



**IDAHO HEALTH INSURANCE EXCHANGE  
DBA YOUR HEALTH IDAHO**

**YOUR HEALTH IDAHO BOARD  
MINUTES  
FRIDAY, JUNE 19, 2020**

**1. BOARD MEMBERS PRESENT**

- Mr. Stephen Weeg, Chair (via teleconference)
- Mr. Kevin Settles, Treasurer (via teleconference)
- Mr. Hyatt Erstad, Secretary (via teleconference)
- Dr. John Livingston (via teleconference)
- Ms. Margaret Henbest (via teleconference)
- Ms. Janice Fulkerson (via teleconference)
- Mr. Greg Donaca (via teleconference)
- Ms. Carolyn Lodge (via teleconference)
- Ms. Heidi Hart (via teleconference)
- Mr. Paul Zurlo (via teleconference)
- Ms. Karan Tucker (via teleconference)
- Mr. Brett Thomas (via teleconference)
- Rep. Sage Dixon (via teleconference)
- Senator David Nelson (via teleconference)
- Deputy Director Weston Trexler for Director Dean Cameron (via teleconference)

**2. OTHERS PRESENT**

- Mr. Pat Kelly, Your Health Idaho (via teleconference)
- Mr. Kevin Reddish, Your Health Idaho (via teleconference)
- Ms. Heidi Stockert, Your Health Idaho (via teleconference)
- Ms. Meghan McMartin, Your Health Idaho (via teleconference)
- Ms. Alanee Thomas, Your Health Idaho (via teleconference)
- Ms. Frances Nagashima, Your Health Idaho (via teleconference)
- Ms. Cheryl Fulton, Your Health Idaho (via teleconference)
- Mr. Mike Stoddard, Hawley Troxell (via teleconference)
- Ms. Tresa Ball, HR Precision (via teleconference)

**3. CALL TO ORDER**

Following proper notice in accordance with Idaho Code §74-204, the Board of Directors meeting of the Idaho Health Insurance Exchange (Exchange) was called to order by Mr. Stephen Weeg (Chair), at 9:02 a.m., Friday, June 19, 2020, via teleconference. In accordance with Idaho Code §74-203 (1), the meeting was held in web and audio conference format. Members of the public could access the audio by dialing into a telephone number that was included in the notice of meeting posted on the Exchange Board's website.

#### 4. ROLL CALL

Mr. Erstad called roll and determined that the Chair, Mr. Settles, Dr. Livingston, Ms. Henbest, Ms. Fulkerson, Mr. Donaca, Ms. Lodge, Ms. Hart, Mr. Zurlo, Ms. Tucker, Mr. Thomas, Senator Nelson, and Deputy Director Trexler for Director Cameron, were present (via teleconference), resulting in a quorum. Representative Dixon joined at 9:05. Mr. Edgington, Senator Rice, and Director Jeppesen were absent.

#### 5. PUBLIC COMMENT PERIOD

The Chair asked for Dr. Rusche, who left the Board in May, to say a few words. Dr. Rusche expressed his thanks to the Board for the work they did to get the Exchange up and running. Chairman Weeg thanked him for his service on the Board. There were no additional public comments.

#### 6. PRIOR MEETING MINUTES

The Chair asked if there were any changes to the minutes from the prior meeting and there were none.

**Motion:** Mr. Erstad moved to approve the meeting minutes from the April 3, 2020, Board meeting. **Second:** Ms. Fulkerson. **The motion carried.**

#### 7. REVIEW AGENDA

There were no changes made to the Agenda.

#### 8. WELCOME NEW BOARD MEMBERS

Chairman Weeg introduced the new Board members, including Karan Tucker, Executive Director of Jannus, Inc., who will represent consumer interests and Brett Thomas, Broker from Magic Valley Insurance who represent Agents and Brokers on the Board. In addition, Senator Nelson has joined the Board and is the Minority Party Representative for the Exchange. Ms. Tucker, Mr. Thomas, and Senator Nelson introduced themselves.

The Chair said the Vice Chair position was open and Ms. Fulkerson has graciously accepted the position.

