 2012 and CY 2013, GA worked with the NHID to update the rate filing exhibits to incorporate changes related to the Federal Unified Rate Review Template. GA worked collaboratively with the New Hampshire carriers and reached out to representatives at the Center for Consumer Information and Insurance Oversight (CCIIO). GA developed a user friendly interface to import carrier filings into the database and to generate reports for the NHID to use for rate filing review. In addition, these reports can be used to summarize key information from the rate filings.

## **4.4. New York Department of Financial Services: Hospital Price Study Ongoing**

GA is currently leading a team of consultants on a year-long study to analyze hospital price in the state of New York. This study will be used to supplement the various policy studies on New York's health care financing and delivery. GA has subcontracted hospital contracting experts, physicians and a project manager to assist with this study. GA will be issuing an information request to nine carriers in New York covering up to 115 hospitals. GA will be responsible for analyzing data, developing a price index by hospital, and issuing a final report to be completed in the fall of 2015.



#### **4.5. Massachusetts Health Policy Commission: Market Impact due to Provider Consolidations**

GA provides actuarial support to the Massachusetts Health Policy Commission (HPC), an independent state agency created by the Commonwealth's landmark health care cost containment law, Chapter 224 of the Acts of 2012. The HPC strives to promote a value based market and a high quality health care delivery system. Over the past year, GA has analyzed the impact of various proposed acquisitions including the much publicized Partners proposed acquisitions of South Shore Hospital and Hallmark Health Systems. In addition to analyzing the impact of provider consolidations, GA also provides guidance on defining regulations, developing analytic frameworks, and other strategies around payment reform. Please review the information at the following links to get a flavor for the analyses GA supported as part of the HPC team. The first link is to the final report of the review of Partner's acquisition of Hallmark Health Corporation. The second link is to HPC's webpage that provides information on the annual hearing.

<http://www.mass.gov/anf/docs/hpc/material-change-notices/phs-hallmark-final-report-final.pdf>

<http://www.mass.gov/anf/budget-taxes-and-procurement/oversight-agencies/health-policy-commission/annual-cost-trends-hearing/>

#### **4.6. Massachusetts Attorney General's Office: CY 2009 - Present**

GA has provided ongoing actuarial consultation to the Massachusetts Attorney General's Office (AGO) in its review of health care cost trend drivers since October 2009. There have been three reports released since 2009 and GA is currently working with the AGO on the analysis for the fourth report. The reports focus on various trend drivers in the market including provider reimbursement, tiered and select network products, and health status adjusted total medical expenses by region. GA has worked collaboratively with the Massachusetts AG's office to develop data requests which includes price relativities for hospitals and physician groups, total medical expenses for provider groups, hospital payor distributions, and data on tiered and select networks. Similar to the work necessary for the NH supplemental report, GA is responsible for maintaining, analyzing and summarizing a vast amount of health care data and providing actuarial driven findings and recommendations derived from the data. In addition to working closely with staff from the AGO, GA works closely with other consultants under contract with the AGO and representatives from the Centers for Health Informatics and Analysis (CHIA) in Massachusetts. Publications of the AG Office Examination of Health Care Cost Trends and Cost Drivers and can be found at:

<http://www.mass.gov/ago/docs/healthcare/2010-hcctd-full.pdf>

<http://www.mass.gov/ago/docs/healthcare/2011-hcctd.pdf>

<http://www.mass.gov/ago/docs/healthcare/2013-hcctd.pdf>



In addition, Bela Gorman and Jennifer Smagula have been called as expert witnesses to testify on behalf of the AG's office at the Department of Health Care Finance and Policy's Annual Public Hearings. Bela testified in March 2010, June 2011, April 2013, and October 2014 and Jennifer testified in June 2011.

#### **4.7. Massachusetts Division of Insurance (DOI): PPACA Study CY 2012/CY 2013**

In CY 2012 and CY 2013, GA performed a project on behalf of the MA DOI to analyze the expansion of the small group market from 1-50 to 1-100. GA developed a survey instrument tool to collect key data elements needed to perform this study. In addition, GA worked with the state to extract key data elements from Massachusetts' All Claims Payer Database (APCD). This required GA to review all the data elements in the APCD to identify the key items necessary for their analysis. The study and report were completed in early December 2013.

#### **4.8. Massachusetts Division of Insurance: Rating Examination CY 2012/CY 2013**

In CY 2012 and CY 2013, GA performed a rating examination of all the carriers that participate in the 1-50 market. GA led a team of actuaries to develop a data survey tool, validate and analyze the data, perform onsite audits of carrier rating practices, sales and marketing practices and enrollment and billing practices. The GA Team summarized the results for each carrier and submitted its reports to the MA DOI. Eleven carriers were examined.

#### **4.9. Massachusetts Division of Insurance: Rate Filing Review**

Bela Gorman and Jennifer Smagula have been on the merged market rate filing review team for the Massachusetts Division of Insurance since February 2010 and June 2013 respectively. Rate filings are reviewed on a quarterly basis. Functions include reviewing the content of the rate filings to understand methodologies and components of the premium rate increase, following up with the insurance carriers on questions, site visits with insurance carriers on their rate development methodologies, and issuing a memo to the Massachusetts Division of Insurance on the findings. The rate review requires in-depth understanding of both state and federal laws and regulations and requires GA to work collaboratively with the MA DOI regulators and other actuarial consultants under contract with the MA DOI.



#### **4.10. Rhode Island Office of the Health Insurance Commissioner: Rate Filing Review**

Since CY 2013, Bela Gorman has supported the Rhode Island Office of the Health Insurance Commissioner (OHIC) in rate review. This work consisted of developing a rate filing template, reviewing rate filings for the Individual, Small Group, and Large Group Markets, providing recommendations to OHIC, and assisting with consumer communications.

#### **4.11. Summary**

Gorman Actuarial has extensive experience working with state agencies, developing data survey instruments, analyzing data, and performing analyses. Over the past eight years, GA has performed more than 15 state studies, many requiring data collection from insurance carriers. In addition to these state studies, GA has worked with insurers such as Geisinger Health Plan and Humana to help them prepare for the changes brought upon by the PPACA. GA works with insurance departments in Rhode Island and Massachusetts for carrier rate filing review. Finally, GA has been instrumental in Massachusetts payment reform efforts serving as the actuarial consultant for the Massachusetts Attorney General's office and Massachusetts' newly formed Health Policy Commission. Our experience is specialized and diverse as we have assisted clients from all facets of healthcare including insurers, providers and regulators.

### **5. General Qualifications**

**Gorman Actuarial, Inc.** is a Massachusetts SOMWBA (State Office of Minority and Women Business Assistance) certified company, formed in January 2006 and located in Marlborough, Massachusetts.

Gorman Actuarial (GA) provides actuarial, financial and health care data management consulting services to state agencies and health insurance carriers across the country. GA's client list has included health insurers who do business in New England and well as national carriers and various state insurance agencies and state health care policy divisions. GA has extensive experience in premium rate development for all market segments. GA's lead consultant, Bela Gorman, FSA, MAAA has over 20 years of health care experience most of which is practical industry experience.

