

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

**YOUR HEALTH IDAHO BOARD
MINUTES
FEBRUARY 7, 2014**

1. BOARD MEMBERS PRESENT

- Mr. Stephen Weeg, Chair
- Mr. Jeff Agenbroad
- Director Dick Armstrong
- Director Bill Deal
- Mr. Hyatt Erstad
- Mr. Mark Estess
- Ms. Zelda Geyer-Sylvia
- Ms. Margaret Henbest (via teleconference)
- Mr. Scott Kreiling (via teleconference)
- Dr. John Livingston
- Representative Kelly Packer
- Senator Jim Rice
- Representative John Rusche (via teleconference)
- Mr. Dave Self
- Mr. Tom Shores
- Ms. Karen Vauk
- Mr. Fernando Veloz

2. OTHERS PRESENT

- Ms. Amy Dowd, Your Health Idaho
- Ms. Jody Olson, Your Health Idaho
- Mr. Alberto Gonzalez, Your Health Idaho
- Ms. Tresa Ball, HR Precision
- Mr. Mike Stoddard, Hawley-Troxell
- Mr. John Kotek, Gallatin Public Affairs
- Ms. Ysabel Bilabo, Gallatin Public Affairs
- Ms. McKinsey Lyon, Gallatin Public Affairs
- Ms. Jennifer Visser, Gallatin Public Affairs
- Ms. Susannah Buckley-Green, Burson-Marsteller
- Ms. Tammy Perkins, Office of the Governor
- Mr. Edwin Vining, Nelnet/Proxi
- Ms. Kimberly Navarro

3. CALL TO ORDER

Following proper notice in accordance with Idaho Code § 67-2343, the meeting of the Idaho Health Insurance Exchange (Exchange) dba Your Health Idaho was called to order by Mr.

Stephen Weeg, Chair of the Board(Chair), at8:32am, Friday, February 7, 2014, at the State Capitol Building, Room WW17. In accordance with Idaho Code § 41-6104(8), the meeting was held in an open public forum and was streamed in audio format.

4. ROLL CALL

Mr. Erstad called roll and determined that the Chair, Mr. Agenbroad, Director Armstrong, Director Deal, Mr. Erstad, Mr. Estess, Ms. Geyer-Sylvia, Ms. Henbest (via teleconference), Mr. Kreiling (via teleconference), Dr. Livingston, Representative Packer, Senator Rice, Representative Rusche (via teleconference), Mr. Self, Mr. Shores, Ms. Vauk and Mr. Veloz were present resulting in a quorum.

Mr. Settles was absent.

Note: Senator Rice left the meeting at 10:10 am and Representative Packer left the meeting at 10:46 am.

5. PUBLIC COMMENT PERIOD

There were no comments from the public.

6. MEETING MINUTES REVIEW: JANAUARY 10, 2014

Motion: Mr. Selfmoved to approve the minutes from the January 10, 2014, meeting.

Second: Mr. Erstad.

The motion carried.

7. REVIEW OF AGENDA

There were no changes to the agenda.

8. OPERATIONS/GOVERNANCE DOCUMENTS – BOARD APPROVAL

The Chair and Dr. Livingston said that Mr. Stoddard will be presenting nine governance and policy documents to the Board for approval that have been recommended by the Operations Committee. The documents are all living documents and can be amended by the Board and appropriate Committees in the future.

(a) Amendment Process

Mr. Stoddard outlined the process for amending Your Health Idaho governance and policy documents after they are approved today:

- **Annual Review:**The Governance Committee will review governance policies and procedures annually and recommend changes to the Board.
- **Board or Committee Meetings:** Board members can identify and suggest changes to documents and policies at anyBoard or Committee meeting.

- **Staff Updates:** Your Health Idaho staff will keep Board and Committee Roadmaps and decision logs up to date.

(a) Bylaw Amendments

Section 1.1-Mission Statement

The Operations Committee recommended including the Your Health Idaho mission statement, that the Board approved on January 10, in Section 1.1 of the amended Your Health Idaho Bylaws. That mission statement reads: “Maintain maximum control of Idaho’s Health Insurance Marketplace at a minimum cost to its citizens.”