**Motion:** Mr. Erstad moved to confirm the appointment of Janice Fulkerson as Vice Chair of the Board. **Second:** Mr. Donaca. **The motion carried.**

**Motion:** Mr. Donaca moved to confirm the appointment of Ms. Tucker to the Governance committee, Mr. Thomas to the Marketplace committee, and Senator Nelson to Governance committee. **Second:** Mr. Erstad. **The motion carried.**

#### 9. EXECUTIVE SUMMARY

Mr. Kelly extended a warm welcome to the new Board members and said Your Health Idaho has always had an incredibly engaged Board. He noted that this Board meeting was being

broadcasted live from YHI's new office space at View Pointe and apologized for the technical difficulties. The move to View Pointe was more than a year in the making and today is the end of the first week in the space. He thanked Chairman Weeg and Mr. Settles for their invaluable counsel along the way. He also thanked the YHI team for their flexibility, dedication and trust in making this move work during a global pandemic. YHI is taking precautions to protect the team with daily cleanings of high touch areas, face mask requirements for common areas, and seating arrangements that were created for long-term social distancing in mind. The team has been receptive to this new normal and the feedback has been positive. COVID-19 has impacted much more than just the in-office procedures. YHI continues to promote the relaxed requirements for loss of Minimum Essential Coverage (MEC) due to COVID-19 with targeted messaging and paid search enhancements. YHI is also developing contingency plans for our fall outreach and training activities, should COVID-19 continue to disrupt established schedules.

## **10. MARKETPLACE**

Ms. Fulkerson, Vice Chair of the Marketplace Committee, said at the last Marketplace meeting on June 10, the Committee reviewed 2020 enrollments to date. Highlights included continued higher than expected enrollments and slightly lower than expected average premiums post-Medicaid expansion. The Committee also reviewed the customer profile and market research for 2020 enrollments. There was discussion around how YHI will continue to target specific areas of opportunity around the state and how this data informs strategic planning for open enrollment. A review of support center metrics showed adjustments to service levels during March and April when YHI transitioned to email and electronic customer support due to COVID-19. The committee was pleased to see a return to normal volumes and NPS scores when phone support was reactivated. The Committee voted to recommend SOWs for Risch Pisca and Drake Cooper along with the DHW MOU. We also voted to recommend the release of the Enrollment Entity RFA, which upon board approval, will be issued in July. Lastly, the committee discussed the proposed FY21 Operational Goals for Idahoans' Experience and Retention and Enrollment. The committee was supportive of the goal measurements and agreed Enrollment and Retention should remain an uncompensated goal.

### **a. 2020 Enrollment Update and Customer Profile**

Mr. Kelly said May ended with approximately 79,000 effectuations and this is consistent with the year-over-year change of about 13,000 due to Medicaid expansion. Average monthly premium continues to be steady at about \$480 per enrollment, and that is flat from December 2019. June actuals were 78,703.

Mr. Kelly said the quarterly profile is compiled by YHI's internal team using enrollment data from YHI's systems and Federal Poverty Level (FPL) data from the Department of Health and Welfare. This information helps us understand who we are, who our customers are, and how they interact with Your Health Idaho. From this profile, we have learned that the average enrollment per household is 1.78, which is consistent with prior years. In addition, slightly more women than men are enrolled, and the largest concentration of enrollments are in the under 19, and 55-64 age groups.

Mr. Kelly said YHI knows from years of market research that price sensitivity is the biggest single driver behind the decision to purchase coverage through Your Health Idaho, and also the biggest single factor for overall satisfaction.

Mr. Kelly shared the enrollments by net premium graph which shows that enrollments are bookended in the \$0 and over \$200 columns. The graph on the right, showing enrollments by FPL, further demonstrates the price sensitivity as the majority of enrollments are concentrated in the 151-250 percent of FPL range, meaning these consumers receive the largest cost-savings benefits.

Mr. Kelly added that price sensitivity is highlighted again when we look at the breakdown of enrollments by metal tier. In the upper graph, you can see the highest concentration of enrollments falls in the bronze and expanded bronze category. This is likely where the majority of the \$0 premiums come from as those with a higher APTC/CSR are able to find a bronze plan for \$0 per month. The second largest section is silver enrollments. Silver plans are most beneficial for those who are between 150-250 of FPL since they receive the largest cost-sharing reduction benefits. They can afford a larger premium because their out of pocket expenses are lower. Enrollments by carrier has not seen much movement post-open enrollment. Select Health maintains the highest enrollment count, followed by Blue Cross of Idaho and then Mountain Health Co-Op.

Finally, the customer profile looks at agent/broker utilization, or how many customers have an agent of record on file. We see once again that a large number, 75 percent of all enrollments, take advantage of the free expert help that is available throughout the state. Based on our data we can also see that those who receive cost-sharing benefits are more likely to work with an agent or broker, and that younger adult enrollees (26-44) are also more likely to seek assistance.