Bela has worked for the two largest health insurance carriers in Massachusetts. Bela was the Director of Actuarial Services at Harvard Pilgrim Health Care (HPHC), responsible for pricing the commercial and Medicare populations in Massachusetts, New Hampshire and Maine. While there she revamped all rating models and pricing methodologies for





all products and states where HPHC conducts business. She also created the Pricing Strategy Team which brought Sales and Actuarial/Underwriting management together to discuss pricing strategy. This required Bela to intimately understand the filing requirements for each of the states that HPHC conducted business. She is also well versed in premium rate and factor development and how it can vary from carrier to carrier and by market segment. Bela has also worked at BCBSMA, where she has experience as an Underwriter as well as actuarial pricing experience.

GA's other consultant is Don Gorman, GA's project manager and lead data analyst. He has experience in developing data specifications and managing large amounts of data from various insurers. He also has extensive experience in data analysis and modeling. As part of a study for the State of Maine, Don developed a reinsurance model that allowed the user to model various program structures. For the State of Wisconsin, Don created a database for each of the health insurance market segments – Individual, Small Group, Large Group and High Risk Pool (HIRSP). The database contains records for nearly every member in the insured market in CY08 and CY09. For the Massachusetts Attorney General's office Don created a database containing cost and quality data for each of the 72 hospitals in Massachusetts. He also created a database containing cost and quality data for all of the major physician groups in Massachusetts. These databases allowed the AG's office to quickly and efficiently analyze health care cost trend drivers. Don has expertise in mathematical modeling, neural networks, detection and estimation theory, data fusion and expert systems. He also has extensive project management experience and has been responsible for writing many data requirement specifications.

Gorman Actuarial also intends to subcontract the services of Jennifer Smagula FSA, MAAA, Linda Kiene, ASA, MAAA, along with Gabriella Lockhart and Lianna Cohen from Freedman HealthCare. We have summarized their relevant experience below.

**Jennifer Smagula, FSA, MAAA** is an independent actuarial consultant with fifteen years of health care actuarial experience who works with Gorman Actuarial on many projects. Jennifer testified on behalf of the Massachusetts Attorney General in 2011 at the Massachusetts Cost Containment hearings and is part of the GA team working on 2012, 2013 and 2014 Massachusetts Cost Containment analysis on behalf of the Attorney General's Office. Jennifer reviews rate filings on behalf of the Massachusetts Division of Insurance and Jennifer is part of the New York Hospital Price Study project team. Prior to being an independent consultant she was a director-level actuary at Blue Cross Blue Shield Massachusetts where her responsibilities included prescription drug pricing and PBM contract analysis, rate development and pricing for all senior products and financial analysis of disease management programs. In addition to her BCBSMA experience, Jennifer was also an actuarial manager at Harvard Pilgrim Health Care where she was responsible for the New Hampshire, Maine and Medicare Advantage rate filings. This included all aspects of the rate filing process such as the base claims development, trend projections and benefit pricing along with the overall on-going review of the profitability of the products.



**Linda Kiene, ASA, MAAA** is an independent actuarial consultant with over 20 years of actuarial experience. Linda's focus in the past has been product development and product management of various insurance products. Linda has extensive experience in pricing annuities which requires superior analytic skills. While her focus has been annuities and life insurance, she continues to broaden her experience base by including health insurance. Over the past few years GA has utilized Linda's expertise on various projects.

**Lianna Cohen, MPH**, is a consultant at Freedman HealthCare and supports a variety of policy initiatives and health care reform projects at Freedman HealthCare. Leveraging her background in quantitative analysis and strong organizational and communication skills, Ms. Cohen contributes to several of Freedman's state-specific All Payer Claims Database (APCD) efforts by analyzing state and carrier health data, researching programmatic best-practices, and reviewing state-and organization-specific policies.

**Gabriella Lockhart, MPH**, is a consultant at Freedman HealthCare working as a Project Manager/Writer. Gabriella currently supports Gorman Actuarial as a project manager on their New York Hospital Price Study. In addition, for Freedman HealthCare, she has helped manage the dental program for CCA's One Care and Senior Care Options health plans. She is an experienced writer and has produced white papers and grant proposals for FHC clients on a wide range of health care topics.

## 6. References

Below, please find Gorman Actuarial references for recent engagements that are similar in nature to this project.

***Ms. Courtney Aladro***

Assistant Attorney General, Health Care Division  
Office of Attorney General Martha Coakley  
100 Cambridge St., 10th floor  
Boston, MA 02108  
(617) 963-2545  
[courtney.aladro@state.ma.us](mailto:courtney.aladro@state.ma.us)

***Ms. Karen Tseng***

Director of Policy for Market Performance  
Massachusetts Health Policy Commission  
Two Boylston Street, 6th Floor | Boston, MA 02116  
(617) 979-1408  
[karen.tseng@massmail.state.ma.us](mailto:karen.tseng@massmail.state.ma.us)



**Mr. Kevin Beagan**

Deputy Commissioner of Insurance and Director of the State Rating Bureau  
Massachusetts Division of Insurance  
One South Station, 5th Floor  
Boston, MA 02110-2208  
[Kevin.Beagan@state.ma.us](mailto:Kevin.Beagan@state.ma.us)  
(617) 521-7347

**Mr. John Powell**

Director Rate Review Health Bureau  
New York State Department of Financial Services  
One Commerce Plaza  
Albany, New York  
[John.Powell@dfs.ny.gov](mailto:John.Powell@dfs.ny.gov)  
(518) 486-3103

**Mr. Herb Olson**

Legal Counsel  
Office of the Health Insurance Commissioner  
1511 Pontiac Ave Bldg 69-1  
Cranston, RI 02920  
[herb.olson@ohic.ri.gov](mailto:herb.olson@ohic.ri.gov)  
401-462-9636

## 7. Conflict of Interest

Gorman Actuarial and its subcontractors have no actual or perceived conflicts of interest with regard to this project. GA is under contract with the NHID for the project 2012-RRG-11 Public Hearings and Analysis through December 31, 2014.

## 8. Team Roles

Below, we have described our team and their corresponding roles in this project. In addition, please find resumes for each of the team members at the end of this proposal.

**Bela Gorman, FSA, MAAA, Lead Actuary:** Bela will oversee this project and peer review the data request for the carriers, periodically interface with the client, and direct the analysis of the data. Bela will also oversee the writing of the final report and will be available to present findings at the annual hearing.

**Jennifer Smagula, FSA, MAAA, Project Lead and Actuary:** Jennifer's primary responsibilities will include leading the project, updating the data request, interfacing



with the carriers, interfacing with the client, analyzing the data, leading the writing of the final report and present findings at the annual hearing.

**Don Gorman, Data Analyst II:** Don’s primary responsibilities will include updating the data request and collection of the data, interfacing with the carriers, analysis and management of the data and assisting in the writing of the final report.

**Linda Kiene, ASA, MAAA, Data Analyst I:** Linda’s primary responsibilities will include data analysis, data summaries, and development of charts and graphs.

**Lianna Cohen, MPH, Data Analyst I:** Lianna’s primary responsibilities will include data analysis, data summaries, and development of charts and graphs.

**Gabriella Lockhart, MPH, Project Manager:** Gabriella’s primary responsibilities will include developing a project plan, tracking milestones, scheduling and setting agendas for client meetings, and working with NHID on the agenda and content for the annual hearing. Gabriella will also assist with report writing.

## 9. Project Plan

Below, we have outlined a tentative project plan for with an assumed start date of February 1, 2015. We anticipate finalizing this project plan after meeting with NHID at the start of the project. The project plan is separated by three components (annual hearing, supplemental report and strategic plan) as well as by calendar year.

