



**TOGETHER, WE ARE  
BETTER!**

**2025  
ANNUAL REPORT**

July 1, 2024 – June 30, 2025 (FY2025)



## Welcome from the Executive Director

Throughout FY2025, HealthTrust's core mission was tested. We faced incredible legislative challenges and our time-tested and proven risk pool model was questioned. As the year unfolded, it became even more apparent that our risk pool model not only works, but works best for New Hampshire's public employers and employees.

Healthcare has become increasingly complex and expensive. The consolidation of providers in New Hampshire, increased utilization of healthcare services, and the skyrocketing costs of specialty drugs have been contributing factors. Despite these challenges, HealthTrust has been delivering on our ongoing commitment to provide high-quality benefits and exceptional services at lower costs and with better outcomes than traditional insurers.

The risk pool model was in the spotlight this past year due to a bill debated in the New Hampshire State Legislature. The bill, SB297, sought to change RSA 5-B, the law governing risk pools in New Hampshire, to only allow assessable plans in New Hampshire and to further lower the maximum amount risk pools maintain in reserves, among other items. This legislation would have outlawed HealthTrust's non-assessable model. While the bill passed the Senate, the House recognized the value of non-assessable risk pools and passed a version of the bill that expressly provided for both non-assessable and assessable risk pools. Ultimately, no changes were approved, however, we do expect the issue to resurface in 2026.

In the spring and summer of 2025, the other two health risk pools in the state announced significant financial challenges that were widely publicized. Both organizations historically targeted lower levels of reserves than HealthTrust's target and, when faced with the rising costs outlined above, depleted these reserves. One closed and went into receivership and the other issued assessments. This closure and these assessments had an immediate impact on budgets for their public sector members.

While HealthTrust was targeted in SB297, the debate over the bill and the subsequent announcements of the financial positions of the health risk pools ultimately showed that our model is working for our members and offers more stability in the ever-shifting marketplace.

Having been tested, HealthTrust successfully navigated market disruptions, proving effective at providing high-quality, cost-effective benefits for public sector employers operating on fixed budgets. We've successfully completed another positive year, outperforming the industry and ensuring enrollees and their families have access to the care they need, succeeding together.

— **Scott DeRoche**  
Executive Director

## Our Model Works:

- **HealthTrust rates were sufficient to cover all claims and administrative fees:** HealthTrust uses a data-driven, transparent, and actuarially determined process to set sufficient rates to cover all claims, reserves, and administrative fees. This approach proved accurate in FY2025 where contributions covered all claims and expenses, despite the increased costs of care in New Hampshire.
- **HealthTrust is outperforming industry benchmarks:** Despite increasing provider and drug costs, increased utilization, and federal legislative and regulatory changes, HealthTrust is performing well. We regularly compare ourselves to local, regional, and national benchmarks. The Anthem benchmark trend for Northeast Commercial State Accounts for FY2025 Per Member Per Month (PMPM) cost was up 14.3%, while HealthTrust's PMPM trend was only up 7.2%. Our prescription drug PMPM trend was even more impressive: up only 3.3% compared to the CVS government account benchmark trend of a 10.7% increase.
- **HealthTrust benefit-rich plans improve access to care and adherence:** HealthTrust offers robust benefit plans, which feature lower out-of-pocket costs (ex. copays, coinsurance, deductibles) and comprehensive coverages (ex. provider networks, formularies) compared to the commercial market. Our plans frequently include better benefits, lower barriers to care, support increased prescription adherence, and invest in well-being. Long-term access to robust benefits leads to healthier populations, and therefore lower costs, over time.
- **HealthTrust is nonprofit and focused on the public sector:** Unlike the commercial market, we are a nonprofit organization that is governed by a board comprised of New Hampshire public sector directors focused on the interests of our members. We listen to our Member Groups and constantly evaluate our programs to make sure our offerings meet the needs of groups and covered individuals.
- **HealthTrust issues non-assessable coverage:** Your contributions (premiums) are the limit of your exposure and we will not require you to pay additional assessments. This protects you, and your taxpayers, from unexpected mid-year bills and year-end assessments. If claims exceed contributions, HealthTrust is responsible for any losses that may occur and will replenish through prospective rate adjustments in future renewals.
- **HealthTrust experienced \$9.5 million gain in Net Position in FY2025:** We covered all claims and expenses for our Member Groups and had a positive impact on our Net Position (reserve). The overall net position for FY2025 increased \$9.5 million to \$43.3 million. For the second year in a row, HealthTrust has steadily rebuilt our capital reserves.

