

Board of Directors
January 27, 2025, 1:30 p.m.
MINUTES

The Non Profit Insurance Program Board of Directors conducted a Fiscal Committee meeting via conference call on January 27, 2025, at 1:30 p.m.

ITEM 1: INTRODUCTION & ROLL CALL

<u>Board Member Name:</u>	<u>Representation Member Entity:</u>	<u>Board Position:</u>	<u>Attendance:</u>
Amber Johnson	Spokane Neighborhood Action Partners	At Large 1 - Treasurer	Present
Karl Johanson	Disability Action Center NW Inc.	At-Large 3	Present
Julie Vess	Stanwood Camano Area Foundation	Provisional At-Large 4	Present
Madelyn Carlson	People for People	Region 3	Present
Mike Heinisch	Kent Youth and Family Services	At-Large 2 - President	Present
Susan Kingsbury-Comeau	Mt. Si Senior Center	Provisional Region 1	Present
VACANT		Region 2	
VACANT		Region 4	
VACANT		Region 1 - Secretary	
<u>Clear Risk Solutions:</u>		<u>Guests:</u>	
Becca Kirsch	Liz Ralston	David Harrison – Fusion	
Byron Riche	Rachel Huffman		
Claire Hanberg	RaeAnna Hand		
Elizabeth George	Sarah McDonnell		
Jessika Tempel	Tammy Wiersma		
	Zac Berryman		

President Heinisch welcomed all in attendance and noted that a quorum was present.

ITEM 2: PUBLIC COMMENT

None.

ITEM 3: CHANGES TO THE AGENDA

None.

ITEM 4: COMMITTEE REPORTS

STANDING COMMITTEES:

ITEM 4(A) – Fiscal & Renewal Committee (Johnson-Chair, Kingsbury-Comeau, Vess, Johanson):

- a) Fiscal-Quarterly Summary (A/R, write-offs, bank transfers, vouchers) – Johnson reported that the committee reviewed the fiscal items noted on the summary prior to the full board meeting. There were no write-offs. The committee reviewed the Vouchers, A/R, bank transfers with no concerns to present to the full board.
- b) Mid-year 11/30 financials presentation – Johnson reported that the committee met earlier that day where staff gave a financial presentation on the balance sheet, income statement, and solvency test.
- c) Renewal status check-in – Johnson reported that staff is working on renewal and looking at different carriers and reaching out to brokers with changes. She mentioned that staff will have updated on the dashboard for the Board to view and there will be more updates at the next meeting.
- d) Notices of conditional/nonrenewal – Johnson discussed the budget process reminder and notice of conditional and nonrenewal notices dates are coming up. McDonnell added in that the notice date is 3/2/25

for brokers so they will know ahead of time. Johnson reported that staff is working on a policy for collection of payment and should expect to have that for review at the March Board meeting.

- e) Budget process reminder – McDonnell reported that the budget process is already started, and staff is working to get carrier quotes put together and a budget for this next renewal. She reminded the Board that once the Board approves the budget, staff can allocate rate. Preliminary budget should be ready at the March Board meeting and the final budget will be ready later in the summer.

ITEM 4(B) – Executive Committee (President: Heinisch, Secretary/Vice President: Vacant, Past President: Johnson):

- i. Board Director Discipline Policy (note process change) – Heinisch reported that the Board of Directors changed the Board Director Discipline Policy at the last meeting. Johanson mentioned that in order to remove a Board member there should be an appeal process involved and have to take that to the vote of the membership since Board members are appointed by the membership.
- ii. RFP timeline – Heinisch reported that the RFP and Broker of record happen every five years and this year we have to go out for RFP for Third Party Administrator (TPA) and Broker of Record (BOR). McDonnell reminded the Board that it's not just TPA it's a Program Administrator because in the insurance world TPA is just claims. Staff is looking to get the RFP process started this summer and will help with publishing, but then everything else will be up to the Board to review. Heinisch mentioned that this can be sensitive but would like to have staff publish RFP and turn it over to the Board.
- iii. Post board meeting questionnaire – Heinisch reported that the Board of Directors is looking to get a post meeting questionnaire out after meetings for Board members to fill out and evaluate that last Board meeting. He thought this would be good to have and wanted to bring it to the full Board for discussion. Johanson, Vess, Johnson, and Carlson were all supportive. Heinisch discussed that the Board will look to do this after the next Board meeting, no motion was needed.
- iv. Self-Evaluation process – Heinisch reported the self-evaluation process and how it's done annually, and he wanted to open it up to the Board for discussion if this should be done annually or look to do one every other year. Carlson, Vess, Johanson, and Kingsbury-Comeau all agreed they think this should be done annually. There was no other discussion and no motion was needed.