2015 Public Hearing & Annual Report Workplan			
	Task	Start Date	End Date
1	Kickoff Meeting	February 2015	February 2015
2	Finalize Workplan	February 2015	February 2015
3	Updates to Carrier Data Survey	March 2015	March 2015
4	Distribute Survey & Respond to Carrier Questions	April 2015	May 2015
5	Review Other Available Data	May 2015	June 2015
6	Create Report Template for Efficiency and Integration	May 2015	June 2015
7	Reconcile Carrier Results, Check for Reasonableness	July 2015	August 2015
8	Reconcile Other Data Sources	July 2015	August 2015
9	Analyze Data and Draft Report	August 2015	September 2015
10	Preparation for October Public Hearing	September 2015	October 2015
11	Participate in October Public Hearing	October 2015	October 2015
12	Finalize Report	November 2015	November 2015
13a	Regular Status Meetings Related to Strategic Plan		On-Going
13b	Regular Status Meetings		On-Going



<b>2016 Public Hearing &amp; Annual Report Workplan</b>		
<b>Task</b>	<b>Start Date</b>	<b>End Date</b>
1 Kickoff Meeting	February 2016	February 2016
2 Finalize Workplan	February 2016	February 2016
3 Updates to Carrier Data Survey	March 2016	March 2016
4 Distribute Survey & Respond to Carrier Questions	April 2016	May 2016
5 Review Other Available Data	May 2016	June 2016
6 Refine Report Template for Consolidation	June 2016	July 2016
7 Reconcile Carrier Results, Check for Reasonableness	July 2016	August 2016
8 Reconcile Other Data Sources	July 2016	August 2016
9 Analyze Data and Draft Report	August 2016	September 2016
10 Preparation for October Public Hearing	September 2016	October 2016
11 Participate in October Public Hearing	October 2016	October 2016
12 Finalize Report	November 2016	November 2016
13a Regular Status Meetings Related to Strategic Plan		On-Going
13b Regular Status Meetings		On-Going

<b>2017 Public Hearing &amp; Annual Report Workplan</b>		
<b>Task</b>	<b>Start Date</b>	<b>End Date</b>
1 Kickoff Meeting	February 2017	February 2017
2 Finalize Workplan	February 2017	February 2017
3 Updates to Carrier Data Survey	March 2017	March 2017
4 Distribute Survey & Respond to Carrier Questions	April 2017	May 2017
5 Review Other Available Data	May 2017	June 2017
6 Reconcile Carrier Results, Check for Reasonableness	July 2017	August 2017
7 Reconcile Other Data Sources	July 2017	August 2017
8 Analyze Data and Draft Report	August 2017	September 2017
9 Preparation for October Public Hearing	September 2017	October 2017
10 Participate in October Public Hearing	October 2017	October 2017
11 Finalize Report	November 2017	November 2017
12 Regular Status Meetings		On-Going

<b>2015 Supplemental Report</b>		
<b>Task</b>	<b>Start Date</b>	<b>End Date</b>
1 Kickoff Meeting	February 2015	February 2015
2 Finalize Workplan	February 2015	February 2015
3 Updates to Supplemental Report Submission	March 2015	March 2015
4 Distribute Data Submission & Respond to Questions	April 2015	May 2015
5 Create Report Template for Efficiency and Integration	May 2015	June 2015
6 Reconcile Carrier Results, Check for Reasonableness	July 2015	September 2015
7 Follow-up with Carriers	August 2015	September 2015
8 Analyze Data and Draft Report	August 2015	September 2015
9 Preparation for Presentation at October Public Hearing	September 2015	October 2015
10 Finalize Report	November 2015	November 2015
11a Regular Status Meetings Strategic Plan		On-Going
11b Regular Status Meetings		On-Going



<b>2016 Supplemental Report</b>		
<b>Task</b>	<b>Start Date</b>	<b>End Date</b>
1 Kickoff Meeting	February 2016	February 2016
2 Finalize Workplan	February 2016	February 2016
3 Updates to Supplemental Report Submission	March 2016	March 2016
4 Distribute Data Submission & Respond to Questions	April 2016	May 2016
5 Refine Report Template for Consolidation	June 2016	July 2016
6 Reconcile Carrier Results, Check for Reasonableness	July 2016	September 2016
7 Follow-up with Carriers	August 2016	September 2016
8 Analyze Data and Draft Report	August 2016	September 2016
9 Preparation for Presentation at October Public Hearing	September 2016	October 2016
10 Finalize Report	November 2016	November 2016
11a Regular Status Meetings Strategic Plan		On-Going
11b Regular Status Meetings		On-Going

<b>2017 Supplemental Report</b>		
<b>Task</b>	<b>Start Date</b>	<b>End Date</b>
1 Kickoff Meeting	February 2017	February 2017
2 Finalize Workplan	February 2017	February 2017
3 Updates to Supplemental Report Submission	March 2017	March 2017
4 Distribute Data Submission & Respond to Questions	April 2017	April 2017
5 Collect, Review & Reconcile Data	July 2017	September 2017
6 Follow-up with Carriers	August 2017	September 2017
7 Analyze Data and Draft Report	August 2017	September 2017
8 Preparation for Presentation at October Public Hearing	September 2017	October 2017
9 Finalize Report	November 2017	November 2017
10 Regular Status Meetings		On-Going

<b>Strategic Plan for Data Collection</b>		
<b>Task</b>	<b>Start Date</b>	<b>End Date</b>
1 Kickoff Meeting	March 2015	March 2015
2 Finalize Workplan	March 2015	March 2015
3 Review Existing Data Sources and Uses	March 2015	June 2015
4 Conduct Carrier & NHID Interviews/Brief Survey	July 2015	September 2015
5 Develop Database of Various Data Sources	July 2015	September 2015
6 Develop Reconciliation Process for Various Data Sources	July 2015	September 2015
7 Develop Draft Recommendations and Prepare Interim Report	September 2015	October 2015
8 Present Interim Report at Annual Hearing	October 2015	October 2015
9 Consider Stakeholder Feedback and Finalize Interim Report	November 2015	December 2015
10 Finalize Recommendations & Report	April 2016	June 2016
11 Prepare & Present Final Report at Public Forum	July 2016	August 2016
12 Consider Stakeholder Feedback and Finalize Final Report	August 2016	September 2016
13 Regular Status Meetings		On-Going



## 10. Budget

We have estimated the time it will take to complete this project. The total estimated labor cost for this effort and the not-to-exceed limit for all three years combined is \$499,470. The break out of these costs by project component, calendar year and the amount covered by the federal Premium Rate Review grant is shown below. A summary of hourly rates and hours by consultant and project component is also shown in the table below. Hours are billed only for time worked, and to the extent hours worked are lower, the costs will be proportionately lower.