## Is HealthTrust's Reserve Target Reasonable?

### Equivalent Measures of Risk Pool Reserves as a Percent of Contributions for Ease of Comparison

Milliman Actuarially Developed Range for HealthTrust<sup>1</sup>

### HealthTrust Board Adopted Capital Adequacy Reserve (CAR) Target<sup>2</sup>

AGRiP National Net Position Average for Health Risk Pools as of 2023 (n=33)<sup>3</sup>

Guy Carpenter & Company LLC Contribution Leverage Insurance Norm<sup>4</sup>

### Bureau of Securities Regulation (BSR) Methodology in SB297 as Introduced<sup>5</sup>

17% to 28%	22%	34%	33%	12% to 16%
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HealthTrust adopted a target equivalent to 22% of contributions, just below the middle of our actuary's recommended range. Despite industry benchmarks being much higher, our reasonable reserve level would have been outlawed by the low maximums sought by our regulator in SB297.

Other health risk pools in NH historically adopted reserve targets within the 12-16% range preferred by the BSR. Both experienced unexpected claim spikes that could not be covered by contributions — this caused each to deplete their reserves, which resulted in one closing and entering receivership and the other issuing hefty assessments to their public sector members.

# Board Membership and HealthTrust Executive Leadership

HealthTrust is governed by a Board of Directors who represent New Hampshire's municipalities, schools, counties, and other public entities. Our Board, along with everyone on our staff, cares deeply about doing their part to keep our communities strong, healthy, and thriving.



**Daniel Rossner**, Chair  
Business Administrator  
SAU #48 - Plymouth Schools

## HealthTrust Board of Directors



**Susan Hilchey**, Vice Chair  
Director of Human Resources  
SAU #25 - Bedford Schools



**Troy Brown**  
Town Manager  
Town of Littleton



**Michelle Clark**  
Business Administrator  
SAU #66 - Hopkinton Schools



**Russell Dean**  
Town Manager  
Town of Exeter



**Alison Kivikoski**  
Sr. Director of Human Resources  
Rockingham County



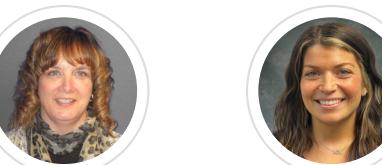
**Brian Rapp**  
Deputy Chief  
Claremont Fire Department



**Timothy Ruehr**  
Chief Financial Officer  
SAU #29 - Keene



**Amy Scholes**  
Teacher  
SAU #21 - Winnacunnet



**Jill Sheing**  
HR Payroll Coordinator  
Strafford County



**Katie Williams**  
Director of Human Resources  
Town of Hanover

Board composition as of June 30, 2025

## HealthTrust Leadership Team

The HealthTrust Leadership Team members bring many years of industry experience and expertise to the organization, and are passionate about helping our Members, Covered Individuals, and New Hampshire's entire public sector. They work together with the HealthTrust Board of Directors to set strategic goals for the organization and lead the team in achieving those goals and fulfilling our mission.

**Scott DeRoche**  
Executive Director

**George Tsiopras**  
Deputy Director and  
Chief Financial Officer

**Jeanne Herrick**  
General Counsel

**Jason Kalgren**  
Chief Information  
Officer

**Lynne Turmel**  
Director of Risk Pool  
Operations

# About HealthTrust

Founded in 1985 to exclusively serve New Hampshire's public sector, we are a nonprofit provider of medical, prescription drug, dental, life, and disability benefit plans, health-boosting well-being programs, and exceptional Member and Enrollee services.

As the largest nonprofit public risk pool in New Hampshire, HealthTrust is able to provide high-quality benefits and exceptional services at lower costs and with better outcomes than traditional insurers. We specifically exist to serve the public sector in New Hampshire, supporting those who serve our local communities.