Director Deal explained that in reviewing the suggested amendments to the Bylaws, the Idaho Department of Insurance felt that the mission statement is too broad and expressed concern the mission statement does not contain a definition of the word ‘marketplace.’ For example, the Exchange may view the ‘marketplace’ as the insurance companies selling plans on Your Health Idaho, while the Department of Insurance views the ‘marketplace’ as all insurance companies in Idaho. The Department of Insurance would like to clarify that the mission of the Exchange is to take care of Your Health Idaho while the mission of the Department of Insurance is to take care of the insurance industry in Idaho.

The Department of Insurance suggested amending the mission statement to read: “The mission of Your Health Idaho is to maintain maximum control of Idaho’s fully-functional, self-sustaining, state-based health insurance exchange at minimal cost to Idaho’s citizens.”

The Chair suggested removing the mission statement from the amended Bylaws presented today to allow for further review by the Board and Mr. Settles. Mr. Self agreed with the suggestion of the Chair.

Representative Rusche expressed concern with the phrase ‘maximum control.’ While it means maintaining control versus the federal product now, that phrase could have a different meaning in the future.

Mr. Erstad agreed that it is important to incorporate language about the ‘Exchange’ into the mission statement to provide further clarity on the mission of Your Health Idaho.

Conflict of Interest Clarification- Section 3.4

Mr. Stoddard explained that instead of referring to the conflict policies in different places in the Bylaws, the Operations Committee recommended including a short statement in Section 3.4 of the Bylaws noting that conflicts of interest should be handled according to the Board’s Conflict of Interest Policy.

Committees-Article 6

Mr. Stoddard explained that descriptions of the functions of each Committee were removed from the Bylaws. Instead the Operations Committee recommended creating a charter process where the board accepts charters from the Committees that will include more detail about the function of each Committee.

There will be 3 standing Committees called out in the Bylaws: Executive Committee, Finance Committee and Governance Committee. The other three standing Committees that will be proposed today that are not listed in the Bylaws include: the Outreach and Education Committee, the Personnel Committee and the Marketplace Committee. This structure will make it easier to adjust the role and function of the Committees in the future without amending the Bylaws.

Next Steps:

Once the amended Bylaws are approved by the Board, they will be sent to Director Deal for his approval as required by statute. The ratification of the next three resolutions: authorizing the creation of the Committees, the acceptance of the Committee charters and the appointment of Committee members will be contingent upon Director Deal's approval of the amended Bylaws.

Motion: Dr. Livingston moved that the Board adopt the "Resolution Authorizing Amendment of Your Health Idaho's Bylaws," as such resolution has been modified to exclude the mission statement from Section 1.1 of the Your Health Idaho Bylaws.

Second: Mr. Shores.

The motion carried and the amended Bylaws with the exclusion of the Mission Statement will be sent to Director Deal.

Action Item: Director Deal and the Department of Insurance will review and approve the Your Health Bylaws approved by the Board today.

(b) Creation of Additional Standing Committees

Motion: Dr. Livingston moved that the Board adopt the "Resolution Authorizing the Creation of the Personnel, Marketplace and Education and Outreach Committees" as presented today.

Second: Mr. Veloz.

The motion carried.

(c) Committee Charters

Each of the six standing committees will have a charter that follows a consistent template and outlines the functions of the Committees. In addition to the charters, each Committee will create a roadmap that will include detailed operations and tasks of each Committee.

Executive Committee

Ms. Geyer-Sylvia expressed concern about the size of the Executive Committee relative to the size of the Board and the role of the Committee. She would like the Board to discuss the makeup and functions of the Executive Committee further.

Dr. Livingston said the Operations Committee had discussed the makeup and functions of the Executive Committee with several Committee Chairs and recommended adopting the Executive Committee Charter.

The Chair recommended accepting the Charter for the Executive Committee today and sending the Executive Committee Charter back to the Governance Committee for further review.

Motion: Dr. Livingston moved that the Board adopt a “Resolution Authorizing the Adopting of the Charters for the Executive Committee, Finance Committee Governance Committee, Marketplace Committee, Outreach and Education Committee and Personnel Committee” as presented today.

Second: Mr. Self.

Discussion:Ms. Geyer-Sylvia asked if the Board was voting to accept the original Executive Committee charter or the amended version. The Chair said that the Board will be voting to accept the original charter with the intent that the Charter be amended after further review by the Governance Committee and Board.