Mr. Kelly moved to the 2020 Market research. As you may recall, about this time last year, we shared our general strategy for open enrollment 2020. That strategy included targeted outreach and marketing to key areas of opportunity where enrollment penetration was lower than the statewide average, specifically Region two (north central Idaho) and Region five (the Magic Valley). Given Medicaid expansion, we are unable to make a true year over year comparison, but our 2020 market research did provide us with a few key highlights. YHI saw slight increases in enrollments in Region three, four, and five and slight decreases in enrollments in regions one, two, and six. We were also able to analyze where the 25 percent of new enrollments came from, meaning they were not enrolled in 2019 but did enroll in 2020. We found that enrollments increased in population centers, which was to be expected, but there was also slight growth in areas where we deployed targeted marketing and outreach. While the increases are not large, we see this as an encouraging first step towards a long-term goal of increasing market penetration in these areas. We plan to continue our targeted approach for open enrollment 2021 and beyond.

## **b. Customer Experience**

Mr. Kelly said due to COVID-19, in late March YHI shifted to a remote work force and initially supported our customers via electronic communications. This was done to ensure the safety of our team while still serving our customers. This drove the increase in emails and corresponding decrease in calls in April as shown on the graph. Once we deployed remote voice capabilities in mid-April, call volumes and emails returned to normal volumes.

Net Promoter Score, while not perfect, does provide a near real time view into customer satisfaction. Our shift to a remote work force, and initially serving our customers electronically, did not meet the needs of our customers. At the April Board meeting, I mentioned some challenges YHI was experiencing and you can see that reflected in the lower NPS outcome in March and April. Based on this feedback, we deployed remote voice capabilities. Once the voice capabilities were deployed, NPS results increased and returned to historical norms. I am pleased to say that the trend has continued with June month to date NPS currently sitting at 43. We continue to leverage the voice of the customer to find opportunities to improve the customer experience and based on June's results to date, those efforts are bearing fruit.

Mr. Kelly said one of the areas that we keep an eye on is the volume of Qualifying Life Event applications, approval rate and related enrollments. This year presented unique challenges in evaluating that data with lower enrollments from Medicaid expansion and also the impacts from COVID-19. We also wanted to understand potential impacts from the relaxed documentation rules. The upper graphs look at Qualifying Life Event applications for loss of MEC, or Minimum Essential Coverage. As you can see, the total volume of approved QLEs decreased year over year but the rejection rate more than doubled. Comparing that to the total QLE applications in the lower graph, the rejection rate for Loss of MEC applications may demonstrate that more people were pursuing coverage without a qualifying life event. This would reflect the impacts of COVID-19 in the marketplace.

We then looked at how the QLE applications translated into enrollments, it was no surprise that enrollments were lower year over year, partially due to the impacts of Medicaid expansion and due to lower QLE applications. The interesting thing is that our month over month enrollment trends in total are consistent with prior years which when combined with this decline means that our existing customers are maintaining coverage at a higher rate than prior years.

Mr. Kelly shifted to appeals and said appeal volumes in the first quarter were higher than 2019 due primarily to implementation of Medicaid expansion and eligibility decisions that came in after open enrollment. In April and May, volumes returned to more traditional levels. There has been an increase in invalid appeal decisions in the month of April, likely due to people appealing the eligibility decision because they did not have a loss of MEC. This is also likely due to the impacts from COVID-19. There was also one appeal hearing held in April and that resulted in an overturned decision and creating a special enrollment period for the consumer.

### **c. PY'21 Preparations**

Mr. Kelly said for the open enrollment timeline, this year's timeline is similar to prior years with consumer connector training and Board plan certification in September followed by the usual dates around anonymous shopping and open enrollment. Open Enrollment this year does start on a Sunday. While renewals and redeterminations will be completed prior to the start of open enrollment, our technology will be available on November 1<sup>st</sup> and we will begin phone support on Monday, November 2<sup>nd</sup>. Open enrollment continues through December 15<sup>th</sup> and plan selections must be completed by the 22<sup>nd</sup> of December. On an exciting note, we are happy to share that Regence has filed with the DOI to sell products on-exchange for the 2021 Plan Year.