In line with our mission, HealthTrust is here to serve every eligible New Hampshire public sector entity; we will not decline to quote any prospective Group when others might. We believe every Member Group and their employees deserve access to affordable and effective health coverage.

As a nonprofit corporation, our decisions are made with our members' best interests in mind, not those of investors. This enables HealthTrust to provide products and services to public sector employers — and their employees — at lower rates than the commercial marketplace. Our longstanding model of operating as a non-assessable, self-insured risk pool provides the political subdivisions of New Hampshire, and their taxpayers, rate stability, and protection from sudden losses and unexpected assessments.

We collaborate with our members to share resources, new ideas, best practices, and problem-solving strategies. This partnership enables HealthTrust to provide proactive, forward-focused, comprehensive coverage plans, programs, and services while containing costs for Members and their covered individuals. We are also highly transparent, informing our members proactively and regularly about financial performance, trends, rate changes, and other issues that may impact services and budgets.

HealthTrust is here to serve all who need us, and the need is as strong, or stronger, than it was 40 years ago.

### Our Mission

To provide high-quality, cost-effective, employee benefit products and services for public employers and employees in New Hampshire in order to reduce costs through pooling strategies with a commitment to education, health promotion, and disease prevention.

### Our Vision

New Hampshire communities' most trusted partner in achieving optimum health through a culture of wellness.

### Our Values

Integrity • Service • Innovation • Collaboration

## Serving New Hampshire Communities

**Membership:** As of June 30, 2025, HealthTrust provided coverage for 71,947 unique Covered Individuals participating in at least one of our coverage lines. These Covered Individuals live in nearly every New Hampshire community and represent employees, retirees, spouses, and dependents.

### 356 Total Member Groups

#### Member Groups by Group Type



*Data as of 6/30/2025*

### 71,947 Total Unique Covered Persons

#### Covered Persons by Line of Coverage



*Data as of 6/30/2025*

## Executive Summary – FY2025 Financial Results

### HealthTrust Delivers Strong Performance and Long-Term Stability

#### Overview

FY2025 produced strong financial performance, highlighting disciplined management, a focus on long-term stability, and a continued commitment to providing sustainable coverage for our Members. The pool's strength is a result of rate adequacy, effective long-term funding strategies (capital rebuild), and the careful management of claims and administrative expenses. While the healthcare environment continues to evolve amid rising medical costs and industry volatility, we remain financially sound, well positioned to protect our Members, and ensure the pool remains financially strong for the years ahead.



## Key Financial Highlights

Total operating revenues increased by 9.6%, driven by updated contribution rates and sustained membership stability. Results were aligned with budgeted and actuarial expectations, and contribution rates were sufficient to cover rising medical claims and costs while continuing to strengthen HealthTrust's capital position. Overall, operating income of \$6.6 million, combined with non-operating revenues from investments of \$2.9 million, resulted in a \$9.5 million gain in Net Position.

HealthTrust's balance sheet strengthened further. Total assets increased to \$94.4 million, representing a 20% year over year increase. The primary driver was positive cash flow from operations, further demonstrating contribution rates were actuarially sufficient to support projected medical claims, administrative expenses and ongoing capital strengthening objectives. During the year, cash and cash equivalents rose by \$20 million (60%).

Total liabilities increased to \$51.3 million, up 12% from the prior year. This increase was largely attributable to higher funding levels for Incurred but Not Paid (IBNP) reserves, consistent with prudent actuarial practices, as well as growth in unearned contributions which can fluctuate based on the timing of invoice generation and receipt of member payments. These increases reflect responsible balance sheet management rather than underlying financial stress.

As a result, total net position improved to \$43.3 million, an increase of 28% over the prior year. This marks the second consecutive year of material improvement, reinforcing the sustainability of recent financial gains. The continued growth in net position demonstrates meaningful progress in rebuilding capital, enhancing long term stability and positioning HealthTrust to effectively manage future risk while maintaining high quality, cost-effective and reliable coverage for members.

### Net Position

Total Net Position increased by \$9.5M, ending at \$43.3M, confirming rate adequacy. This represents a 28% increase, driven by operating gains and controlled claims growth.