The motion carried.

(d) Committee Appointments

The Chair read his nominations for Committee appointments to each of the six committees and designated Chairs for each Committee.

PERSONNEL COMMITTEE	GOVERNANCE COMMITTEE
Margaret Henbest, Chair	John Livingston, Chair
Zelda Geyer-Sylvia	Hyatt Erstad
Dave Self	Kevin Settles
Karen Vauk	John Rusche
Tom Shores	Scott Kreiling
Dick Armstrong	Dave Self
	Jim Rice
MARKETPLACE	FINANCE
Mark Estess, Chair	Jeff Agenbroad, Chair
Vice Chair: TBD	Kevin Settles
Tom Shores	Fernando Veloz
Zelda Geyer-Sylvia	Kelley Packer
John Rusche	John Livingston
Fernando Veloz	Jim Rice
Dick Armstrong	
OUTREACH & EDUCATION COMMITTEE	EXECUTIVE COMMITTEE
Karen Vauk, Chair	Stephen Weeg
Tom Shores	Scott Kreiling
Kelley Packer	Hyatt Erstad
Mark Estess	Jeff Agenbroad
Margaret Henbest	Kelley Packer
Dave Self	John Livingston
Bill Deal	Karen Vauk
	Mark Estess

Ms. Geyer-Sylvia mentioned that she had requested to be included on the Finance Committee, and the Chair appointed Ms. Geyer-Sylvia to the Finance Committee.

Motion: Dr. Livingston moved that the Board adopt a “Resolution Confirming Members of the Executive, Finance, Governance, Marketplace, Outreach & Education and Personnel Committees” as such resolution has been modified to appoint Ms. Geyer-Sylvia to the Finance Committee.

Second: Mr. Shores.

The motion carried.

(e) Roles & Responsibilities

The Roles & Responsibilities document will serve as a quick reference guide to the roles, responsibilities and authority of the Board, Committees, the Board Chairman and Executive Director.

Motion: Dr. Livingston moved that the Board adopt the Roles & Responsibilities document as recommended by the Operations Committee and as presented today.

Second: Mr. Erstad.

The motion carried.

(f) Plan of Operations

By order of the statute, Your Health Idaho must adopt a Plan of Operations.

The Your Health Idaho Plan of Operations as presented will discharge this function and will be split into two parts.

Part 1 – Governing Process

- A. This section includes all Your Health Idaho policy and governance documents and Committee Charters. This will serve as a long-term reference for Board members.
- B. The Governance Summary, also included in Part 1, outlines specific processes of the Board for certain activities i.e. signing a contract. The summary lists the activity in one column and all policies related to that activity in the second column. The third column lists approvals and reviews that may be related to that activity that will be populated moving forward when the Governance Committee establishes a review process for governance and policy documents.
- C. All of the most up-to-date governance and policy documents will be available electronically on the share file site for Board members to access at any time.

Part 2 – Operations-this section will contain operations documents that will be updated throughout the year including:

- A. Budget

- B. Board and Committee Roadmaps
- C. Decision Logs from Board and the Committees

Motion: Dr. Livingston moved that the Board adopt the Plan of Operations as recommended by the Operations Committee as presented, and as such Plan of Operations shall be hereafter updated as contemplated therein.

Second: Mr. Erstad.

The motion carried.

(g) Conflict of Interest Policy

The Conflict of Interest Policy has been amended based on recommendations from the Operations Committee to ensure that Your Health Idaho instituted a more aggressive approach in making sure that conflicts of interest are reported. Additionally, Section 2 Part B of the amended policy outlines how conflicts are to be analyzed and the responsibilities of Board members, officers and Your Health Idaho staff in identifying a potential conflict of interest.

Time of Commitment:

Section 2, Part A of the Your Health Idaho Conflict of Interest Policy has been amended to note that a potential conflict of interest must be reported if it is reasonably anticipated a conflict may arise, even though the Board may not have taken action. This will help ensure, for example, that a conflict is not just disclosed at the time of entering a contract in a formal meeting, but when a reasonable third party would expect a conflict would arise.