Ms. Henbest asked what YHI experienced as people lost employment and insurance as COVID-19 ramped up. Mr. Kelly said there was actually a decline in QLE applications from 2019 to

2020. Part of the decline in QLE applications is due to Medicaid Expansion and some may be that a qualifying life event is required in order to open and SEP. The interesting part of it was there was a higher rejection rate of those who lost minimal essential coverage, but it indicates that people wanted coverage but did not meet the criteria. Other states that opened a special open enrollment around the COVID pandemic did not see a substantial bump in enrollments.

Mr. Kelly said YHI's technology roadmap continues to progress through this year with more behind the scenes enhancements in June. YHI now has the Federal Poverty Level (FPL) data included in YHI's data set which will decrease the turnaround time on analysis involving FPL data. QRS functionality is also being deployed in June but we will hold off displaying the ratings until next plan year which is aligned with the guidance we received from CMS. In September, YHI will deploy additional efficiency around our appeals process and in December we will do our annual updates around 1095A tax forms as well as a few other updates. YHI is still reviewing additional enhancements with GetInsured. Password Reset Flows will hopefully be updated in early 2021 which will help deflect some customer inquiries. The team is also hopeful that some of the other functionality on this list will be deployed in late 2020 or 2021, particularly the Plan Comparison Print View and some renewal process improvements.

Mr. Kelly provided a brief recap of YHI's Marketing and Outreach activities around COVID-19 and the relaxed documentation requirements for Loss of Minimal Essential Coverage. In the early stages of the COVID-19, Your Health Idaho deployed several resources on our website to assist Idahoans. These included COVID-19-specific web pages and alert banners, updated Loss of Coverage language to explain the relaxed requirements, and enhanced support web forms to expedite the customer service process while the Your Health Idaho team was working remotely. We also published an Op-Ed to promote the relaxed requirements and were invited to participate in KTBV's Ask the Expert segment with SelectHealth.

In addition to the organic activity and earned media, we also engaged with Drake Cooper to provide paid media support. In May, Drake Cooper created and distributed public service announcements about the relaxed requirements throughout the state. They also assisted with boosting social media messaging and search engine optimization. With the end of FY20 nearing, we felt it was necessary to create a supplemental Scope of Work to support this end of year activity. SOW#4 was issued for \$1,800 using favorability from other areas of the budget. We will continue to promote the relaxed requirements through June in alignment with the timeline established by the Policy Steering Team. To date, the most recent boosted content has reached almost 70-thousand individuals.

For Outreach and Education activities, Mr. Kelly said most programming has been significantly impacted by COVID-19. In fact, nearly all spring and summer events have either been cancelled, rescheduled, or moved to a virtual environment. As planning for open enrollment gets underway, our team is gathering best practices for virtual engagement and developing contingency plans for fall enrollment events.

Mr. Kelly said there are a number of contractual agreements that are up for review and approval this morning. First is Risch Pisca, who provides a number of legislative and regulatory services at both the state and federal levels. They will continue to work with YHI as the educational liaison for state and federal legislation. Deliverables will include state legislative and regulatory updates and issues tracking, interpretation, and strategic counsel on policy reform. SOW #4



reflects a decrease from previous years at a not-to-exceed amount of \$48,000, which is included in the FY21 budget.

**Motion:** Ms. Fulkerson moved that the Board, as recommended by the Marketplace Committee, approve the Risch Pisca SOW #4 in an amount not to exceed \$48,000. This amount is included in the FY21 Budget. **Second:** Mr. Donaca. **The motion carried.**

Mr. Kelly said for the DHW Memorandum of Understanding (MOU), DHW provides critical services centered on tax APTC eligibility and customer support. Services include the eligibility and enrollment services for APTC customers, automation related to changes in income determinations, and the annual redetermination processes. The Amendment would extend the current term to July 31, 2021, and the costs are included in the approved FY21 budget.

**Motion:** Ms. Fulkerson moved that the Board, as recommended by the Marketplace Committee, approve the DHW MOU in an amount consistent with the FY21 Budget. **Second:** Mr. Erstad. **The motion carried.**

Mr. Kelly said Drake Cooper provides Creative Service for Your Health Idaho. Deliverables include open enrollment campaign strategy, advertising and design, media services, and metrics reporting. SOW #5 reflects an increase of \$11,000 which is primarily driven by an increase in media spend to accommodate for competitive markets during a national election cycle. SOW #5 is at a not-to-exceed amount of \$560,000, which is included in the approved FY21 budget.

