

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

**PERSONNEL COMMITTEE  
MINUTES**

**TUESDAY, MARCH 8, 2016**

**1. COMMITTEE MEMBERS PRESENT**

- Ms. Margaret Henbest, Chair
- Mr. Scott Kreiling
- Ms. Karen Vauk
- Mr. Kevin Settles
- Director Armstrong

**2. OTHERS PRESENT**

- Mr. Pat Kelly, Your Health Idaho
- Ms. Tresa Ball, HR Precision
- Mr. Trent Cummins, Your Health Idaho
- Mr. Steve Berenter, Hawley Troxell
- Mr. Layne Bell, Your Health Idaho
- Ms. Cheryl Fulton, Your Health Idaho
- Mike Reynoldson, Blue Cross of Idaho

**3. CALL TO ORDER**

Following proper notice in accordance with Idaho Code §74-204, the Personnel Committee of the Idaho Health Insurance Exchange (Exchange) was called to order by Ms. Henbest, Chair of the Committee (Chair), at 4:00 p.m., Tuesday, March 8, 2016, 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 website and at the meeting location.

**4. ROLL CALL**

The Chair took roll call and determined that Mr. Kreiling, Ms. Vauk, Mr. Settles and Director Armstrong were present, resulting in a quorum. Ms. Geyer-Sylvia was absent.

**5. APPROVAL OF PRIOR MEETING MINUTES**

Motion: Mr. Settles moved to approve the minutes from the September 14, 2015, meeting with the correction to page 4 as noted.

Second: Mr. Kreiling.

The motion carried.

## **6. REVIEW OF AGENDA**

There were no changes to the agenda.

## **7. PERSONNEL COMMITTEE ROADMAP REVIEW**

Chairman Henbest reviewed the roadmap and noted that the Committee is scheduled to meet three times in 2016. The Chair noted it might be useful to reduce the meetings to two for 2016. Mr. Kelly said he would check the Charter to see if there are any reasons we can't reduce to two meetings.

## **8. STRATEGIC STAFFING PLAN & COMPENSATION BUDGET FOR FY17**

Mr. Kelly walked through the org chart and noted that currently YHI has 23 onboard with 4 open positions. He introduced Layne Bell, YHI's new Controller, replacing Mr. Cummins as of March 11. The remaining open headcounts are centered in the IT space and in the Consumer Support area. Last year we had a total headcount of 25, but increased it by two staying within the approved FY16 budget. Operations is the largest group as it has the biggest lift and most diverse set of work streams. The rest of the group is pretty much intact as planned last year.

The FY17 Compensation Budget increased due to the timing of the hires. In FY16 it was \$1.8M and increased to just over \$2M which is a \$180k increase year over year.

Mr. Kreiling asked about adding to the headcount and wondered if we anticipate adding more in the future. Mr. Kelly said six Consumer Support staff is what is anticipated to be the right level based on the workload and those would be augmented with temporary workers during Open Enrollment.

Employee and employee related costs include incentives, the variable pay plan and fringe benefits. That increase year over year is due to timing of hires and changes in the fringe pool. We have assumed a 3% merit increase and feel confident in that range. In terms of market adjustment, this is evaluated every other year and due to the short tenure of our existing staff, there is not a reason to do a broad based market adjustment this year. In lieu of broad market adjustment to YHI pay ranges, we will review individual employees based on position in range and equity and use the budget pool of \$22k in this area.

The overall Fringe rate is 23%, a slight increase over last year driven by an expected increase in the participation rate of employees in offered benefits. Currently about half of the employees participate in the benefits programs and we believe we will have an additional three people convert to YHI benefits. We are also expecting a premium increase of about 8%.

Mr. Settles asked about the \$90K and what this represents. Mr. Kelly said the \$90k is a combination of the three new participants as well as the 8% increase overall. Mr. Settles asked if

the plans were shopped and Mr. Kelly said yes, the plans were shopped last year and will be shopped again next year.

Mr. Kelly said the last item under employee development and training, we assumed \$25k for employee development and training. YHI has not done a lot of employee development and training but plans to do that this year.

Ms. Vauk asked about last year and if anyone took advantage of that and Mr. Kelly said we had two employees in the IT space take advantage of that, mostly around professional certifications.

Motion: Ms. Vauk moved that the Personnel Committee recommend the Personnel related budget items, as presented today, to the Finance Committee for inclusion in the operational budget for Fiscal Year 2017 for Your Health Idaho.