	Year 1 (2015)	Year 2 (2016)	Year 3 (2017)	Total 3 Years
<b>Annual Hearing &amp; Report</b>				
Grant	\$49,740	\$44,810	\$0	\$94,550
Non-Grant	<u>\$35,850</u>	<u>\$35,220</u>	<u>\$65,150</u>	<u>\$136,220</u>
Total	\$85,590	\$80,030	\$65,150	\$230,770
<b>Supplemental Report</b>				
Grant	\$48,350	\$42,780	\$0	\$91,130
Non-Grant	<u>\$30,250</u>	<u>\$26,720</u>	<u>\$56,470</u>	<u>\$113,440</u>
Total	\$78,600	\$69,500	\$56,470	\$204,570
<b>Strategic Plan</b>				
Grant	\$42,450	\$21,680	\$0	\$64,130
Non-Grant	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total	\$42,450	\$21,680	\$0	\$64,130
<b>Grand Total</b>				
Grant	\$140,540	\$109,270	\$0	\$249,810
Non-Grant	<u>\$66,100</u>	<u>\$61,940</u>	<u>\$121,620</u>	<u>\$249,660</u>
<b>Total</b>	<b>\$206,640</b>	<b>\$171,210</b>	<b>\$121,620</b>	<b>\$499,470</b>

Consultant	Hourly Rate	Total Number of Hours		
		Annual Hearing	Supplemental Report	Strategic Plan
Bela Gorman	\$350	103	76	58
Jennifer Smagula	\$280	260	180	62
Don Gorman	\$220	276	256	61
Linda Kiene / Lianna Cohen	\$150	241	318	44
Gabriella Lockhart	\$150	<u>167</u>	<u>157</u>	<u>43</u>
<b>Total</b>		<b>1,047</b>	<b>987</b>	<b>268</b>



## 11. Closing

GA is excited for the opportunity to build upon our strong relationship with the NHID and to leverage our industry experience and our New Hampshire specific experience by working with you on the next three years of annual hearings, annual hearing reports, supplemental reports and strategic plan for data collection efforts. We believe our team provides the skills and expertise to continue to enhance the value of the annual hearing reports, supplemental reports, and overall data efforts in the upcoming years.

## 12. Resumes

This section contains resumes for each individual expected to perform work under the proposal:

- **Bela Gorman, FSA, MAAA**
- **Jennifer Smagula, FSA, MAAA**
- **Don Gorman**
- **Linda Kiene, ASA, MAAA**
- **Lianna Cohen**
- **Gabriella Lockhart**



# Bela Gorman FSA, MAAA

---

## Experience

2005 - Present Gorman Actuarial  
Marlborough, MA

### Actuarial Consultant

#### ▪ Rate Filing Review Experience:

- Performed small group and individual rate filing reviews for **Massachusetts Division of Insurance** (CY 2010 – Present)
- Performed small group and individual rate filing reviews for the **Rhode Island Office of the Health Insurance Commissioner** (CY2013 – Present)
- Developed recommendations for the **New Hampshire Insurance Department** to create rate filing review exhibits, improved rate review process and database (CY2011 – 2013)
- Reviewed rate filings for **Massachusetts Commonwealth Connector**
- Provide actuarial consulting services specializing in health care analysis, pricing, risk assessment and modeling
- Responsible for marketing and sales of services
- Performed health reform modeling analyses for the nongroup and small group markets for Massachusetts, Maine, New York, and Wisconsin
- Assisted Massachusetts Attorney General's Office in provider reimbursement analysis
- Assisted the Dirigo Health Agency in writing potential legislation for the nongroup market; Also assisted in RFP development and evaluation for Insurance Carrier Selection
- Presented Reform Options to Maine's Joint Standing Committee on Insurance and Financial Services
- Performed claims projections for subsidized programs including Massachusetts' Commonwealth Care, New York's Family Health Plus, and Maine's DirigoChoice
- Designed and Conducted Long Term Care Insurance Survey for the Massachusetts Division of Insurance
- Performed plan design analyses for various clients
- Performed Underwriting function for small HMO
- Developed budget model for Medicare Advantage population for HMO

1999-2004 Harvard Pilgrim Health Care Wellesley, MA

### Director, Actuarial Services

- Responsible for product pricing and revenue forecasting for all Harvard Pilgrim products (HMO, POS, PPO, & Medicare) – approx \$1.5B in

revenue

- Created and led the Pricing Strategy Team, which is a cross corporate team of Sales & Actuarial/Underwriting Senior Management
- Responsible for Underwriting pricing models and rating formulae
- Built an Actuarial department that eliminated the outsourcing of Actuarial services
- Performed day to day duties managing the Actuarial Pricing Department
- Key contributor to Corporate Product Development Team and Trend Team
- Responsible for MA, NH, and ME rate filings for all products
- Guided Actuarial Department during Harvard Pilgrim Receivership, including analyses and presentations to senior management, MA Division of Insurance, and potential investors

1996-1998 PricewaterhouseCoopers San Francisco, CA

**Actuarial Consultant**

- Developed Medicaid mental health rates for the state of Kentucky.
- Developed financial projections, capitation requirements, and cost-saving alternatives for several large eastern Massachusetts hospitals.
- Developed economic models for disease management programs for a large pharmaceutical company.

1995-1996 Harvard Pilgrim Health Care Quincy, MA

**Senior Actuarial Analyst**

- Developed HMO premium rates and Underwriting rating methodologies
- Analyzed hospital contracts and assessed impact on rates.

1993-1995 Blue Cross & Blue Shield of MA Boston, MA

**Senior Actuarial Analyst**

- Developed quarterly rates for all managed care products.
- Developed quarterly financial forecasts using financial models for all managed care products.
- Performed ad hoc analyses relating to benefit changes, contracting changes, and company financial status.

1991-1993 Blue Cross & Blue Shield of MA Boston, MA

**Underwriter**

- Developed group medical insurance rates for managed care and traditional health insurance products.

**Education**

Boston University, 881 Commonwealth Ave. Boston, MA 02215

1987-1991 B.A., Mathematics & Economics, Cum Laude

Fellow of the Society of Actuaries

Member of the American Academy of Actuaries

**Additional  
Professional  
Activities**

- American Academy of Actuaries, Uninsured Work Group, CY 08, CY 09
- Panelist for National Health Care Forum, March 2009
- Panelist for "Financing the U.S. Health System" Forum, Bipartisan Policy Center, Portland, Maine – September 2008
- President of Boston Actuaries Club – 2007
- Vice President of Boston Actuaries Club – 2006
- Author – "Update on Massachusetts Health Care Financing Reform", Health Watch January 2008, Actuarial Publication
- Presenter at SOA Pharmacy Seminar - "Managing Pharmacy Trends" July 2006
- Co-Author and Presenter of actuarial study and summary paper - "Managing Pharmacy Trends" at May 2004 Pharmacy Symposium sponsored by the Society of Actuaries

# Jennifer Smagula

Jenn@GormanActuarial.com

## **EXPERIENCE: Actuarial Consultant, Westford, MA (Jul 2010 - Present)**

Independent consulting actuary with the following experience:

- Analyzing the impact of the ACA for several state agencies to help inform policy decisions and understand the financial impact to their various markets.
- Conducting research on rate review practices and regulations by state with goal of developing best practices.
- Detailed provider payment financial analysis for state agency including analysis of differences in payments by carrier and provider groups and correlation between provider payments and quality metrics.
- Other actuarial support including financial forecasting for carriers and large employer groups, benefit pricing and trend management analysis.
- Volunteer with American Academy of Actuaries to develop practice notes for Rate Review and Actuarial Value & Minimal Value.

## **Blue Cross Blue Shield of Massachusetts, Boston, MA (Jan 2006 – Jun 2010)**

Actuary in the Actuarial, Underwriting & Analytic Services Department. Responsible for pharmacy pricing and senior products. Experience included:

- Quarterly review of pharmacy rating trends for both Commercial and Medicare products.
- Led financial analysis of pharmacy benefit manager RFP process.
- Developed pricing and led financial strategy for senior products including Medicare Supplement and Medicare Advantage products.