**Motion:** Ms. Fulkerson moved that the Board, as recommended by the Marketplace Committee, approve the Drake Cooper SOW #5 in an amount not to exceed \$560,000. This amount is included in the approved FY21 budget. **Second:** Ms. Lodge. **The motion carried.**

Mr. Kelly said Enrollment Entities provide enrollment counselors who assist Idahoans in understanding their eligibility and the application process. Entities reach out to underserved populations who may have limited English skills or limited access to technology. They report on the monthly total of people served, and their demographic and geographic information. The annual Request for Applications (RFA) will be issued in July for a total amount not to exceed \$296,000 which is included in the approved FY21 budget.

**Motion:** Ms. Fulkerson moved that the Board, as recommended by the Marketplace Committee, approve the release of the Enrollment Entity RFA and request the Board authorize the RFA Review Team to select the enrollment entities and authorize the Executive Director and the Marketplace Committee Chair to execute the Enrollment Entity contracts at an amount not to exceed \$296,000.00 collectively. This amount is included in the approved FY21 budget.

**Second:** Mr. Donaca. **The motion carried.**

#### **d. CMS and Policy Update**

Mr. Kelly said in early May, CMS released the 2021 Notice of Benefit and Payment Parameters which outlines the rules and regulations specific to plan year 2021. While there are only minimal changes in this year's rule, we are pleased to share that no changes were made to the auto-renewal process. There continues to be flexibility with verification of employer sponsored

coverage and the FFM fee remains unchanged at 3.0%. YHI's fee continues to be lower than the FFM and our lower fee has saved Idahoans \$36M since inception.

At the federal level, there continue to be discussions in the House around federal reinsurance, strengthening the ACA, enhancing subsidies, and additional support for those impacted by COVID-19. It remains to be seen if there is support in the Senate for similar measures. We are continuing to allow for relaxed documentation requirements for certain qualifying life events and we appreciate the support of the DOI and carriers.

## **11. GOVERNANCE**

Ms. Henbest, Chair of the Governance Committee, said the Governance Committee met on June 2<sup>nd</sup> and reviewed the YHI response to COVID-19 from a staffing perspective, including health and safety measures and remote work capabilities. We also reviewed a new Infectious Disease Policy which was created in response to COVID-19. A vote was made to recommend to the Board for approval and more details will be provided shortly. For the Employee Engagement Survey, the Governance Committee reviewed the results of the annual survey, which saw a very slight decline year over year. But the committee noted that although the average score has gone down, the percentile rank among all companies is still very high. The Committee also discussed the proposed FY21 Operations Goals which will be the same five categories again this year with slight adjustments to the goal criteria. Overall, the Committee agreed with the focus areas and goal measurements and recommended to the Board for approval. Finally, the Committee reviewed the proposed updates to the YHI Privacy and Security Policies and confirmed the changes were minor and mainly focused on names and titles. A new policy around remote work was also added in the wake of COVID-19. Pending any updates today, the Committee recommended to the Board, approval of the updated policies.

### **a. COVID-19 Response and Infectious Disease Policy**

Mr. Kelly said there was a robust discussion around the steps that YHI took in response to the COVID-19 pandemic at the last Governance meeting. As mentioned earlier, the entire team is back in the office as of Monday and the response from the team has been overwhelmingly positive. One of the items that came out of the events around COVID-19 is a formal policy around infectious disease. This policy places the health and safety of the YHI team front and center while following guidance from federal, state and local authorities. The full policy is included in the Board packet and the highlights include staying home when ill, telework options for certain employees, limit travel, social distancing, medical documentation requirements, and compensation available during these times. YHI may look at incorporating this policy into the employee handbook when it is reviewed later in the year.

**Motion:** Ms. Henbest moved that the Board, as recommended by the Governance Committee, approve the Infectious Disease policy as presented today. **Second:** Mr. Erstad. **The motion carried.**

### **b. Employee Engagement Survey Results**

Mr. Kelly said Your Health Idaho has utilized the Gallup Q12 Survey since 2016. This survey measures the engagement of the overall team on a scale of one to five, with five being strongly



agree and three being neutral. YHI has also formed an Employee Engagement Task Force (EETF) consisting of a small number of cross-functional team members to review the survey, perform internal interviews, and implement initiatives to address areas of opportunity as identified by the survey results. For the spring survey, the grandmean, or average of the twelve questions, did decrease slightly just over one percent (from 4.22 to 4.16). Despite the slightly lower score, this still places YHI in the 86 percentile of all organizations that leverage the Gallup Survey. He added that COVID-19 presented unique challenges and while we have areas of opportunity, we are very encouraged by the increases from our survey in the fall of 2019.