Second: Mr. Settles.

The motion carried.

## **9. FY16 EXECUTIVE DIRECTOR PERFORMANCE EVALUATION PROCESS**

The Chair said evaluation of the Executive Director needs to be completed by June, which means the evaluation will be distributed in May providing the Board with a month to complete the evaluation. The Chair said she and Ms. Ball reviewed the comments and compared them to the results last year. This is essentially the same tool as last year with the exception of the annual goals which change from year to year. There is new language included in the one strategic goal for the year.

The Chair said that annual goal this year is to solidify the integration of YHI as an insurance tool for Idahoans to access insurance.

Director Armstrong asked how the Board members would judge that. Mr. Kreiling asked if there are a number of tickets or metrics that can be compared with the number of complaints and workarounds. Mr. Kelly said the strategic goals don't have SMART criteria like the operational goals. There are a number of operational metrics that can be used to determine organizational alignment with the strategic goal such as overall ticket counts for agent and consumer experience. He thinks the challenge would be breaking those down between consumers and agents but we could provide an overall year over year comparison. He said we could look at the ratio of tickets to phone calls, and the ratio of phone calls to enrollment to get some measurement and account for changes year over year. The long term sustainability plan could be partially measured via the financial goal as well as the enrollment goal. With respect to the revenue opportunities portion of the sustainability plan, he would be happy to share the conversations we have had around that and what we have done, but that would be difficult to put in a SMART format.

Mr. Kreiling asked about a survey. Mr. Kelly said we do an annual customer survey and we could get broad directional feedback from that if it is completed in time for the executive director evaluation.

Mr. Settles said this is well written and since he has sat through a few appeals, he wonders how people get to that point. That could also be a tool. Sitting in Finance, we are always trying to find ways to buckle the budget down and to him two and three are the same.

Ms. Ball added that last year, the strategic goal was fairly broad and the specifics were under the operational goals. Last year the process went much more smoothly than the prior year and so we kept the format.

The Chair suggested we articulate the strategic goal at the April Board Training so we don't lose sight of it again.

## **10. PERSONNEL POLICIES & EMPLOYEE HANDBOOK**

Mr. Kelly reviewed the updates to the Employee Handbook and said that there are clarifications around two specific items: Paid Time Off ("PTO") and Leave of Absence ("LOA"). The clarification around the PTO award for exempt employees at the time of hire is for new hires only and is not applicable to current team members who are converted from non-exempt to exempt status. The second is around Leaves of Absences and was clarified to a maximum of 90 days (unless required by law).

Mr. Settles asked if an exempt employee could use their bank of PTO right off the bat. Mr. Kelly said theoretically yes, someone could do that, however we have not had anyone do that to date. Ms. Ball said the goal here was to provide a more competitive package overall.

Mr. Settles mentioned the Department of Labor and the expectation that they will raise the pay level for exempt status and wondered how it would impact employees at YHI. Mr. Kelly said we are aware of that proposed change and we are watching it, but it is not contemplated in the current budget because we do not have enough clarity in how it will be implemented. Mr. Berenter said Hawley Troxell is advising their customers to look at this now because it will probably happen in July of 2016. Mr. Kelly said they will look at that potential impact and report back to the Committee.

Mr. Kelly said the second area is around Privacy and Security and includes clarification around the document shredding policy, the badging in and out policy and the requirement of leveraging encrypted email for all consumer Personally Identifiable Information (PII), to both internal and external recipients. There is currently ongoing communications with team members and training during onboarding for new hires.

Motion: Mr. Kreiling moved that the Personnel Committee recommend that the Board approve the updates and edits to the Employee Handbook and Addendum as presented today.

Second: Ms. Vauk.

The motion carried.

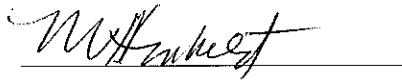
**11. NEXT MEETING**

The Chair said the next meeting will be in early June. Ms. Fulton will reach out to the Committee at an appropriate time to get that scheduled.

**12. ADJOURN**

There being no further business before the Committee, the Chair adjourned the meeting 4:35 pm.

Signed and respectfully submitted,

A handwritten signature in cursive script, appearing to read "M. Henbest", is written over a horizontal line.

Margaret Henbest, Committee Chair