



**IDAHO HEALTH INSURANCE EXCHANGE  
DBA YOUR HEALTH IDAHO  
GOVERNANCE COMMITTEE  
MINUTES  
WEDNESDAY, JUNE 12, 2019**

**1. COMMITTEE MEMBERS PRESENT**

- Ms. Margaret Henbest, Chair
- Mr. Hyatt Erstad, Vice Chair
- Ms. Karen Vauk
- Mr. Paul Zurlo
- Kathy McGill (for Director Dean Cameron)

**2. OTHERS PRESENT**

- Mr. Pat Kelly, Your Health Idaho
- Mr. Kevin Reddish, Your Health Idaho
- Ms. Alanee DeRouen, Your Health Idaho
- Ms. Cheryl Fulton, Your Health Idaho
- Ms. Meghan McMartin, Your Health Idaho
- Mr. Matt Fuhrman, Your Health Idaho
- Ms. Tresa Ball, HR Precision
- Mr. Mike Stoddard, Hawley Troxell

**3. CALL TO ORDER**

Following proper notice in accordance with Idaho Code §74-204, the Governance Committee meeting of the Idaho Health Insurance Exchange (Exchange) was called to order by Ms. Margaret Henbest, Chair of the Committee (Chair), at 9:01 a.m., Wednesday, June 12, 2019, at the offices of Hawley Troxell Ennis & Hawley, 877 W Main Street, Suite 1000, Boise, Idaho. In accordance with Idaho Code §41-6104(8), the meeting was held in an open public forum and was streamed in audio format. Members of the public could access the audio stream by dialing into a telephone number that was included in the notice of meeting posted on the Exchange Board's Web site and at the meeting location.

**4. ROLL CALL**

The Chair took roll call and determined that Mr. Erstad, Ms. Vauk, Mr. Zurlo and Kathy McGill (for Director Cameron) were present, resulting in a quorum. Rep. Erpelding was absent.

**5. APPROVE PRIOR MEETING MINUTES**

The Chair noted there were no edits to the February 19, 2019 meeting minutes.

**Motion:** Mr. Erstad moved to approve the minutes as presented from the February 19, 2019, Governance Committee meeting. **Second:** Ms. Vauk. **The motion carried.**

## **6. REVIEW AGENDA**

There were no changes made to the Agenda.

## **7. REVIEW COMMITTEE ROADMAP**

The Chair reviewed the Roadmap and noted a couple of modifications to the timing of the recommendations that come out of the Employee Engagement Survey, which will now be issued twice per year, in May and November. As a result, the recommendations will be brought to this Committee in June and December.

## **8. EMPLOYEE ENGAGEMENT SURVEY**

Mr. Kelly reminded the Committee that in 2016 YHI implemented its first Employee Engagement Survey utilizing the Gallup Q12 survey which is an industry standard. YHI then formed an Employee Engagement Task Force (EETF), which is a cross-sectional group of employees, to work on two questions each year from the Employee Engagement Survey. Going forward, YHI will issue two surveys per year, in May and August. YHI found that in waiting six months to tackle the second question each year, it was difficult for employees to recall why they answered the way they did on the survey and sometimes found that by the time the question was worked on, it wasn't an issue any longer.

In looking at the results from the most recent survey, the Grandmean went up by about 1 percent, from 4.17 to 4.22. This is on a scale from 1-5, with 1 being strongly disagree, 5 being strongly agree and 3 being neutral.

This past year the EETF worked on the questions "I have the Materials and Equipment I need to do my job well" and "My team is Committed to Doing Quality Work." Materials and Equipment increased from 4.2 to 4.22, and the EETF found that team members didn't need a new desk or new computer, but they needed education around how to best work within YHI's systems. Many of YHI's systems are in the cloud, so that determines the speed to a certain extent. It also helps if one doesn't have 4 or 5 other programs going at the same time as that will quickly decrease the speed of one's computer. There were some other items around ergonomics including foot rests, wrist rests, etc. and YHI has provided a means for team members to order those ergonomic items. The second question, around Quality Work, increased about 8 percent from 4.0 to 4.33. What was found in researching this one is that many folks have high visibility into other people's work because of notes in tickets and comments in the systems. This isn't really an issue around quality because people use different terms and abbreviations from one another and the level of visibility allows that to be seen. It isn't that people are doing poor quality work, but more around the intent. It was also determined that team members don't really know what other teams do, for example, the IT team sits around staring at their screens all day and what some people wonder is

if they are watching You Tube or something other than working. In reality they are monitoring systems and moving users from one server to another to optimize disc space throughout the day. YHI will share information on the intranet on what the different teams do to help raise awareness. The most exciting thing to come out of this survey is that YHI moved from the 87<sup>th</sup> percentile to the 91<sup>st</sup> percentile of all companies that take the Gallup Q12 Survey.

