

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

**YOUR HEALTH IDAHO BOARD
MINUTES
FEBRUARY 21, 2014**

1. BOARD MEMBERS PRESENT

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

2. OTHERS PRESENT

- Mr. Peter Sorensen, Blue Cross of Idaho (via teleconference)
- Mr. Lance Hatfield, Blue Cross of Idaho (via teleconference)
- Mr. Brad Frazer, Hawley-Troxell
- Mr. Mike Stoddard, Hawley-Troxell
- Mr. Marty Barrack, Barrack Law Firm
- Ms. Amy Dowd, Your Health Idaho
- Mr. Alberto Gonzalez, Your Health Idaho
- Mr. Pat Kelly, Your Health Idaho
- Ms. Jody Olson, Your Health Idaho
- Mr. Josh Tauber, Accenture
- Mr. Stephen Hinz, Accenture
- Ms. McKinsey Lyon, Gallatin Public Affairs
- Ms. Natalie Padgorski, Gallatin Public Affairs
- Ms. Becky Webb, GetInsured
- Mr. Ganesh Viswanath, GetInsured
- Ms. Melanie Schoenberger, GetInsured
- Ms. Andrea Riggs, GetInsured
- Ms. Marnie Packard, Pacific Source

3. CALL TO ORDER

Following proper notice in accordance with Idaho Code § 67-2343, the meeting of the Idaho Health Insurance Exchange (Exchange) was called to order by Mr. Scott Kreiling, Acting Chair (Chair), at 8:05am, Friday, February 21, 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

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

Mr. Agenbroad, Mr. Erstad, Representative Packer, Mr. Settles and Ms. Vauk were absent.

Motion: Mr. Veloz moved that Mr. Kreiling serve as Chair of the meeting since Mr. Weeg was not attending the meeting in person.

Second: Mr. Self.

The motion carried.

5. PUBLIC COMMENT PERIOD

There were no comments from the public.

6. REVIEW OF AGENDA

Motion: Mr. Estess moved that the Executive Session be removed from the agenda, as it was no longer needed.

Second: Ms. Henbest.

The motion carried and the Executive Session was removed from the agenda.

7. PMO AND TECHNOLOGY VENDOR FINALISTS

Mr. Estess presented a technology solution report to the Board on behalf of the Marketplace Committee. Since the Board was formed in April of 2013, it has been the Board's intent to create a technology solution for the Idaho Health Insurance Exchange that would meet the needs of Idahoans and be state-controlled, secure and self-sustaining.

After an extensive bidding process, the Marketplace Committee is ready to put forward two resolutions for the Board's consideration to recommend a technology solution vendor and a Program Management Office (PMO) vendor.

(a) Approach to Developing Technology Solution

In his presentation Mr. Estess outlined the thorough and deliberate review the Marketplace Committee conducted to identify a technology solution model for Idaho. This review included examining approaches, options, technologies and best practices in other states.

(b) Technology Solution Model

The Marketplace Committee identified a model for Idaho's technology solution that would include three vendors: a technology solution vendor that would implement a software solution to meet Idaho's unique need, a project management vendor that ensures that implementation is timely, secure and meets operational needs to maintain Idaho's State-based Exchange and an independent verification and validation vendor to conduct a third-party review and audit of the technology solution.

(c) Competitive Bidding and Contracting Process

The Marketplace Committee then established a highly competitive and inclusive bidding and review process with broad-based representation from a cross section of public and private stakeholders.

The Marketplace Committee is continuing to implement a process to ensure that Your Health Idaho achieves the lowest cost and has multiple layers of accountabilities and payment protections in contracts with the technology solution vendor and project management vendor.

(d) Marketplace Committee Recommendations

Today, the Marketplace Committee believes it has met the requirements and directive set forth by the Board to identify the best technology solution for Idaho and the vendors to help build that solution.

The Marketplace Committee recommends GetInsured to serve as the Technology Solution Vendor, as they provide a solution that is mature and currently being used in other states, is highly customizable to meet Idaho's unique needs and has a lower maintenance and operational cost that aligns with the Exchange's goal of sustainability. The recommended contract has an amount not to exceed \$32,566,250 for Design Development and Implementation and \$4,823,842 for Maintenance and Operation services through December 2018.