## **Harvard Pilgrim Health Care, Wellesley, MA (Mar 2003 – Dec 2005)**

Manager in the Actuarial Pricing Department. Responsible for Commercial and Medicare pricing and rating strategy. Experience included:

- Analyzed cost and utilization trends for medical and pharmacy products, including analyses by market segment.
- Responsible for New Hampshire & Maine Commercial Rate Filings and responsible for Medicare Advantage Rate Filings.
- Forecasted premium revenue for annual corporate budget.

## **PricewaterhouseCoopers LLP, Boston, MA (Jul 1999 – Mar 2003)**

Actuarial Consultant in the Health and Welfare Group. Analyzed health plans while working closely with clients and senior staff on client projects. Experience included:

- Calculation of unpaid claim liability for various insurers and self-insured employers.
- Determination of post-retirement health and life insurance benefit liability for several clients.

## **PROFESSIONAL CREDENTIALS:**

- Obtained Fellow of Society of Actuaries designation in August 2007.
- Member of the American Academy of Actuaries since August 2004.

## **EDUCATION: Tufts University**

Bachelor of Science in Mathematics with a Minor in Economics  
Graduated *Cum Laude*; Dean's List

Experienced user of Microsoft Access, Excel, Word, and PowerPoint and some experience with SAS.

# Donald F. Gorman

---

## Accomplishments

- Project Manager for many actuarial and technical projects
- Lead data analyst for several health insurance market reform studies
- Fifteen years of Systems Engineering experience
- Chief Systems Architect at Motorola's Acadia Application Integration Center
- For five years, managed the Acadia Systems Engineering Group, which performed analysis, support and design of ISV applications for Motorola Digital Settop Boxes and network
- Project Manager for the CS-1000, the Motorola Carousel Server
- Awarded Raytheon Micciolli Scholarship 1995

## Professional Experience

**Secretary and Treasurer** – Gorman Actuarial, Inc.      Marlborough, MA • May, 2014 – Present

**Consultant** – Gorman Actuarial      Marlborough, MA • March, 2006 – Present

- Project Manager and data analyst for the study of the Massachusetts Small Group and Non-Group Merger, which was delivered December 2006.
- Project Manager for New York State Small Group and Individual Market Merger Study.
- Perform statistical analysis to determine health insurance premiums.
- Provided actuarial analysis for the study of Reform Options for the State of Maine Individual Health Insurance Market. Created a reinsurance model for the Maine Individual and Small Group Markets, which modeled the impact of various reinsurance programs on the insured market. Presented results to the Maine Legislature in May 2007.
- Collected, summarized and analyzed small group market data from approximately 12 carriers for the State of Wisconsin.
- Project manager for Long Term Care Insurance Survey project for the Massachusetts Division of Insurance. Developed written and oral survey instruments and summarized survey results from 30 states.

**Chief Systems Architect** – Motorola Acadia AIC, Lexington, MA • January, 2001 – March, 2006

- Lead and managed all Systems Engineering activities at Acadia AIC, which is a 50+ person Motorola laboratory.
- Worked with Independent Software Vendors (ISVs) and assisted in the design and architecture of system and software solutions for digital cable television applications. Provided expert guidance on product architecture.
- As the technical liaison for the Marketing department I worked with prospective partners to evaluate product offerings.
- Project Manager for the Acadia developed CS-1000, which is an industry leading, client/server virtual file system solution.

**Systems Engineer** – Motorola Acadia AIC, Lexington, MA • February, 2000 – January, 2001

- Worked with Independent Software Vendors (ISVs) and assisted in the design and architecture of system and software solutions for digital cable television applications.

**Senior Engineer – Theater High Altitude Area Defense (THAAD) – Raytheon Co., Sunnyvale CA • 1997 – 2000**

- Performed radar analysis for the THAAD program.
- Identified and solved integration issues regarding radar performance at the System Integration Lab (SIL) including interaction with BMC3 and Missile segments.
- Developed graphical analysis tools using Matlab to automate data analysis.
- Responsible for testing and modifying software used for SIL scenario generation.
- Prepared briefings and presented results of radar and weapon system performance to THAAD segments and customer.

**Lead Engineer – Medium Extended Air Defense System (MEADS) Raytheon Co., Bedford, MA • 1996 – 1997**

- Lead engineer for the MEADS Radar IPT simulation team. Task lead of international team composed of Raytheon and Siemens engineers. Responsible for manpower forecasts, task scheduling, hardware and software specifications.
- Developed simulation requirements for MEADS Radar IPT including a real-time, DIS compliant radar model and a high fidelity simulation used for radar design studies.

**Engineer – Ship Self Defense System (SSDS) Raytheon Co., San Diego, CA • 1995 – 1996**

- Analyzed radar data generated by SPS-49, SPS-67 track and acquisition radar for ship based defense system.
- Developed test plans to verify radar requirements and created data analysis programs to analyze system performance.

**Member of Technical Staff – Raytheon Co., Tewksbury, MA • 1991 – 1994**

- Member of Technical Staff
- Performed engineering and statistical analysis of air defense systems including PATRIOT and Hawk to determine system effectiveness. Designed and tested data fusion algorithms to incorporate data from multiple sensors. Developed and analyzed algorithms for ballistic missile launch point determination.
- Developed a simulation to analyze phased array radar performance.
- Supported engineering analysis and software evaluation for PATRIOT system at White Sands Missile Range (WSMR).

## **Computer and Software Skills**

Software: C/C++, FORTRAN, Java, HTML, XML, SQL

Operating Systems: UNIX, Linux, VAX VMS, MAC, Windows NT, XP

Applications: Matlab, MathCad, Mathematica, Word, Excel, PowerPoint, Project, Access, SAS

## **Education**

Duke University, Box 90754 Durham, NC 27708-0754

1994-1995 Master of Science in Electrical Engineering in 1995

Boston University, 881 Commonwealth Ave. Boston, MA 02215

1987-1991 Bachelor of Science in Electrical Engineering in 1991

## Linda M. Kiene, ASA

42 John Carver Road, Reading, MA 01867 • 781-942-9344(h) • 617-966-1977(c) • LMKiene@verizon.net

---

### **Summary:**

Non-traditional career ASA with over 20 years of experience in the US insurance industry and a strong focus on product development and product management of insurance products. Participative leadership style with excellent communication skills and extensive experience working with cross-functional teams.

### **Professional Experience**

2008 to 2012 | Sharper Financial Group LLC

*Executive Vice President and COO*

- Consulted on marketing and development of retirement products and programs, including advisor and consumer education tools.
- Conducted a detailed review of fixed annuity product and business specifications of a major industry provider identifying and addressing any administrative or design issues.
- Provided a detailed review of a major industry provider fixed annuity product filing package.
- Completed a comprehensive technical review of major industry provider's existing retirement income product allocation including evaluating tools, methodology and assumptions used, as well as the positioning with the sales process.