While YHI couldn't fully implement from fall due to COVID, the trends from Fall to Spring tell us we are on the right track. We also learned that many of the concerns raised in the Fall survey were either addressed in the beginning of the year or being addressed through the re-org that was completed in January. In addition to EETF, we will implement quarterly meetings and workshops focused on Gallup to ensure we continue to build on these results.

#### **c. Privacy & Security Policy Updates**

Mr. Kelly said there are over 20 Privacy and Security policies that are required under YHI's policy and security framework. The redlines of each of those policies was shared via the Board Sharefile site. Changes made were to reflect the systems YHI uses internally, updates to the Privacy & Security Officer designation, and changed program oversight from the Controller to the Chief Information Officer. We also updated the platform YHI uses for Privacy & Security training internally and the policies reflect that change. YHI added a new policy that supports the change to a remote workforce stance and the entire team was required to complete that training prior to going remote. Finally, hyperlinks and references to the new Support Request form were made to the Website Privacy Policy.

**Motion:** Ms. Henbest moved that the Board, as recommended by the Governance Committee, approve the revisions to the Privacy & Security policies as presented today. **Second:** Mr. Erstad. **The motion carried.**

#### **d. FY20 Operational Goal Update**

Mr. Kelly reminded the Board that the Strategic Goal of "Providing a Flawless Customer Experience" was reviewed at the April meeting. There are no proposed changes to that goal which is to ensure that less than five percent of customers require three or more touches to resolve their issue.

There are five different goal categories with four of those goals having been completed. Idahoans' Experience completed at the end of January with a 96 percent outcome. Retention and Enrollment, which measured enrollments as of April 1<sup>st</sup> obtained a 100 percent outcome. Risk Management also reached 100 percent achievement and focused on phishing campaigns, including click rate and reporting rate.

The Employee Engagement goal has two parts the second of which finished with the Gallup survey. The COMPASS card portion of the goal finished at 100 percent with 70 percent participation in this cultural value activity. The second part is the Gallup survey which declined, and that portion of the goal was not achieved this year. Finally, Low-Cost Promise is on track

and nearing 100 percent payout. It requires a \$400,000 operational expense savings compared to FY20 budget and payout is dependent upon successful completion of the financial audit in late August.

#### **e. FY21 Operational & Strategic Goals**

Mr. Kelly said for the FY21 proposed goals, YHI is proposing the same five categories with some minor changes to the goal metrics. For Idahoan's Experience, YHI is looking at how we can change this goal for FY22 to ensure it does not become stale. The reason we are looking so far ahead is to develop the metrics, establish a baseline, and ensure that YHI can make informed decisions in the spring when those new goals are proposed. For this year, YHI is proposing the team remains focused on First Contact Resolution by reducing the number of customers that require three touches or more to resolve their issue from 3.4 percent to 3.2 percent. The second part of Idahoan's experience is Turnaround Time and this focuses on the percentage of customers that require 3 or more days to resolve their issue. We are proposing a change from a baseline of 2.8 percent to 2.5 percent. And the third part of this goal is Net Promoter Score and we are proposing an increase from a baseline of 32 to a score of 34.

Retention and Enrollment focuses on high retention of current customers and a continued focus on increasing enrollments in under-penetrated markets. For this goal, YHI will not be tying compensation to it due to the many uncontrollable things happening this year including the presidential election, potential policy changes, COVID-19, and the risks to outreach events. However, it is one of the most critical goals as it is the primary revenue generator for Your Health Idaho. We will target 25 percent of enrollments as new customers and that the overall enrollment as of April 1, 2021, at 84,000, which is about a five percent increase from 2020.

Mr. Kelly said for Risk Management, YHI will be providing robust privacy and security training, including social engineering, to help safeguard YHI's assets. YHI will deploy no less than six campaign utilizing the new platform we mentioned earlier, which has robust reporting capabilities. We will look for a reporting rate of at least 95 percent averaged across all campaigns and a response rate of 8 percent or less.