Motion: Dr. Livingston moved that the Board adopt the Conflict of Interest Policy as recommended by the Operations Committee and as presented today.

Second: Mr. Shores.

The motion carried.

(h) Public Records Policy

An amendment was made to Section III, Part B to clarify the process to appeal denials of public record requests.

Motion: Dr. Livingston moved that the Board adopt the Public Records Policy as recommended by the Operations Committee and as presented today.

Second: Mr. Self.

The motion carried.

(i) Record Retention Policy

Mr. Stoddard outlined the Record Retention Policy that addresses how long documents should be retained, outlines technical requirements for security and privacy and details related requirements that Your Health Idaho imposes on third-party vendors and remedies in the event of breaches.

The Record Retention Policy will be supplemented in the coming months with a separate Privacy and Security Policy which will address, in greater detail, Your Health Idaho's process to ensure security of any personal information as Idaho builds its own technology solution.

The Operations Committee also discussed and recommended that in order to track Board member emails and files related to the Exchange, whenever Board members are communicating on Exchange issues, Board members should always copy the 'idahohix' email address. All of those emails will be retained in a separate file for counsel to review and delete as appropriate.

Ms. Dowd discussed that it is excellent that Your Health Idaho is considering adopting the Record Retention Policy today. She clarified that it will take time for Your Health Idaho staff over the next year to identify the tools, training and staffing necessary to operationalize the policy.

Specifically the staff will need to:

- **Establish** process for categorizing all business documents and emails for retention (including historical documents)
 - Determine automated tool needs to assist with the process as needed
- **Develop** staff training on policy and available tools
- **Determine** staff roles & responsibilities to ensure policy compliance

The Chair emphasized that if the Board accepts the policy Board members will have the onus of responsibility to add the 'idahohix' email on every email related to the Exchange.

Motion: Dr. Livingston moved that the Board adopt the Record Retention Policy as recommended by the Operations Committee and as presented today.

Second: Mr. Veloz.

The motion carried.

9. OUTREACH AND EDUCATION

Ms. Olson presented an update on the current Outreach and Education efforts of Your Health Idaho. She also provided a look ahead to the activities that will take place in the last two months of open enrollment.

(a) Public Records Requests

Since September 1, 2013, Your Health Idaho has responded to 23 public records requests on a variety of topics ranging from budget review to staff e-mails. It has taken a total of approximately 138 staff and vendor hours to respond to the requests.

(b) Advertising

Your Health Idaho kicked off a new advertising campaign this week called “All Across Idaho” that will have TV, Radio, Print, Digital, Out-of-Home & Direct Mail executions. The campaign will run through the end of open enrollment on March 31, 2014.

Ms. Olson informed the Board that advertising spend on “All Across Idaho” would be allocated across different media as follows:

Television: 22%

Print, Direct Mail and Out of Home: 31%

Radio: 21%

Digital: 26%

(c) Website

Ms. Olson discussed that Your Health Idaho rolled out a redesigned website this past week that provides for a more intuitive user experience.

(d) Stakeholder & Community Outreach

Ms. Olson updated the Board that the five federally recognized tribes in Idaho are conducting final reviews of tribal policy and IPA contracts.

Next month, the Your Health Idaho staff will present a proposed customer support model for Your Health Idaho that will be built with an eye toward cost efficiency and will be based on an analysis of data from the federal call center and other state-based marketplace call centers.

(e) Budget Status

Ms. Olson gave an update of Outreach and Education spending. From August 16, 2013-January 31, 2014, \$3,009,900 has been spent on Outreach and Education efforts. Scope of Work #4 has been approved with Gallatin Public Affairs for February 1-April 15, 2014 and the projected spend during this period is \$2,103,000. In total, the expected Outreach and Education outlay is expected to be approximately \$5.1 million, over \$500,000, below the \$5.7 million cap the Board approved for Outreach and Education spending in August 2013.

(f) 2014 Strategic Planning for Outreach & Education

Ms. Olson updated the Board that strategic planning for Outreach and Education has begun for April 2014-January 15, 2015.

Ms. Geyer-Sylvia asked about the next steps on the Outreach and Education budget after April 15, 2014. She emphasized that building awareness over the long-term is important.

