

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

**FINANCE COMMITTEE  
MINUTES  
JANUARY 24, 2014**

**1. COMMITTEE MEMBERS PRESENT**

- Mr. Jeff Agenbroad, Chair
- Dr. John Livingston
- Representative Kelley Packer (via teleconference)
- Senator Jim Rice
- Mr. Kevin Settles (via teleconference)
- Mr. Fernando Veloz

**2. OTHERS PRESENT**

- Mr. Pat Kelly, Your Health Idaho
- Mr. Mike Stoddard, Hawley-Troxell

**3. CALL TO ORDER**

Following proper notice in accordance with Idaho Code § 67-2343, the Finance Committee meeting of the Idaho Health Insurance Exchange (Exchange) was called to order by Mr. Jeff Agenbroad, Chair of the Committee (Chair), at 8:04am, Friday, January 24, 2014, 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.

**3. ROLL CALL**

The Chair called the roll and determined that Senator Rice, Dr. Livingston, the Chair, Mr. Veloz, and Mr. Settles (via teleconference) were present resulting in a quorum.

Representative Packer (via teleconference) joined the meeting at 8:30am.

**4. MEETING MINUTES REVIEW: DECEMBER 11, 2013**

Motion: Dr. Livingston moved to approve the minutes from the December 11, 2013, Finance Committee Meeting with one grammatical amendment provided by the Chair on item 7.

Second: Mr. Veloz.

The motion carried.

**5. REVIEW OF AGENDA**

There were no changes to the agenda.

## **6. COMMITTEE CHARTER REVIEW**

The committee reviewed a redline version of the Finance Committee Charter that takes into account feedback from the Finance Committee, Operations Committee, and Your Health Idaho's audit firm. There was discussion around edits to different sections of the Charter.

### **(a) Section 2.2 – Annual Budgets**

On the second bullet point, the Committee decided to put a period after “management plan” and cut the last part of the sentence “for periods after federal establishment grant funding ceases to be available.”

### **(b) Section 3.1 – Financial Statements**

There was discussion around including a line about the Finance Committee's plan, which has been accepted by the Board, to meet no less than quarterly to approve financial statements. The Committee will also review financial statements each month. Mr. Stoddard explained this item could be added to a more detailed Committee checklist chart at a later time.

### **(c) Section 3.3 – Compliance**

The Chair suggested changing the language in the first bullet point to have a narrower focus on finance related policies instead of all of Your Health Idaho's policies. Mr. Kelly said that he interpreted that this bullet as falling under the Whistleblower responsibilities typical of an audit or finance committee. The Operations Committee does not currently have a similar Whistleblower clause in its Charter. Senator Rice suggested that only finance related issues come to the Finance Committee.

The Chair discussed that the Operations Committee should have overarching responsibility to oversee compliance with legal and regulatory requirements and to investigate, and as appropriate, resolve all reports of violations of federal and state law or Your Health Idaho's policies.

The committee had a brief discussion about the current signature authority process and the review process for the expenses of the Executive Director. No changes to the existing process were proposed.

#### *Line Edits to Section 3.3*

- Bullet Point 1: On the second line, the phrase “whether financial or otherwise” will be added after “...resolve all reports of violations...”. At the end of the sentence, the following phrase will be added, “except as may be delegated or assigned to another committee.”
- Bullet Point 4: The phrase “as related thereto” will be added after “...and related legal concerns...”

### **(d) Section 4.2 – Reporting**

The Committee agreed that, as the Finance Committee already provides an annual audit report to the Board, it would be redundant to also provide an annual written report to the Board detailing how the Committee has discharged its duties under the proposed Charter.

The Committee reached consensus on maintaining the language in the first sentence of section 4.2: "The Committee should regularly report to the Board on Committee actions and significant Committee deliberations," and striking the rest of the section from the Charter.

#### **(e) Section 6 – Composition and Appointment**

The requirement to select a Committee Vice-Chair will be added into section 6 where appropriate.

#### **(f) Section 7.5 - Audio Streaming**

The Committee discussed changing the last line from "meetings in audio and video format" to "meetings in audio or video format" since the Exchange does not currently have the technology to televise meetings. This issue will be discussed at the Operations Committee meeting.

Motion: Dr. Livingston moved that the Finance Committee approve the amended Finance Committee Charter and recommend the Charter be sent to the Operations Committee for review.

Second: Senator Rice.

The motion carried.

### **7. 1010 JEFFERSON UPDATE**

Mr. Kelly reported that Your Health Idaho staff and vendors are beginning to move into the space at 1010 Jefferson Street.

The original budget for the office build-out, dominated by furniture and technology, was set at \$40,000. With the project nearly complete, Your Health Idaho has saved \$3,600 on that budget.

### **8. QUARTERLY FINANCIALS REVIEW**

Mr. Kelly presented the Committee with financial results for the six months that ended on December 31, 2013.

The presentation outlined Your Health Idaho:

- Draws from CMS grants
- Areas of budget favorability
- Cash Flow
- Liabilities
- Assets
- Q1 2014 Financial Activities

#### **(a) Grant Draws**

Approximately \$5.4 million has been drawn from the two CMS grants that Your Health Idaho has been awarded, including \$5.2 million from the first grant. Grant spending has been dominated by contracting, outsourcing, and outreach and education. About \$200,000 has been drawn from the second grant and used primarily for staffing and general day-to-day operational costs.

Your Health Idaho delivered its first report to CMS on grant usage through October 31, 2013. Moving forward, Your Health Idaho will submit quarterly and semi-annual reports to CMS on use of grant funds as well as six monthly progress reports.

**(b) Budget Favorability**

Budget favorability continues to be dominated by the delayed media spend. The media spend has restarted and that favorability will diminish media spend increases in 1Q 2014.

In regards to In-Person Assistors there is favorability driven by the delayed implementation of Your Health Idaho agreements with tribal organizations.

Mr. Stoddard discussed that while certain budget items have favorability, when those budget items were initially approved, they were attached to dates by which the budget needed to be spent. In order to allow those budget items to be funded past the original approval date, the Board will need to take action. It was suggested that this action could take place at the March Board meeting.

**(d) Q1 2014 Financial Activities**

- Your Health Idaho will see the inaugural assessment fee revenue.
- Preparations will be made for the 2014 Financial Audit.
- Expenditures are expected to change based on Phase 2 activities and the technology and PMO vendors.

Motion: Mr. Veloz moved to recommend that the quarterly financial report is presented to the full Board at the next Board meeting.

Second: Dr. Livingston.

The motion carried.

The Chair asked if it would be possible to add an additional slide to the existing presentation that is more specific to an income statement.

Mr. Kelly responded that in January, Your Health Idaho will have assessment fees, and the current financial reporting package will be expanded to include revenue generated from assessment fees. In addition, the January report will include an analysis of the makeup of the assessment fees.

**9. ADJOURN**

There being no further business before the committee, the Chair adjourned the meeting at 9:23am.

Signed and respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeff Agenbroad", written over a horizontal line.

Jeff Agenbroad, Committee Chair