

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

**YOUR HEALTH IDAHO BOARD MINUTES
MARCH 14, 2014**

1. BOARD MEMBERS PRESENT

- Mr. Stephen Weeg, Chairman
- Mr. Hyatt Erstad
- Director Dick Armstrong
- Mr. Jeff Agenbroad
- Mr. Mark Estess
- Ms. Zelda Geyer-Sylvia
- Ms. Margaret Henbest (via teleconference)
- Dr. John Livingston
- Representative John Rusche (via teleconference)
- Mr. Dave Self
- Mr. Kevin Settles (via teleconference)
- Mr. Tom Shores
- Mr. Fernando Veloz
- Ms. Karen Vauk

2. OTHERS PRESENT

- Mr. Mike Stoddard, Hawley-Troxell
- Mr. Tom Donovan, Idaho Department of Insurance
- Ms. Amy Dowd, Your Health Idaho
- Mr. Alberto Gonzalez, Your Health Idaho
- Ms. Jody Olson, Your Health Idaho (via teleconference)
- Mr. Josh Tauber, Accenture
- Ms. Brieanne Gershick, Accenture
- Mr. Gerald Massey, Accenture
- Ms. Melanie Schoenberger, GetInsured
- Ms. Marnie Packard, Pacific Source
- Ms. Susannah Buckley-Green, Burson-Marsteller
- Ms. Delfina Krakau, Gallatin Public Affairs
- Mr. Parker Papworth, Lobby Idaho, LLC
- Ms. Noelle Lovern, Proxi
- Mr. John Foster, Kestrel West

3. CALL TO ORDER

Following proper notice in accordance with Idaho Code § 67-2343, the Board of Directors meeting of the Idaho Health Insurance Exchange (Exchange) was called to order by Mr. Stephen Weeg (Chair), at 8:04am, Friday, March 14, 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 the Chair, Director Armstrong, Director Deal, Mr. Estess, Ms. Geyer-Sylvia, Ms. Henbest (via teleconference), Dr. Livingston, Senator Rice, Representative Rusche (via teleconference), Mr. Self, Mr. Shores, and Mr. Veloz were present, resulting in a quorum.

Mr. Kreiling, Representative Packer, Director Deal and Senator Rice were absent.

Note: Director Armstrong arrived at 8:07am. Ms. Geyer-Sylvia left at 11:29am.

5. PUBLIC COMMENT PERIOD

There were no comments from the public.

6. MEETING MINUTES REVIEW: FEBRUARY 7 & 21, 2014

Motion: Mr. Erstad moved to approve the minutes from the February 7, 2014 meeting.

Second: Dr. Livingston.

The motion carried.

Motion: Mr. Self moved to approve the minutes from the February 21, 2014 meeting.

Second: Mr. Erstad.

The motion carried.

7. REVIEW OF AGENDA

There were no changes to the agenda.

8. EXECUTIVE DIRECTOR REPORT

(a) Board Decisions Roadmap

Ms. Dowd reviewed the updated Board Decisions Roadmap. She reviewed upcoming contracts, financials and other items that will be approved in the coming months as well as how the Committee level roadmaps align with the Board Decisions Roadmap.

(b) Phase 2 Implementation Status

Ms. Dowd proceeded with the Phase 2 Implementation Status where she highlighted key points including a high level of activity with requirements and the Joint Application Requirements (JAR) sessions regarding these requirements. This process has resulted in excellent dialogue which will ensure YHI is meeting the unique needs of Idahoans with their technology solution. She went over recent achievements with the technology vendor and how YHI has integrated the Health and Welfare approach (a significant risk area) which ensures a seamless experience for those applying for Medicaid and a Health plan. Ms. Dowd went on to say YHI is working on a FFM (Federally Facilitated Marketplace) migration approach and said Idaho will be one of the first states to undertake that effort. She also stated that YHI has a very comprehensive plan and is bringing in expertise from its technology vendor GetInsured and Accenture to make sure the data is secure on the Marketplace.