Ms. Olson said that she is in the process of building the budget and scopes of work for Outreach and Education past April 15, 2014

More updates on the strategic plan and a proposed budget will be presented first to the Outreach and Education Committee and then to the Board in the coming weeks.

Ms. Dowd explained that Your Health Idaho has a Master Services Agreement with Gallatin Public Affairs and subsequent statements of work can be added to that agreement moving forward. The Chair clarified that it will be an upcoming decision point for the Board to extend work with Gallatin Public Affairs or to rebid the work.

Ms. Geyer-Sylvia asked if there are sufficient funds for the rest of the year to draw money from the grant for Outreach and Education. Mr. Agenbroad responded that the budget we are seeing is contemplated in the overall budget for the Board that runs through June 30, 2014. The Phase 2 grant also includes funding for Outreach and Education.

(g) Previous Insurance Status of Your Health Idaho Enrollees

Mr. Erstad asked if Your Health Idaho had access to information that details if enrollees on Your Health Idaho previously had insurance or were previously uninsured before they enrolled in a plan sold on Your Health Idaho. Ms. Olson explained that Your Health Idaho has asked for that information, but it is not provided in the data points that are released from the federal government each month.

Ms. Geyer-Sylvia said it is a difficult question for the carriers as well. Carriers can determine which enrollees are new to their company, but do not know if these enrollees had an insurance plan through a different carrier before. She suggested surveying the enrollees in the future to address this issue. Mr. Self agreed with Ms. Geyer-Sylvia's suggestion of surveying enrollees to determine if they had insurance coverage prior to enrolling in Your Health Idaho. Mr. Shores suggested surveying agents and brokers to provide this information.

Ms. Henbest wondered if research could be conducted annually to determine the uninsured rate in Idaho.

The Chair agreed that it is important to have a means to address the question raised by Mr. Erstad.

Representative Packer suggested that when Your Health Idaho has its own application, a question could be added to the application that asks potential enrollees if they are currently insured or uninsured.

Senator Rice, said that statistics are important, but the job of the Exchange is to make sure the website works for those that want to use it. He stated that statistical information on the uninsured rate may be useful to the insurance companies, but beyond finding out if enrollees had insurance before, additional research is not necessary to determine the uninsured rate statewide.

Ms. Henbest clarified that she was not recommending that Your Health Idaho be responsible for conducting research to determine the uninsured rate in Idaho, but it may be useful to see if another entity could get that information. She feels that the uninsured rate is a useful benchmark, but it is not the responsibility of Your Health Idaho to measure it.

10. FINANCE

(a) Quarterly Financials

Mr. Kelly presented the Board with financial results for the six months that ended on December 31, 2013. Through that date Your Health Idaho is seeing budget favorability of around \$1 million which is largely related to the delayed spending on advertising discussed in previous meetings.

Grant reporting to CMS began in December and continues on a monthly basis. The details of the report include categories of spending, such as salaries, contractors, equipment and supplies.

Your Health Idaho has seen the first month of assessment fee reporting, and Your Health Idaho has begun receiving money from carriers.

(b) 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.

(b) Budget Favorability-

December 2013

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 Assisters there is favorability driven by the delayed implementation of Your Health Idaho agreements with tribal organizations which will likely begin in March.

Budget unfavorability is due mostly to timing. For example, the unfavorability of approximately \$17,000 in capital expenditures related to the new office space costs incurred in December, but the budget was for November.

Year to Date

Your Health Idaho is showing operational favorability of around \$1 million mostly related to delayed spending on advertising.

There is some unfavorability in professional services related to legal expenses and the timing of true-up of PCG expenses to date.

(d) Q1 2014 Financial Activities

- Your Health Idaho will see Assessment Fee revenue recognition and review and adjust process as necessary.
- Monthly grant reporting to CMS will continue and there will also be 6 month progress report CMS as well.

- Preparations will be made for the 2014 Financial Audit.
- Expenditures are expected to increase based on Phase 2 activities and the technology and PMO vendors.
- Your Health Idaho will provide year end reporting for vendors.
- Your Health Idaho will conduct use tax reconciliation for 4Q.

Your Health Idaho is in the process of recasting expenses for the remainder of the fiscal year, through June 30, 2014. Your Health Idaho expects legal expenses to be higher than expected due to the delay in negotiation of contracts relative to technology and PMO vendors and work related to the Board resolutions and Bylaws discussed earlier today. Slightly lower outreach and education expenses are expected.