2002 to 2008 | MetLife

*2004 to 2008: Assistant Vice President and Actuary, Annuity Product Management*

- Responsible for the development, line management and broad implementation support of fixed accumulation annuities and income annuities across MetLife's Individual Annuity distribution franchises.
- Laid the groundwork for the launch of new innovative income products and features that aligned with corporate strategic initiatives.
- Provided proactive management of existing products including implementing a common enterprise platform, establishing process improvements and eliminating pricing inconsistencies.
- Supported exceptions, large case sales, and product questions from the field and internal customers
- Maintained and respond to corporate requirements for pricing of Income Products
- Led the integration of an acquired block of business
- Directed the development of two Directors, two Actuarial Consultants and a Product Manager.
- Maintained effective relationships with multiple distribution franchises

*2002 to 2004: Product Management Actuary, Annuity Product Management*

- Oversaw the pricing of fixed annuity products
- Responsible for state filings and development of product specifications
- Reviewed system specifications, marketing materials, client statements and correspondences, and administrative process and procedures of annuity products
- Mentored, developed and managed two Actuarial Consultants and a Product Manager

## 1995 to 2002 | Keyport Life Insurance Company

### *1999 to 2002: Director of Life Products, Product Management*

- Developed a complete business strategy for a new variable life insurance product line including distribution, operational, financial, and marketing components.
- Negotiated, implemented, and maintain a joint venture with a major insurance company to manufacture Keyport annuity products for their captive distribution.
- Mentor, develop and manage one Product Manager.

### *1995 to 1999: Assistant Actuary, Product Development*

- Researched, priced and designed variable, fixed and equity indexed annuities including innovative riders.
- Developed and validated pricing models (static and stochastic) for all products and guaranteed benefits using PTS, TAS and Excel.
- Evaluated reinsurance alternatives.
- Conducted competitor and market research via tools and field interviews.
- Developed and priced a variety of compensation structures for all products.
- Provided support and training to implementation teams, Administration and Sales.
- Negotiated and monitored contract exceptions with distribution firm and brokers.
- Created and implemented internal exchange guidelines to facilitate asset retention.
- Responsible for mentoring and managing one actuarial student.

## 1991 to 1995 | New England Financial

### *Actuarial Assistant*

- Designed workflows and procedures for the administration and financial reporting of a second-to-die variable life insurance product.
- Worked with the Audit Department on policyholder complaints and state insurance department inquiries.
- Served as a home office product specialist for agents.
- Coordinated the rollout of additional fund offerings for variable life products.
- Prepared periodic financial reports for the Group Life and Health products.



- Analyzed competitive information and recommended rate actions consistent with the competitive position and emerging experience.
- Reviewed various states' insurance reform legislation, implemented any mandatory changes, responded to state reinsurance pools, and responded to questions from the insurance departments.

### ***Professional Affiliations***

- Served on several LOMA and LIMRA Annuity Committees.
- Associate of the Society of Actuaries

### ***Education***

Tufts University | B.A. in Quantitative Economics

American University of Paris

### ***Community Leadership***

- Treasurer of the Birch Meadow Elementary School Parent/Teacher Organization
- Director of the "Parent Guild" of the Reading Montessori School

# Lianna C. Cohen, MPH



144 Sutherland Road, Apartment 4 • Boston, MA 02135 • Phone: (908) 565-3484 • E-Mail: LCohen@freedmanhealthcare.com

## Experience

Analyst October 2014 - Present  
Freedman HealthCare, Newton, MA

- Facilitate reporting and evaluation of several state-specific All Payer Claims Database (APCD) efforts
- Develop methods for cost of care and utilization analyses
- Conduct qualitative and quantitative assessments for a variety of projects using SAS, Microsoft Excel, and other statistical analysis programs

Public Health Fellow July 2014 - October 2014  
The Dartmouth Institute for Health Policy and Clinical Practice, Lebanon, NH

- Coordinated development and training of the health care and public health workforce in New Hampshire
- Led and managed a team of Career Mentors for the Health Careers Institute at Dartmouth
- Designed and implemented curriculum for student education programs
- Provided grant writing, reporting, and data entry support

Public Policy Intern April 2014 - June 2014  
The Lown Institute, Brookline, MA

- Studied the relationship between overuse of health care resources and variations in payment systems globally
- Developed resources for the *Overuse Library*
- Reviewed and analyzed cesarean section rates by country to establish global variation

Career Mentor, The Health Careers Institute at Dartmouth 2008 - 2013  
Dartmouth College, Hanover, NH

- Provided instruction on the role of health policy in the medical field and public health opportunities in the community
- Implemented a health careers-focused education program for high school students

## Education

Master of Public Health June 2014  
Geisel School of Medicine at Dartmouth, Hanover, NH

Significant coursework in data management and analysis, quality improvement, strategic planning and financing, and a Capstone titled *An Examination of U.S. Aid in Dying Policies through an Ethical Lens*.

Bachelor of Science, Biological Chemistry May 2013  
Bates College, Lewiston, ME

Leadership experience co-founding the Bates Public Health Initiative and Free Clinic at the Trinity Jubilee Center, academic concentrations in Public Health and Applying Mathematical Methods, completion of pre-medical coursework, and two years of independent research culminating in a Senior Thesis.

## Skills

- Competency in SAS, Stata, and Microsoft Office
- Skilled in research library software (EndNote)
- Highly proficient writing and editing skills in multiple and audience appropriate formats
- Experience managing and leading a team
- Interview and focus group facilitation experience
- Ability to work successfully with others on collaborative projects and efforts
- Exceptional organizational and time management skills
- Program management experience

# Gabriella Van Schoyck Lockhart

## Professional Experience

**Freedman HealthCare, LLC, Newton, MA**

**2013 - Date**

*Writer/Project Manager*

- Creates project work plans and ensures timely completion of all tasks and deliverables
- Facilitates key stakeholder meetings and coordinates with multiple partners to ensure timely completion of deliverables
- Prepares and presents materials for internal and external audiences
- Writes grant proposals, reports, briefing documents, and case statements
- Develops supporting documentation (work plans, logic models, budget narratives)
- Conducts literature searches and background research to inform projects
- Solicits organizational and programmatic information from clients
- Synthesizes and assimilates complex concepts into actionable information

Notable projects include:

- **Project Manager – Commonwealth Care Alliance** – from August 2013 to July 2014, oversaw the dental program for the One Care and Senior Care Options health plans. Activities included convening CCA leadership to identify strategies for improving the dental program; managing the relationship with the dental benefits administration vendor to address day to day member issues; coordinating member case reviews with CCA's external dental consultant; procuring a new dental benefits administrator, including writing the Request for Proposals, facilitating the selection process, coordinating contract execution, and helping lead the four month implementation process to transition to the new vendor; and facilitating regular meetings, internally and with both vendors, to keep the transition process on schedule.
- **Writer – Massachusetts Association of Health Plans** – researched and wrote a white paper that examined the key trends in cost and quality of health care in the Massachusetts marketplace over the last five years. The paper, titled "Understanding the Health Care Cost Drivers and Trends in the Commonwealth: a Review of State Reports (2008-2013)," identified and summarized ten common findings from sixteen health care cost and quality reports published by CHIA, AGO, DOI, and HPC.
- **Grant Writer** – Developed several grant proposals ranging from \$50,000 to \$9 million on behalf of clients that included **Signature Healthcare, Lahey Health, and Boston Health Care for the Homeless Program**. For each project, managed the proposal development process by creating a project work plan and timeline detailing each component of the grant application to ensure timely completion of all deliverables; facilitated frequent check-ins with the client via phone, email, or in-person meetings to fully understand the client's vision and flesh out the proposal narrative; and advised client on narrowing or revising the proposed scope of work to transform the proposal into a compelling and fundable grant application.

**National Center for Environmental Health, U.S. Centers for Disease Control, Atlanta, GA** 2013 - 2012

*ORISE Research Participant*

Supported CDC/NCEH's Water, Sanitation, and Hygiene Team on its Haiti-related projects, including providing technical assistance to the Government of Haiti's National Directorate for Water Supply and Sanitation (DINEPA); helped develop and translate a 2-week training course for 264 rural water and sanitation technicians across Haiti; supported DINEPA in hiring new staff; assisted in facilitating the development of a monitoring and evaluation system for DINEPA's program activities in the rural water and sanitation sector; regularly communicated with and visited DINEPA program staff both in their national offices and on the field.