Low Cost Promise always provides for robust discussion at the Committee level about whether this is the best way to measure success from a financial standpoint. As Mr. Settles said "YHI needs a low cost promise that works" meaning the budget and savings goals should not come at the expense of customer service levels and the overall customer experience. One of the ways YHI gauges success is to look at the cost per enrollment to run the Idaho Exchange. Cost per enrollment is approximately \$112 in 2020 and compared to other state-based exchanges with similar technology platforms, similar operational stances, and similar geo-political demographics YHI's cost per enrollment is between 60 and 180 percent lower than those other exchanges. When coupled with consistently high NPS scores, it tells us we are providing a high level of customer service while maintaining a fiscally conservative financial model. With that, we are proposing a savings vs budget of \$385,000, excluding the DHW and GetInsured contractual agreements (100% achievement).

Finally, for the Employee Engagement Goal, we will continue the COMPASS card initiative as well as the Gallup Survey. For COMPASS cards, YHI is proposing to increase participation to 75 percent or higher and for the Gallup Survey portion, increasing the grandmean 1 percent,

from 4.16 to 4.20. We also plan to continue participating in Best Places to Work, but don't plan to include it as part of the goal due to data unavailability.

Ms. Tucker asked if YHI tracks enrollment data related to race and ethnicity and how we use that data compared to Idaho's demographics for uninsured and what YHI does as far as language services or assisting folks that have a language barrier in the enrollment process. Mr. Kelly said in terms of ethnicity or related data, we do not capture that in our data sets. Reaching those underserved markets is a priority and one of the primary ways we do that is YHI's enrollment entities that work with clients in those underserved communities. YHI also provides agent and broker training across the state and YHI has a network of over 800 agents, broker, and enrollment counselors across the state.

Chairman Weeg asked how YHI interacts with the five tribal entities in Idaho. Mr. Kelly said YHI does reach out regularly and has active engagement with three of the tribes and has contractual agreements with two of those three. They have training, webinars, newsletters, etc. available to them to assist them in understanding the process. The Chair asked who we work with as enrollment entities and which two tribes we have contractual engagements with. Mr. Kelly said for enrollment entities, YHI works with Idaho Primary Care Association and St. Luke's. YHI has formal agreements with the Coeur d'Alene Tribe and the Nez Perce Tribe. YHI is currently trying to get an agreement in place with the Sho-Ban Tribe.

Ms. Henbest asked what the limitation is on tracking ethnicity. Mr. Reddish said there is not a reason for us to track it and he would need to follow up with DHW to see if it is a data point for them during the eligibility period. Mr. Kelly added that it is a voluntary question on YHI's application. Mr. Kelly said he will get information on this and get it to the right Committee in time for the September Board meeting.

**Motion:** Ms. Henbest moved that the Board, as recommended by the Governance Committee, approve the FY21 Operational & Strategic Goals as presented today. **Second:** Ms. Fulkerson. **The motion carried.**

## **12. FINANCE**

Mr. Settles, Chair of the Finance Committee, said it was a real treat to review financials that were not affected by COVID. Through March, we saw slightly lower than expected average monthly premiums, but those are offset by higher than expected effectuations. Revenue favorability is expected through the end of the fiscal year, primarily driven by assessment fee revenue. YTD expenses are favorable to budget and YHI is projected to finish the fiscal year almost one million dollars favorable even with the building acquisition. New additions to the quarterly financial report included a building income statement for View Pointe and a consolidated income statement, which will prove over time if the building purchase was wise. For the FY20 Audit Plan, Eide Bailey will conduct the financial audit again this year. Their office is currently working remotely due to COVID-19, but planning is underway. Onsite work is expected to begin in July.

### **a. Financial Results through March 31, 2020**

Mr. Kelly reviewed the enrollment and assessment fee highlights and said it can get a little confusing when the fiscal year crosses the plan year. Financial year to date, Assessment fee revenue is under budget by about \$20k and this shortfall is driven by lower than anticipated enrollments. That is slightly offset by higher than expected average premiums. However, for the first quarter of this plan year, Assessment Fee revenue is favorable by \$200K driven by higher enrollment due to smaller impacts from Medicaid expansion and average premium is slightly favorable as well. YHI does expect to end the fiscal year favorable for Assessment Fee revenue.

Mr. Kelly shared the income statement results through March 31 for YHI operations which excludes building purchase activities. Total revenue is favorable by \$7,000. Interest income and advertising revenue drive favorability in that category of \$27,000 which offsets the YTD unfavorability of assessment fee revenue discussed on the previous slide.