Mr. Kelly said there is also a question outside of the 12 questions in the survey that asks about employees' overall satisfaction, and that increased four percent.

Ms. Vauk asked if it is necessary to present twice per year to this Committee or just once. Mr. Kelly said yes, he thinks it is important to share where the team is at, but maybe not at the level of detail shared today.

This year we added a new question "If you could make one change to the organization that would make it a great place to work, what would it be." With a 90 percent participation rate in the survey, the answers to this question were varied, and included everything from stand-up desks to vacation to pay. Roughly 25 percent were related to pay and YHI is planning on market adjustments this year which should address that. The second item that was notable was PTO (vacation and sick time) which has also been heard in exit interviews (primarily in the non-exempt space). Mr. Kelly summarized that he, Ms. DeRouen, Ms. Ball, and Ms. Henbest discussed various options for changing this. These options included getting rid of the bank of hours exempt employees receive upon hire, add a week across the board, or do nothing. YHI is currently at market and this would be an opportunity to go above market in this area. There is also a cap of 200 hours in the bank, but employees can cash out over 80 hours if they need to. Chair Henbest asked what kind of financial impact this will make. Ms. Ball said it is marginal cost to add PTO as people rarely cash out. Ms. Vauk asked if YHI would need more headcount to cover additional PTO hours and Mr. Kelly said no. Currently, if people need a day off and don't have PTO, they take a day without pay.

Mr. Kelly said this is an opportunity to address the needs of employees and listening to their feedback, and to be above market in this particular space. The question is how much. There was additional discussion about this with general consensus to remove the 40 hours bank for exempt, accrue three weeks for the first year of employment, four weeks between one and five years and 5 weeks for over six years of tenure. The Committee determined the discussion to go before the Board for a vote.

## **9. FY '19 GOALS UPDATE**

Mr. Kelly reminded the Committee that Governance has oversight of the five operational goals and then each of the Committees has their germane goals. Finance works on Low Cost Promise, Marketplace works on Idahoan's Experience and the Retention and Enrollment goal, and the primary goals for this Committee are Employee Engagement and Risk Management.

For this year, Idahoan's Experience was paid out at 90, which includes missing the Net Promoter Score portion of the goal completely and achieving 100 percent on the linking portion of the goal. Retention and Enrollment does not have compensation tied to it, but it was achieved at 100 percent with 96 thousand enrollments vs the goal of 88, 300 as of April 1, 2019. Risk Management, which was focused on phishing campaigns, achieved 100 percent. There were eight campaigns, and the last two campaigns had a zero click rate. Low Cost Promise is still in progress but we are looking at well over 400k in operating expense savings and is expected to be achieved at 100 percent. Finally, Employee Engagement revolves around the score on the Employee Engagement Survey, with the 100 percent goal being a score in the 92<sup>nd</sup> percentile. As discussed earlier, YHI reached 91 percent, resulting in a 90 percent achievement.

## **10. FY '20 OPERATIONAL & STRATEGIC GOALS**

Mr. Kelly moved to the Strategic Goal, which is to provide a Flawless Customer Experience, and is measured when the percentage of people requiring 3 or more touches is below 5 percent. YHI continues to see really strong performance in this area and there is no proposed change to this goal.

In looking at the operational goals, they are the five same goals as 2019. For Idahoans Experience, we are going to focus on three key areas: First Contact Resolution, Turnaround time, and Net Promoter Score. YHI is proposing an even weighting of those three components and no other changes were recommended by the Marketplace Committee,

Retention and Enrollment assumes clean Medicaid Expansion which assumes 18,000 reduction in enrollments due to expansion. YHI is hoping to mitigate some of that loss by focusing on under penetrated markets, uninsured demographics and enhancing digital ad targeting. YHI continues to believe this is an important goal, but since there are so many unknowns, we are recommending that no compensation tied to this goal.

For Risk Management YHI will continue to focus on phishing campaigns while adding a new component around the reporting of those attempts. Mr. Reddish said this will be done through continued education to keep phishing top of mind and asks team members to report phishing attempts not only to the service desk but also spread the word among teammates to ensure they are aware of the campaign.

Low Cost Promise will continue to focus on operating expense management with particular focus on areas of controllable expenses. The two areas that are have contractually obligated spend are the GetInsured contract and the DHW MOU. Because there is little ability to impact the outcome of spend in these areas, those two contracts were pulled from this goal. This goal will go to Finance Committee tomorrow.

Finally, Employee Engagement will continue with the survey that will now be deployed twice a year with a half a point increase and will continue the focus on COMPASS cards and related activities.