*The following table shows HealthTrust's condensed Net Position as of June 30, 2025:*

	FY2025	FY2024	% Chg
<b>Assets</b>			
Property and equipment, net	\$ 87,306,881	\$ 70,519,059	24%
430,361	276,067	56%	
Subscription and right of use assets	1,856,104	3,333,147	(44)%
Investment in Center at Triangle Park, Inc.	4,798,266	4,795,744	-%
	94,391,612	78,924,017	20%
<b>Total Assets</b>			
<b>Deferred Outflows of Resources</b>	2,054,804	2,602,782	(21)%
<b>Liabilities</b>	50,433,354	43,889,898	15%
Subscription and lease liabilities	863,863	2,075,400	(58)%
	51,297,217	45,965,298	12%
<b>Total Liabilities</b>			
<b>Deferred Inflows of Resources</b>	1,838,245	1,806,739	2%
<b>Net Position</b>			
Unrestricted net position	37,090,086	27,425,204	35%
Majority interest in Center at Triangle Park, Inc.	4,798,266	4,795,744	-%
Investment in capital assets, net	1,422,602	1,533,814	(7)%
	\$ 43,310,954	\$ 33,754,762	28%
<b>Total Net Position</b>			

*These statements are a condensed version of HealthTrust's financial statements audited by Johnson Lambert LLP. A copy of the complete financial statements, including notes and the report of the independent auditors, is available at: [healthtrustnh.tiny.us/FY2025](http://healthtrustnh.tiny.us/FY2025)*

Quarter Ending	Quarterly Requirement	Actual	
	100% Claims & Admin Reserve	Cash, Equivalents & Short-Term Investments	6.1.3 Compliant <sup>6</sup>
Q1 - 9/30/24	\$33,374,157	\$56,431,220	Yes
Q2 - 12/31/24	\$33,559,486	\$55,266,427	Yes
Q3 - 3/31/25	\$33,243,971	\$74,736,912	Yes
Q4 - 6/30/25	\$37,744,880	\$61,494,731	Yes

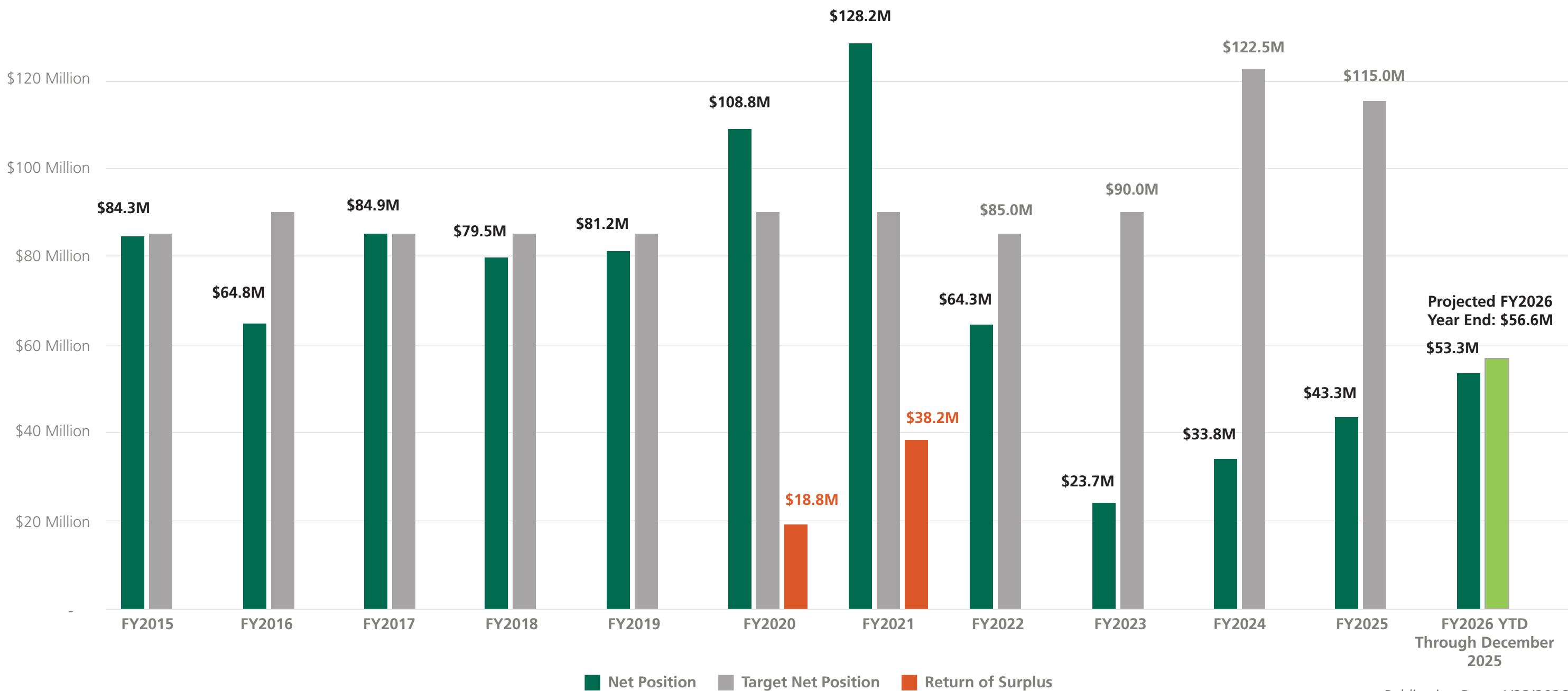
**Overall, the pool remains on a strong and stable trajectory. HealthTrust is well prepared to support continued Member protection and long-term program stability.**