An updated forecast will be presented in the March Board meeting.

Mr. Agenbroad finance committee has approved and recommended to the board as presented.

Motion: Mr. Agenbroad moved that the Board accept the quarterly financial report that has been reviewed and approved by the Finance Committee and presented today.

Second: Mr. Veloz.

The motion carried.

(b) Office Space Update

Mr. Kelly reported that Your Health Idaho staff and vendors have moved into the new office space.

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.

11. LEGISLATIVE PROCESS

The Chair solicited feedback from the Board on the process for the Board and/or staff to monitor and, if necessary, respond to any legislation that may have an operational impact the Exchange. Since some pieces of legislation may require a quick response from the Board, there may not always be time for the full Board to meet before responding.

Representative Rusche said that sometimes a response to legislative is needed quickly and for that reason suggested avoiding putting responsibility in the hands of a standing Committee. He suggested that Your Health Idaho staff could monitor legislative issues that may impact the Exchange, and the Executive Director can pull in Board members and legal counsel for consultation on a path forward as needed. If further response is needed, the issue could then be sent to the appropriate Committee for further discussion and review.

The Chair suggested and the Board agreed on the following process for responding to pending legislation or legislative issues that may have an operational impact on the Exchange:

- The Outreach and Education Vendor, Gallatin Public Affairs, is tasked with monitoring and escalating legislative issues or pending legislation that may have an operational impact on the Exchange to the Executive Director.
- The Executive Director reviews information from Gallatin and consults with the Chair and any appropriate Board members to determine if a response from the Board is necessary.
- The Executive Director will notify the Board the consensus of the Chair and Executive Director on the pending legislation or legislative issue and if a response may be required or if a special Board meeting may be necessary to address the issue.

Mr. Self said that it is important not to escalate issues unless there is a clear impact on the operations of the Exchange.

12. 2014 STRATEGIC PLANNING

The Chair suggested that the Board hold a one or two day strategic planning session in April, May or June to conduct strategic planning over the next few years, which can also help inform the Your Health Idaho staff review process.

The Chair asked the Governance Committee to take the lead on determining what forum and facilitator may work best for the strategic planning session.

12. EXECUTIVE SESSION

Motion: The Chair moved that the Board, pursuant to Idaho Code Section 67-2345, convene in Executive Session to consider preliminary negotiations involving matters of trade or commerce in which this governing body is in competition with another governing body and to address evaluation of staff members pursuant to Idaho Code Sections 67-2345 (1) (e) & (1) (b).

Second: Mr. Erstad.

Roll Call: Mr. Erstad called roll and determined that the Chair, Mr. Agenbroad, Director Armstrong, Director Deal, Mr. Erstad, Mr. Estess, Ms. Geyer-Sylvia, Ms. Henbest (via teleconference), Mr. Kreiling (via teleconference), Dr. Livingston, Representative Rusche (via teleconference), Mr. Self, Mr. Shores, Ms. Vauk and Mr. Veloz were present resulting in a quorum. The Board entered Executive Session at 10:50 am.

The Executive Session adjourned at 12:18 pm. The Board took no final action nor made any final decisions while in Executive Session.

13. MARKETPLACE COMMITTEE UPDATE

The next meeting of the Marketplace Committee will be on Wednesday, February 12, 2014. The Committee will continue to review top candidates in the RFP processes for a PMO Vendor and a Technology Vendor.

14. NEXT MEETING

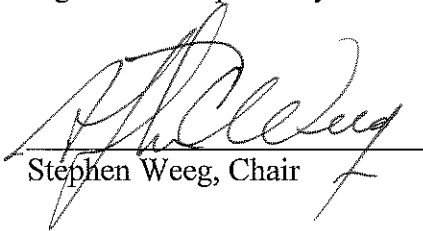
The Board discussed holding a limited scope meeting on February 21, and the Board will be polled on times for that date.

The next full Board meeting will be held in March.

17. ADJOURN

There being no further business before the Board, the Chair adjourned the meeting at 12:23 pm.

Signed and respectfully submitted,



Stephen Weeg, Chair