The Marketplace Committee recommends Accenture to serve as the Program Management Office (PMO) Vendor, as they bring significant project management experience in both public and private exchanges, have success working with GetInsured, have success implementing large scale technology projects in Idaho and can roll off as the technology project launches. The recommended contract has an amount not to exceed \$3,372,708 for project management and risk mitigation services.

(e) Performance Guarantees & Security

Mr. Self asked if the not to exceed amount of \$4,823,842 for Maintenance and Operations (M&O) through December 2018 is a firm price. Mr. Barrack of Barrack Law Firm, who the Board hired to assist with contract negotiations, responded that it is a firm price for the scope that exists now. The scope of development results in a system and this is the price for the support of that system through December 2018. For example, if more servers were needed, it would not result in an increase in price.

Ms. Henbest asked about who would be responsible for project management functions when Accenture rolls off in the future. Mr. Barrack replied that Accenture is being hired to provide

Program Management Office (PMO) services, providing project management and oversight for the development of the technology solution. The Marketplace Committee is proposing they be hired at a fixed price for a fixed period of time. Once the development is complete, those services should no longer be needed because the system is already established. If there were to be a need for more development in the future, there may be a need for more oversight at that time.

Dr. Livingston asked about the performance metrics that are built into the proposed contracts with GetInsured and Accenture. Mr. Barrack responded that during development, there will be specifications that will lead to testing, and the testing will confirm the system can perform to those specifications. Once the testing is complete, service level agreements will be evaluated on a monthly basis and there will be financial penalties applied to the vendor if those agreements are not met. Your Health Idaho will also set key performance metrics to measure the efficacy of the system.

Ms. Henbest asked how security concerns influence the work of the project management and technology solution vendor. Mr. Barrack mentioned the security obligations are very important and on-going. In addition to Accenture and GetInsured, there will also be a third-party, Independent Verification and Validation (IV&V) vendor, to verify the project and deliverables. The Centers for Medicare and Medicaid Services (CMS) also has a role in guaranteeing security. CMS has already reviewed the contract documents and provided input. During development, Accenture is managing the security obligations process. The development of the security provisions in the system itself will be the responsibility of GetInsured and will be tested by the IV&V vendor and CMS before the system goes live.

Mr. Barrack said that he is not aware of any security problems in the work that Accenture and GetInsured have done in other states.

Ms. Geyer-Sylvia mentioned the Marketplace Committee has had extensive discussion about the security portions of the contracts. Your Health Idaho will be getting expert advice about security and the development of security policies the Board may need to approve. Ms. Geyer-Sylvia said that additional resources may be needed if Your Health Idaho decides to engage a security expert before the system goes live. That resource may be available through the IV&V provider or through an independent security expert. The Marketplace Committee will continue to evaluate the need to allocate resources for an independent security expert.

Mr. Stoddard mentioned that there was a typographical error in the Resolution Confirming Selection of Vimo, Inc. DBA Getinsured.com and Delegating Entering into a Contract for services. In the 8th paragraph, the phrase, "with no more than \$33,566,250 being allocated for Design, Development and Implementation," should read "with no more than \$32,566,250 being allocated for Design, Development and Implementation."

(f) Resolutions

Motion: Mr. Estess moved that the Board shall adopt the resolution presented hereto, and with the amendments discussed today to be inserted by legal counsel, confirming selection of Vimo, Inc. DBA Getinsured.com and delegating entering into a contract for services.

Second: Dr. Livingston.

The motion carried.

Motion: Mr. Estess moved that the Board shall adopt the resolution presented hereto confirming selection of Accenture, LLP and delegating entering into a contract for services.

Second: Mr. Veloz.

The motion carried.

8. ADJOURN

Motion: Mr. Self moved to adjourn the meeting.

Second: Senator Rice.

The motion carried, and the meeting was adjourned at 8:35 am.

Signed and respectfully submitted,

Scott Kreiling, Acting Chair

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