# Capital Adequacy Reserves

## HealthTrust builds sufficient reserves to pay unexpected future claims.

The rates Members pay cover projected claims and expenses. However, at times, claims can exceed projections. In this case, the capital adequacy reserve covers unexpected future claims and expenses. In years when HealthTrust's Net Position is below the capital adequacy target, such as during the years following the COVID-19 pandemic, HealthTrust may add a reasonable capital risk charge to overall rates in order to replenish the capital adequacy reserve. The capital adequacy reserve successfully covered significantly increased claims during the post-COVID claims spike and is being steadily rebuilt through the capital risk charge resulting in a \$10.1 million gain in FY2024, a \$9.5 million gain in FY2025, and a projected \$13.3 million gain in the current year, FY2026.

### Net Position, Target Capital Reserve, and Return of Surplus



# State of the Healthcare Market



## What factors influence trend?<sup>7</sup>

- New treatments, therapies, and technologies
- Medical price inflation, which impacts the cost of delivering care
- Specialty drug trend is projected to be nearly a percentage point higher than the trend for all outpatient prescription drugs
- Social and economic factors which can influence utilization of care decisions
- Implications of new laws

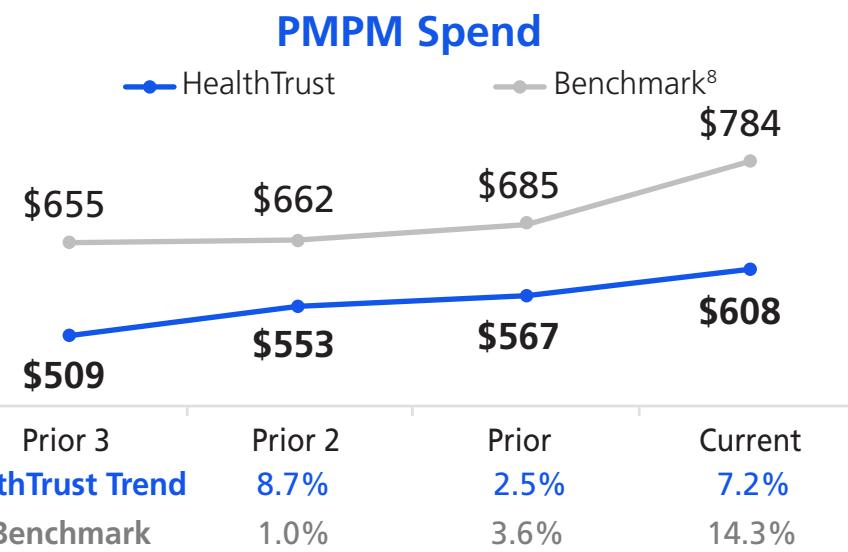
## What Is Driving Healthcare Costs

Healthcare costs continue to rise nationwide, driven by trends that show no signs of slowing. Providers are consolidating, people are using more medical services, and prescription drug prices, especially specialty medications, are increasing at unprecedented rates. An aging population and the growing prevalence of chronic conditions add further pressure.