OTHER COMMITTEES:

Legislative Committee (Johanson, Carlson, Heinisch):

- i. Lobbyist Report – McDonnell reported that the committee met the week prior with the lobbyists and went over the write-up on the session and some of the initiatives coming into place. She reported that the lobbyists are doing a great job keeping the committee and staff updated on bills that may relate to NPIP. Also, there was discussion on studies for the housing house fund and there are a couple bills coming from permanent housing for condos and looking to see if NPIP should be a part of that. Carlson added that the campaign for statewide reform with state agencies is coming up and Heinisch and Carlson plan on attending.

Board Governance Committee (Carlson, Johnson):

- i. Recruitment update – Carlson gave a shoutout to Heinisch with recruiting David Harrison to attend the Board meeting. She also reported that Heinisch was able to reach out to another interested individual that plans to attend the next Board meeting.

ITEM 5: CONSENT AGENDA

The Consent Agenda items were reviewed prior to the meeting by all board members. Carlson moved to approve the Consent Agenda as presented. The motion was seconded by Johanson. No one opposed to the motion and as all were in favor, the motion passed.

The Consent Agenda consisted of the following:

- a) Voucher #24/25-06 (November)
- b) Voucher #24/25-07 (December)
- c) Minutes 10/2024
- d) New & Lost Members – 2Q
- e) Balance Sheet – 11/30/24

- f) Income Statement – 11/30/24
- g) Solvency Test – 11/30/24
- h) Notices of Nonrenewal

ITEM 6: BOARD/STAFF COMMUNICATION

- i. Quarterly Gumball Goals Update – McDonnell discussed the quarterly update on the gumball goals. She discussed the equity goal and how this is an intentional goal and right now with the positive claim performance that is helping see more of a positive midyear but will go over that more in March. McDonnell discussed how staff is working on revamping the Board Orientation and staff's plan is to come back to the Board with recommendations at a future meeting. Last goal she discussed was adverse selection and how staff wants to make sure the pool isn't made up of high claim members, making sure there are good performing members in the pool. There were no questions and no further discussion.
- ii. CRS Updates – McDonnell reported that the staff's temporary space downtown is coming along, but there were no other updates on that at this time. Berryman reported that staff has formed a committee for sexual abuse claims and really working together to see how to improve trainings to help with these claims. McDonnell mentioned NPIP doesn't have a lot of sexual abuse claims but wanted to note that with CRS having that knowledge this could cross over to NPIP.

Huffman reported to the Board some highlights for underwriting in 2024. The Underwriting department processed about 4,400 certificates of coverages and 13,645 endorsement changes for all pools. She reported that NPIP had about 10,000 of those changes.

- iii. Communications Analytics – Hanberg reminded the board that the quarterly communication report is in their packets. She gave an update on the report and analytics and noted last quarter was a little slower, but that is normal with time of year.
- iv. Portfolio considerations – McDonnell updated the Board that there are some conditional notices going out and noted that 28 of them staff is looking into placing those members together. Staff is continuing to work through that and keeping the carriers updated on the progress. She also noted that staff have reached out to all the brokers on those accounts.
- v. Member Performance Reports updated – sample – McDonnell discussed a sample member performance report with the Board and went into detail on the claim's projection and how on the report now frequency comparison and severity comparison are split out. This year will be the first year that the members will receive these reports, brokers already have the reports.
- vi. Coverage agreement & reinsurance treaty – McDonnell reported that Paul Rosner helped draft the coverage agreement and it will be issued to each member once finalized. She reported that the attorney is still working with staff on refining a few pieces still but hope to get this out before the end of the year.
- vii. Retention of members – McDonnell went through the retention list with the Board and asked the Board if they would be able to help with reaching out to members that they know to check-in on them to see what is going on. The Board agreed to review list and reach out to McDonnell after the meeting.
- viii. Mapping project results – Tempel discussed the NPIP member map and how last meeting the Board asked for a visual of where NPIP brokers were located. She walked through the NPIP member map and explained to the Board that all the orange dots are members, and all the blue stars are the brokers. She noted that there are 134 agencies that serve NPIP and how there can be multiple brokers at one agency. She also reported that overall, there are 285 NPIP brokers/CSRs serving NPIP and they are pretty spread out across the state. There were no questions from the Board and no motion was needed.
- ix. Other/Misc – There was no additional topics of discussion.

ITEM 7: ACTION ITEMS

- a. None.

ITEM 8: UPCOMING MEETINGS/CONFERENCES

- a) February 10, 2025 – Fiscal Committee Call – ZOOM
- b) March 24-26, 2025 – Budget/Renewal Board Retreat & Board Meeting – Location TBD
- c) April 14, 2025 – Fiscal Committee Call – ZOOM
- d) May 12, 2025 – Fiscal Committee Call – ZOOM

ITEM 9: EXECUTIVE/CLOSED SESSION

Nothing further.

MEETING ADJOURNED

There being no further business, the meeting adjourned at 3:17 PM

Respectfully submitted,



Jessika Tempel



Michael Heinisch, President