**Emory University – Rollins School of Public Health, Atlanta, GA**

**2011 - 2011**

*Teaching Assistant – Department of Global Health*

Supported Dr. Christine Moe with the coordination and implementation of her graduate course, GH529 "Water and Sanitation in Developing Countries"; aided in development of the course syllabus and coordination of guest lecturers; graded all student assignments; trained and supported students in lab-based water quality testing; and mentored students with questions and issues that arose during the course of the semester.

**The Center for Global Safe Water at Emory University, Atlanta, GA**

**2011 - 2010**

*Graduate Research Assistant*

Assisted the Director and other staff members with the Center's ongoing and upcoming projects in the field of water, sanitation, and hygiene; responsibilities included developing an index of organizations involved in WASH projects in Haiti, writing grant proposals, conducting literature reviews, and researching and preparing materials pertaining to Center projects.

**Innovations for Poverty Action, Busia, Kenya** 2011 - 2011  
*Project Associate for the Latrine Training Mat Project*  
Managed a team of eight field officers and data translators/transcribers to coordinate and implement a children's sanitation intervention in two villages in rural western Kenya, using qualitative research methods to understand the feasibility and user-acceptability of a child sanitation tool; trained field staff in qualitative research methods; conducted data analysis using MAXQDA10 software; identified key themes in the data and made recommendations to principal investigators and field staff regarding the project's future steps.

**Haitian American Friendship Foundation, Bohoc, Pignon, Haiti** 2010 - 2010  
*Public Relations and Community Development Coordinator*  
Translated a curriculum for a post-earthquake trauma counseling course from English into Haitian Creole; interpreted for the course's instructor during training workshops; wrote public relations materials for the organization; assisted HAFF with the preliminary planning for their organizational transition; attended key stakeholder meetings with Haitian community members, taking notes and submitting synthesized write-ups to HAFF's management team; acted as primary supervisor and coordinator for HAFF's summer community development research intern; managed post-earthquake donation records using Microsoft Excel; and performed various administrative tasks as the need arose.

**Haitian American Friendship Foundation, Bohoc, Pignon, Haiti** 2010 - 2009  
*Volunteer*  
Assisted the staff of HAFF with various projects related to education, health, and community development; acted as consultant in the days and weeks following the January 12 earthquake to help develop the organization's emergency response plan; assisted in the coordination and implementation of earthquake relief and rehabilitation efforts within the community and surrounding areas; performed various administrative duties such as newsletter writing, mailings, and correspondence; shadowed and assisted the Haitian staff at the organization's medical clinic, Clinique Bon Berger.

**Servants in Faith and Technology, Lineville, AL** 2009 - 2009  
*Haitian Creole Interpreter at the International Training Practicum*  
Acted as a simultaneous interpreter for two Haitian development practitioners attending a practicum that provided training in the theory and practices of public health, community development, and appropriate technologies for the developing world; in addition to working as an interpreter, I also attended and completed the practicum as a student.

**Center for Language in Education – Hong Kong Institute of Education, Hong Kong** 2009 - 2008  
*Fulbright Fellow/English Teaching Assistant*  
Taught English and French courses in the institute's self-access language center; developed curriculum materials; met with students one-on-one for English language consultations; organized and led on-campus cultural events for students from various cultures throughout Southeast Asia and Europe; represented the United States as a Fulbright Fellow on two cultural attachments to schools in mainland China.

**Community Development Department, Covenant College, Lookout Mountain, GA** 2008 - 2007  
*Internship Coordinator*  
communicated with students, professors and the health services office to ensure timely completion of deadlines and tasks for international and domestic research internships; created an online index of development organizations and employment opportunities for department graduates; copy-edited French-language training materials; performed various administrative tasks within the community development department.

**Christian Alliance for Economic Cooperation & Social Development, Burkina Faso** 2007 - 2007  
*Research Intern*  
Developed and implemented an evaluation of a women's development program ("IMPACT Transformation") using qualitative research methods such as in-depth interviews and focus group discussions; collected all field data in French; submitted oral and written presentations in French to program field staff; wrote a case study of the development program for my bachelor's thesis.

## Recent Publications

Lockhart G, Oswald WE, Hubbard B, Medlin E, Gelting RG. Development of indicators for measuring outcomes of water safety plans. *Journal of Water, Sanitation and Hygiene for Development*, in press.

Gelting RG, Bliss K, Patrick M, Lockhart G, Handzel T. Water, sanitation and hygiene in Haiti: past, present and future. *American Journal of Tropical Medicine and Hygiene*, 89(4), 2013, pp. 665-670.

Hubbard B, Lockhart G, Gelting RG, Bertrand F. Development of Haiti's rural water, sanitation, and hygiene workforce. *Journal of Water, Sanitation and Hygiene for Development*, in press.

## **Education**

**Emory University – Rollins School of Public Health, Atlanta, GA** 2012  
Masters of Public Health in Global Health

**Covenant College, Lookout Mountain, GA** 2008  
Bachelors of Arts in International Community Development

## **Honors**

**Award for Excellence in Frontline Public Health Service** 2012  
Group Award to Global-WASH Team  
NCEH and ATSDR Honor Awards

**Fulbright Fellowship** 2008-2009  
Fulbright U.S. Student Program  
U.S. Department of State, Bureau of Educational and Cultural Affairs

## **Volunteer Experience**

**Board Member/Advisor** 2012-Present  
Grace Oaks Ministries/Haiti, Let's Read! Rome, GA

**Chair of the Communications, Membership, and Social Networking Subcommittee** 2012-2013  
Executive Committee of the Association of Research Fellows at CDC, Atlanta, GA

**Middle School Small Group Leader** 2012-2013  
Buckhead Church, Atlanta, GA

**English Storybook Reader** 2008-2009  
HKIEd Early Childhood Learning Centre, Hong Kong

**ESL Teacher** 2003-2004  
Primary School of Pignon, Haiti

**ESL Teaching Assistant** 2002-2004  
Bohoc Training Institute, Haiti

# Agreement with Gorman Actuarial, LLC 2014-RRG-401-SR PH

## Exhibit B

### Contract Price, Price Limitations and Payment

Gorman Actuarial (GA) has estimated the total cost for this effort and the not-to-exceed limit of \$499,470. Hours are billed only for time worked, and to the extent hours worked are lower, the costs will be proportionately lower.

GA will submit separate invoices for grant and non-grant related tasks as indicated in the table below. Non-grant related work will be completed by September 30, 2016. GA will submit invoices to the New Hampshire Insurance Department on the first business day of each month. Invoices will contain the total number of hours and corresponding labor charges for each member of GA and their subcontractors for the preceding calendar month. Invoices will be submitted electronically.