At the same time, breakthrough technologies and innovative treatments are helping people live longer, healthier lives, but often with significant price tags. Together, these factors contribute to year-over-year increases in both medical and pharmacy spending across the country.

## Together, We Are Outperforming

Despite a challenging healthcare landscape, HealthTrust continues to thrive and prove that our model works offering stability in the ever-shifting marketplace. We are currently outperforming the Anthem benchmark for Northeast Commercial State Accounts trend on a per member, per month basis by nearly 50%, reflecting our disciplined approach to cost management and our commitment to delivering value for our Member Groups.



# We Are Positioned for the Future

HealthTrust's mission, to deliver high-quality benefits at the lowest possible cost, guides every decision we make. By exclusively serving New Hampshire's public sector, we tailor our strategies to meet the unique needs of our Member Groups and strengthen community health.



**We empower Enrollees, Retirees, and Member Groups** through education on benefit utilization, well-being programs, and medical consumerism.



**We provide a dedicated team** that supports informed plan decisions, analyzes claims and cost drivers, and delivers Stewardship Reports to improve transparency and identify cost-saving opportunities for our Member Groups.



**We provide exceptional service, innovative online tools, and comprehensive well-being programs** to ensure individuals receive the support they need, whether managing a chronic condition, navigating a new diagnosis, or beginning their well-being journey.



**We apply best practices, innovation, and diverse benefit designs** to improve population health, supported by robust preventive and well-being programs.



**We prioritize proactive well-being and preventive care initiatives**, supported by continuous analysis of high-cost claims and chronic conditions.

With a clear mission, dedicated staff, and forward-looking programs, HealthTrust is strongly positioned to continue delivering exceptional value and high-quality, cost-effective benefits for years to come.

**Together, we will continue to achieve better results.**

## End Notes

1. Milliman developed this range based on stochastic modeling to have a 95% chance of solvency over a five-year period of time based on various conditions and assumptions. Details of the study may be found in the Capital Adequacy Reserve Report as of June 30, 2025, which may be found on HealthTrust's website at [healthtrustnh.org](http://healthtrustnh.org) under "About Us" then "Financials."
2. While reserve targets and benchmarks are set using many different methodologies, the recent narrative on SB297 was related to **reserves as a percent of contributions**. As such, each of the various standards have been translated to the equivalent percent of contributions for ease of comparison. HealthTrust FY2025 Annual Contributions were \$523,416,360. This number consists of "Contributions Earned from Member Groups" as stated on the FY2025 audited financial statement, minus \$10.4M of MAPD contributions as HealthTrust is not at risk for those claims. This does not include "Other Revenues" nor "Non-Operating Revenues."
3. Association of Governmental Risk Pools (AGRiP) Financial Benchmarking Initiative (FBI) was most recently updated for 2023. AGRiP obtains financial statements from each risk pool and displays benchmarks for the population based on various standard industry financial tests.
4. Contribution leverage compares an organization's net contributions to its Net Position. Guy Carpenter and Company LLC is a leading global risk and reinsurance specialist firm. They prepared information for the Association of Governmental Risk Pools (AGRiP) Financial Benchmarking Initiative (FBI) tool. The FBI tool's companion guidebook states a 3 to 1 contribution leverage is a common insurance industry standard and notes that "pools are often less leveraged than traditional insurers when it comes to net contributions and Net Position because pricing stability is very important within the public entity environment."
5. The bill drafted by the regulator, SB297 as Introduced, would have required health risk pools to "maintain a contingency reserve with a minimum of 12 percent of member contributions for the then current fiscal year and a maximum of 16 percent of member contributions for the then current fiscal year."
6. 6.1.3 Investment Maturity Short-term Portfolio is the HealthTrust Investment policy. Investments, together with cash and cash equivalents, shall be funded at 100% of the claims and administration reserves. These investments must have an average life of three years or less. In the event of reserve and/or claim fluctuations, a reasonable period of time will be provided to adjust balances to meet this requirement.
7. <https://www.segalco.com/consulting-insights/2026-health-plan-cost-trend-survey>
8. Anthem benchmark for Northeast Commercial State Accounts.