Financial year to date operating expenses were favorable to budget by almost \$950,000 driven primarily by employee and employee related expenses due to the timing of open positions. Outreach and Education is also favorable by \$146,000 driven by bringing Consumer Connector training in house. DHW eligibility shared services are also favorable by \$412,000.

Overall YTD Net Income is \$1.9M and favorable to budget by \$925,000. And the current forecast for FY20 projects Net Income of \$2.2M which is almost \$1.1M favorable to budget.

Mr. Kelly shared the View Pointe Building Income statement which is new for this meeting and represents the financial performance of the View Pointe building and related activities. The budget assumed a February 29 close date and YTD revenue is favorable by \$30,000 driven by the partial month of rent received during the month of February as we were able to close on the building earlier than expected. Operating expenses for the building are unfavorable by \$90,000 due primarily to costs associated with the building acquisition and maintenance items completed after building acquisition for which we received a credit at the time of close.

Finally, Mr. Kelly shared the Consolidated Income Statement with YTD results through March 31 showing revenue and operating expenses favorable to plan with Net Income favorability of \$857,000 compared to the approved budget.

**Motion:** Mr. Settles moved that the Board, as recommended by the Finance Committee, approve the financial results through March 31, 2020, as presented today. **Second:** Mr. Donaca. **The motion carried.**

#### **b. Financial Forecast & Sustainability**

Mr. Kelly shared the forecast for financial year 2020, this includes actuals through March 31 and forecast, or estimates, for April thru June. The forecast shows continued revenue favorability and full year favorability compared to budget of \$355,000 driven primarily by strong enrollments and average premium in plan year 2020. Operating expenses are expected to be \$793,000 favorable to budget and Net Income beats the budget by \$1.1M. This does show is hitting the Low Cost Promise goal with roughly \$400k in operating expense savings.

YHI's long- term cash forecast and sustainability analysis compares the current long-term forecast with the previous forecast. As you can see from the green line, our cash forecast is

slightly higher than previous due to strong performance in fiscal year 2020. This also includes cash generated from our landlord activities which assumes cash reserves for future capital expenditures as well as a reserve for future tenant vacancies.

### 13. EXECUTIVE SESSION

**Motion:** The Chair moved that the Board convene in Executive Session to consider the evaluation of an employee, pursuant to Idaho Code Section §74-206 (1)(b).

**Executive Session Roll Call:** Mr. Erstad called roll and asked for agreement to enter Executive Session and the following voted yes: Chair, Mr. Settles, Dr. Livingston, Ms. Henbest, Ms. Fulkerson, Mr. Donaca, Ms. Lodge, Ms. Hart, Mr. Zurlo, Ms. Tucker, Mr. Thomas, Representative Dixon, and Senator Nelson, all via teleconference, resulting in a quorum.

The Board entered into Executive Session at 10:59 a.m. and reconvened at 11:40 a.m. No final actions nor decisions were made while in Executive Session.

### 14. EXECUTIVE DIRECTOR VARIABLE PAY AND GOALS WEIGHTING

**Motion:** Ms. Henbest moved that the Board approve the overall compensation increase of five percent total with up three percent going to pay and the remaining two percent going to the 529 plan, which funds are included in the fiscal year 2021 budget. **Second:** Mr. Erstad. **The motion carried.**

**Motion:** Ms. Henbest moved that the Board approve the variable pay, which is included in the approved fiscal year 2021 budget, for achievement of fiscal year 2020 operational goals for the Executive Director and authorize the Board Chair to release the payment of funds once the goal achievement is reached. **Second:** Mr. Erstad. **The motion carried.**

**Motion:** Ms. Henbest moved that the Board, as recommended by the Governance Committee, approve the overall Fiscal Year 2021 Executive Director Variable Pay Weighting of 40% for Idahoans Experience, 0% for Retention and Enrollment, 20% for Risk Management, 20% for Low Cost Promise, and 20% for Employee Engagement. **Second:** Mr. Erstad. **The motion carried.**

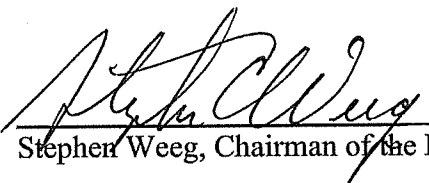
### 15. NEXT MEETING

The Chair said the next meeting will be held on September 18, 2020.

### 16. ADJOURN

There being no further business before the Board, the Chair adjourned the meeting at 11:48 p.m.

Signed and respectfully submitted,

  
Stephen Weeg, Chairman of the Board