	Year 1 (2015)	Year 2 (2016)	Year 3 (2017)	Total 3 Years
<b>Annual Hearing &amp; Report</b>				
Grant	\$49,740	\$44,810	\$0	\$94,550
Non-Grant	<u>\$35,850</u>	<u>\$35,220</u>	<u>\$65,150</u>	<u>\$136,220</u>
Total	\$85,590	\$80,030	\$65,150	\$230,770
<b>Supplemental Report</b>				
Grant	\$48,350	\$42,780	\$0	\$91,130
Non-Grant	<u>\$30,250</u>	<u>\$26,720</u>	<u>\$56,470</u>	<u>\$113,440</u>
Total	\$78,600	\$69,500	\$56,470	\$204,570
<b>Strategic Plan</b>				
Grant	\$42,450	\$21,680	\$0	\$64,130
Non-Grant	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total	\$42,450	\$21,680	\$0	\$64,130
<b>Grand Total</b>				
Grant	\$140,540	\$109,270	\$0	\$249,810
Non-Grant	<u>\$66,100</u>	<u>\$61,940</u>	<u>\$121,620</u>	<u>\$249,660</u>
<b>Total</b>	<b>\$206,640</b>	<b>\$171,210</b>	<b>\$121,620</b>	<b>\$499,470</b>

It is anticipated that the contract will run through December 31<sup>st</sup>, 2017.

**Agreement with Gorman Actuarial, LLC  
2014-RRG-401-SR PH**

**Exhibit C**

**Special Provisions – Modifications, Additions, and/or Deletions to  
Form P-37**

Gorman Actuarial offers consulting services by self-employed persons working out of their home, and are therefore exempt from the definition of an employer (RSA 281-A) and the workers compensation requirement indicated under item number 15 of the P-37.

At the end of calendar year 2014, the business entity Gorman Actuarial, LLC will be dissolved with all projects associated with Gorman Actuarial, LLC being assumed by Gorman Actuarial, Inc., a Massachusetts corporation formed on May 2, 2014. Gorman Actuarial, LLC has a current Certificate of Good Standing from the New Hampshire Secretary of State. It the intention of Gorman Actuarial, Inc. to submit all paperwork required to register the corporate entity in New Hampshire by January 2014.

State of New Hampshire  
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Gorman Actuarial, LLC, a(n) Massachusetts limited liability company registered to do business in New Hampshire on February 7, 2011. I further certify that it is in good standing as far as this office is concerned, having filed the annual report(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 12<sup>th</sup> day of August, A.D. 2014

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State



RECEIVED BY  
NH INSURANCE DEPT

DEC 09 2014

**CERTIFICATE OF AUTHORITY/VOTE**  
(Limited Liability Company)

I, Bela Gorman, hereby certify that:  
(Name of Sole Member/Manager of Limited Liability Company, Contract Signatory - Print Name)

1. I am the Sole Member/Manager of the Company of Gorman Actuarial, LLC.  
(Name of Limited Liability Company)

2. I hereby further certify and acknowledge that the State of New Hampshire will rely on this certification as evidence that I have full authority to bind Gorman Actuarial, LLC  
(Name of Limited Liability Company)

and that no corporate resolution, shareholder vote, or other document or action is necessary to grant me such authority.

Bela Gorman  
(Contract Signatory - Signature)

Dec 8, 2014  
(Date)

STATE OF Massachusetts

COUNTY OF Middlesex

On this 8<sup>th</sup> day of December 2014, before me Kathryn Coffin  
(Day) (Month) (Yr) (Name of Notary Public / Justice of the Peace)

the undersigned officer, personally appeared Bela Gorman, known to me (or  
(Contract Signatory - Print Name)

satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained. In witness whereof, I hereunto set my hand and official seal.

(NOTARY SEAL)

Kathryn A. Coffin  
(Notary Public / Justice of the Peace -Signature)

Commission Expires: 



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
8/6/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

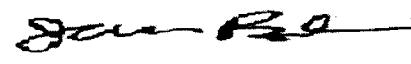
<b>PRODUCER</b> BERLINER-GELFAND & CO INC 188 Main Street - Suite A  Monroe CT 06468	<b>CONTACT NAME:</b> Sheila Castro <b>PHONE (A/C, No, Ext):</b> (203) 367-7704 <b>E-MAIL ADDRESS:</b> Sheila@BerlinerInsurance.com	<b>FAX (A/C, No):</b> (203) 333-0710
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> GORMAN ACTUARIAL, LLC. 210 ROBERT RD  MARLBOROUGH MA 01752	<b>INSURER A:</b> Sentinel Insurance Co <b>NAIC #</b> 11000	
	<b>INSURER B:</b> EVANSTON INSURANCE CO	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	

**COVERAGES**      **CERTIFICATE NUMBER:** 2014-15 Certs      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b>		31SBAZN8964	1/20/2014	1/20/2015	EACH OCCURRENCE \$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR					MED EXP (Any one person) \$ 10,000
	<input checked="" type="checkbox"/> Employee Dishonesty					PERSONAL & ADV INJURY \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					GENERAL AGGREGATE \$ 4,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					PRODUCTS - COMP/OP AGG \$ 4,000,000
	<b>AUTOMOBILE LIABILITY</b>					Empl Dishonesty \$ 25,000
	<input type="checkbox"/> ANY AUTO					COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per person) \$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS				BODILY INJURY (Per accident) \$
	<b>UMBRELLA LIAB</b>	<input type="checkbox"/> OCCUR				PROPERTY DAMAGE (Per accident) \$
	<b>EXCESS LIAB</b>	<input type="checkbox"/> CLAIMS-MADE				\$
	<input type="checkbox"/> DED	<input type="checkbox"/> RETENTIONS \$				\$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>					WC STATUTORY LIMITS
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y/N	N/A			OTHER
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. EACH ACCIDENT \$
B	Professional		EO-855174	10/16/2013	10/16/2014	E.L. DISEASE - EA EMPLOYEE \$
						E.L. DISEASE - POLICY LIMIT \$
						\$1,000,000/\$2,000,000      \$5,000 Ded

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)**  
 Proof of Insurance

<b>CERTIFICATE HOLDER</b>  New Hampshire Insurance Department Tyler Brannen NH	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	<b>AUTHORIZED REPRESENTATIVE</b>  James Berliner/SC 

## STANDARD EXHIBIT I

The Contractor identified as in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 and those parts of the HITECH Act applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the New Hampshire Insurance Department.

### BUSINESS ASSOCIATE AGREEMENT

#### (1) Definitions.

- a. "Breach" shall have the same meaning as the term "Breach" in Title XXX, Subtitle D. Sec. 13400.
- b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.

- m. “Secretary” shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. “Security Rule” shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. “Unsecured Protected Health Information” means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

**(2) Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
  - I. For the proper management and administration of the Business Associate;
  - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402 of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.
- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

**(3) Obligations and Activities of Business Associate.**

- a. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402.
- b. The Business Associate shall comply with all sections of the Privacy and Security Rule as set forth in, the HITECH Act, Subtitle D, Part 1, Sec. 13401 and Sec.13404.
- c. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- d. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section (3)b and (3)k herein. The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.
- e. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- f. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- g. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- h. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- i. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

- j. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- k. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

**(4) Obligations of Covered Entity**

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

**(5) Termination for Cause**

In addition to standard provision #10 of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

**(6) Miscellaneous**

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, and the HITECH Act as amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the

changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.

- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule and the HITECH Act.
- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section 3 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

The NA Insurance Department

The State

Alexander K. Feldvebel

Signature of Authorized Representative

Alexander K. Feldvebel

Name of Authorized Representative

Deputy Commissioner

Title of Authorized Representative

12/9/2014

Date

Gorman Actuarial, LLC

Name of the Contractor

Bela Gorman

Signature of Authorized Representative

Bela Gorman

Name of Authorized Representative

President

Title of Authorized Representative

12/08/2014

Date