All of the goals, with their different thresholds and requirements, are located on the next two slides. There was some discussion about Medicaid Expansion and its possible impacts on the Idahoan's Experience goal as well as the retention and enrollment slide.

Chair Henbest said she is always concerned about penalizing the team for performing well under bad circumstances, specifically referencing the Customer experience goal. Mr. Kelly noted that we could revisit this goal in September once we know more about the status of the waivers being submitted to CMS based on the legislature's sideboard bill. Mr. Stoddard said these could be revisited by the Board in January if need be in case expectations are shot down following open enrollment. Ms. Vauk added that there is nothing more demotivating for employees than feeling like they have been given a goal that is unattainable.

**Motion:** Mr. Erstad moved that the Governance Committee, recommend to the Board, approval of the FY20 Operational Goals as presented today. **Second:** Ms. Vauk. **The motion carried.**

## **11. NEW PRODUCT AND INVESTMENT UPDATE**

Mr. Kelly said the Enhanced Short Term plans remain a viable option for YHI and we continue to evaluate the new product options for the exchange. These plans are currently in the temporary and proposed rule process. YHI is working with DOI to understand what those rules are, Once proposed rules are available, YHI can work with GetInsured and the carriers about the specific steps to offer them on the exchange. The timeline on these will likely be mid-spring before YHI is able to get them on the exchange. The DOI is hoping to get these to market by mid-October.

Mr. Kelly said that YHI had multiple respondents to the RFQ and selected Colliers of Idaho, and the kickoff meetings was held on May 31. Of the three options, lease, buy, or build, the only option off the table is a build option due to time constraints. YHI will continue to work through these from a fiduciary and legal perspective. Colliers was highly focused on YHI's culture and were quite impressive and had knowledge of spaces that are not yet on the market. This item will move to Finance going forward.

Mr. Stoddard asked if the new space would include separate meeting space for Committee and Board meetings. Mr. Kelly said that is not known at this point. If space was found that had the ability to hold meetings onsite, we would certainly look at that, but given the legislative requirement of live streams for the Board meeting, it would likely only work for Committee meetings.

## **12. PRIVACY & SECURITY POLICY UPDATES**

Mr. Reddish apologized for the number of policies that had to be reviewed prior to the meeting today. Redlines for each policy were available on the Sharefile site for review. Mr. Fuhrman mentioned that the changes were minor and included grammatical and formatting updates to ensure consistency in wording and format. There were no significant changes to content.

**Motion:** Ms. Vauk moved that the Governance Committee, recommend to the Board, approval of the revisions to the Privacy & Security Policies as presented today. **Second:** Mr. Erstad. **The motion carried.**

## **13. ANNUAL CONFLICT DISCLOSURE**

Chair Henbest reminded the Committee that it is time once again for the Annual Conflict Disclosures and noted the compressed timeframe to get them completed. Forms will be sent out

by Ms. Fulton on June 13 (tomorrow) and will be due at the Board meeting on the 28<sup>th</sup> or by email to Ms. Fulton and Mr. Stoddard by the end of the day on that same day. Ms. Fulton added that she will send out the form, the policies referenced in the form, and each Board member's most recent version for reference.

#### **14. EXECUTIVE SESSION**

**Motion:** Chair Henbest moved that the Committee enter into Executive Session Pursuant to Idaho Code Section 74-206 (1), to consider the evaluation of an employee pursuant to Idaho Code 74-206 (1)(b).

**Executive Session Roll Call:** The Chair took a roll call vote and determined that Mr. Erstad, Ms. Vauk, and Mr. Zurlo, were present and agreeable, resulting in a quorum.

The Committee entered into Executive Session at 10:14 a.m. and reconvened at 10:43 a.m. No final actions nor decisions were made while in Executive Session.

#### **15. EXECUTIVE DIRECTOR FY20 VARIABLE PAY WEIGHTING**

**Motion:** Mr. Zurlo move that the Governance Committee recommend to the Board, the overall FY20 Executive Director Variable Pay Weighting as determined today and subject to approval at the June 28, 2019, Board of Directors meeting. The weighting at 40 percent for Idahoan's Experience, 0 percent for Retention and Enrollment, 20 percent for Risk Management, 20 percent for Low Cost Promise, and 20 percent for Employee Engagement. **Second:** Mr. Erstad. **The motion carried.**

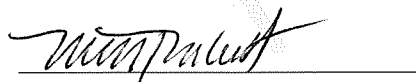
#### **16. NEXT METING**

The Chair noted the next meeting of the Governance Committee will be held in late August or early September of 2019.

#### **17. ADJOURN**

The Committee adjourned at 10:44 a.m.

Signed and respectfully submitted,



Margaret Henbest, Committee Chair