

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

**FINANCE COMMITTEE  
MINUTES  
MARCH 11, 2014**

**1. COMMITTEE MEMBERS PRESENT**

- Mr. Jeff Agenbroad, Chair
- Ms. Zelda Geyer-Sylvia
- Dr. John Livingston
- Mr. Kevin Settles
- Mr. Fernando Veloz

**2. OTHERS PRESENT**

- Mr. Pat Kelly, Your Health Idaho
- Mr. Mike Stoddard, Hawley-Troxell
- Ms. Cheryl Fulton, Your Health Idaho
- Ms. Delfina Krakau, Gallatin Public Affairs

**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 4:14pm, Tuesday, March 11, 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.

**4. ROLL CALL**

The Chair called the roll and determined that Mr. Settles, Mr. Veloz, the Chair, and Dr. Livingston were present resulting in a quorum.

Ms. Geyer-Sylvia arrived at 4:16pm.

Representative Packer and Senator Rice were absent.

**5. MEETING MINUTES REVIEW: JANUARY 24, 2014**

Motion: Mr. Veloz moved to approve the minutes from the January 24, 2014, Finance Committee Meeting with one grammatical amendment provided by the Chair on page 2, Section 2.2.

Second: Dr. Livingston.

The motion carried.

## **6. REVIEW OF AGENDA**

There were no changes to the agenda.

## **7. BOARD DELIVERABLES AND FINANCE CHARTER**

The committee reviewed a draft version of the Finance Committee Roadmap. There was discussion around dates of certain deliverables and the timeframes in which those deliverables would need to be started and completed. Mr. Kelly explained to the Finance Committee that the calendar will start looking much different as YHI moves toward financial sustainability. The Chair noted that the Finance Committee training falls close to the Board retreat. Mr. Kelly said that training may not need to happen this year so it likely will not be a timing issue. The Committee also discussed specific edits to the roadmap.

### **(a) Finance Quarter 2 - May**

Ms. Geyer-Sylvia suggested that the insurance requirements would likely change due to the implementation of new technology. Since the Board is set to approve those changes at the May meeting, the Finance Committee should review and recommend those changes at the April meeting. On the second item in the finance window, the Committee recommended that "Review and Recommend: changes to business insurance requirements" be moved to **April**.

### **(b) Finance Quarter 2 - June**

Ms. Geyer Sylvia noted that the timing on the third item in June would not work for the Carriers and she suggested that too be moved forward by 1 or 2 months. She said that the carriers need to submit their rates by May, so YHI needs to have their rates determined by April or early May at the latest. On the third item in the Finance window, the Committee recommended that "Review and Recommend: assessment fee, plans and rates for next Open Enrollment" be moved to **April**.

### **(c) Board Quarter 2 - June**

In light of the above recommendation of assessment fees, on the third item in the Board window, the Committee recommended that "Approve: assessment fee, plans and rates for next Open Enrollment" be moved to **May**.

### **(d) Finance Quarter 3 - August**

The Committee discussed the first line item in August on the finance calendar and questioned whether or not the "reporting" needed to be done. Dr. Livingston noted that the Governance Committee had struck this item from the Finance Committee's Charter. Mr. Kelly will follow up by reviewing the Finance Committee Charter and make a change if it is not consistent with the Charter.

## **8. YHI Bank Accounts**

Mr. Kelly reported that Board approval is required to open new accounts, and the assessment fee revenue is driving the need for new bank accounts. Your Health Idaho currently maintains three

bank accounts including checking, collateralized investment account and line of credit. Assessment fee collection began in January and depositing those fees into our checking account causes some difficulty in reconciling. To enable segregation of those funds, we are proposing two new accounts, a Primary Business Account that is not interest bearing with a balance not to exceed the FDIC insured limit of \$250,000 and an Investment Account that is interest bearing and collateralized for any balance in excess of the FDIC limit which will mitigate custodial credit risk.

Motion: Ms. Geyer-Sylvia moved to recommend to the Board to open two new bank accounts to segregate *Assessment Fees* from *Grant Funds*.

Second: Mr. Veloz.

The motion passed.

## 9. CONTRACT NEGOTIATION SUPPORT SERVICES

Mr. Kelly reported that the YHI Board originally approved the Barrack Law Firm engagement in an amount not to exceed \$40,000. This procurement did follow the RFP process as outlined in the YHI Procurement Policy. There were three contracts contemplated under the initial agreement including the PMO, GetInsured and IV&V contracts. Spend to date is approximately \$23,000 and it is expected to reach the \$40,000 threshold by the end of March.

Work remaining includes:

- Finalize GetInsured contract
- Negotiate and finalize the IV&V contract
- Potential for additional security related contract
- Call Center Services contract

Mr. Kelly added that Mr. Barrack has experience in all these areas and his expertise would be quite helpful.

The Chair clarified that this is only the financial aspect and the Marketplace Committee will be recommending the actual contracts to the Board. The Chair also noted that this is an increase in his scope of work and the cost of an additional negotiation of the Call Center contract.

Motion: Mr. Settles moved to recommend to the Board an additional \$40,000, cumulative contract award of \$80,000, to Barrack Law Firm to complete the GetInsured, IV&V and security contracts, and also Call Center Services contract, if applicable.

Second: Dr. Livingston.

The motion passed.

## 10. RESOURCE PLANNING

Mr. Kelly provided a staffing update to the Committee which included the following:

- IT Director - Responsible for all YHI technology, oversight of vendor technology products and platforms, ensuring appropriate levels of information privacy and security. Mr. Kelly reported that this would be a new YHI employee.
- DHW/YHI Shared Resource - Responsible for ensuring proper cross-organization implementation of the YHI technology solution including DHW, YHI, CMS and CCIIO. This resource has been requested by Director Armstrong and is proposed as a contractor resource at a cost to YHI not to exceed \$150,000 between April 2014 and April 2015.
- Executive Assistant – Ms. Fulton has been hired as the new Executive Assistant. She brings a wealth of experience across multiple industries including most recently the high tech industry.
- Policy Analyst – Ms. Nelson resigned effective February 28. This position will be filled with an existing contractor resource until a full time employee is hired. Hiring will be delayed until after the current JAR/JAD sessions are complete.

### (a) Cause of Change vs the Operating Budget


Mr. Kelly stated that the approved budget is \$12,398,000 and discussed an increase in spending including Legal and Professional Services and Insurance with total increased spending equaling \$67,000. Mr. Kelly reported that there is some favorability in media costs, employee costs and Travel/other expenses resulting in decreased spending of about \$571,000, resulting in total anticipated favorability to the approved budget of about \$503,000.

It was noted by Mr. Kelly that these numbers do not account for Assessment Fees which YHI began collecting in January. Discussion ensued regarding the process by which those fees are collected, how those fees are determined, and how these numbers will be reported in the future.

## 11. ADJOURN

There being no further business before the committee, the Chair adjourned the meeting at 5:24pm.

Signed and respectfully submitted,

  
Jeff Agenbroad, Committee Chair