Ms. Dowd presented the Workstream Status and said YHI is green on all fronts except with program mobilization. She continued to explain that CMS may have some questions on Idaho's design as part of the regular review process. However, she said YHI shares the vision with CMS of a seamless consumer experience. Director Armstrong will be representing Health & Welfare with YHI at the CMS Gate Review on Monday March 17. There is a chance CMS will have concerns with the YHI design. Ms. Dowd said that in consultation with technical experts, YHI is assured of the implementation of a solution for Idaho that is cost effective, low maintenance and meets the needs of federal requirements and Idaho consumers. She moved on to other risks and said the Federal Marketplace may not be prepared to provide enrollment information to Idaho so YHI is working on a Plan B which will be shared in upcoming meetings. Ms. Dowd said the last risk is around Exchange sustainability where YHI is taking steps to ensure a low cost, long term model in Idaho. Enrollment numbers are very encouraging and help confirm that YHI is on the right path.

Ms. Dowd said YHI is committed to a highly transparent process in working with stakeholders. YHI has had high participation from carriers with diverse perspectives. These groups have helped determine how the YHI platform will function and have provided valuable input on design.

The Chair asked the Board if they felt the Roadmap was useful and valuable and all agreed it was.

(c) Board Strategic Planning Session

Ms. Dowd stated that at the last Governance Committee meeting there was a request that staff bring forth a proposal for a Board Strategic Planning session. The Governance Committee came up with 3 options for facilitation for a strategy session in May. The Governance Committee selected Bracke and Associates to begin planning this session. YHI is proposing a full day session on Tuesday, May 20 with Full Board meeting on the morning of Wednesday, May 21. Ms. Dowd said the committee is looking into having a panel with different perspectives and expertise to cover topics and trends in healthcare and insurance and then move into visioning and scenario planning. Expected outcomes would be success measures for both the short-term and long-term. Following the session, Ms. Marsha Bracke, the facilitator, will summarize the outcomes and develop a report from the session.

(d) Spotlight on Staff

Finally, Ms. Dowd said as the YHI team takes on additional tasks of running a business and implementing a technology solution and as YHI is also nearing their year anniversary, she wanted to report on the accomplishments and dedication of the team. She continued by commending each individual team member and providing the Board with their individual accomplishments and introduced some of the newer team members.

Chair Weeg stated that each member of the Board was provided a book titled "Ten Basic Responsibilities of Nonprofit Boards" and would like each Board member to take the time to read it and understand the differences between a Corporate Board and a Nonprofit Board.

9. MARKETPLACE COMMITTEE REPORT

Mr. Estess stated that there are four primary topics on the agenda including the IPA Contract Extension, the Call Center Extension, the Consumer Support Center RFP and the SHOP Board decision discussion.

(a) IPA Contract Extension- Board Approval

Mr. Estess reviewed the In-Person Assister services that are required of every state based marketplace and stated that Idaho has put together an effective IPA program with safety and security leading the way in design as well as a cost effective model to cover the entire state. IPA's have played a major role in assisting Idahoans applying and enrolling through the end of January. The original IPA budget not to exceed \$1.7million was approved on 8/13/2013 and YHI has committed \$1,317,745 to Idaho Primary Care Association (IPCA), Idaho Hospital Association (IHA), Mountain States Group (MSG), Idaho Association of Counties (IAC), Community Action Partnership Association of Idaho (CAPAI), and Public Hospital District (PHD) for Open Enrollment. Another \$200,000 has been committed to the five federally recognized Tribes in Idaho. Approximately \$182,000 has been set aside for IPA support during the special open enrollment period or in case open enrollment is extended.

Mr. Estess stated that the Marketplace Committee requests board approval to utilize \$140k of the \$182k to extend the existing IPA Agreements with Idaho Primary Care Association and Mountain States Group until 11/15/2014.

Mr. Shores stated he agrees with the contract but the original emphasis was to use agents and brokers at a no cost to YHI. He would like to see that focus remain on the agents and brokers.

Mr. Gonzalez explained that the IPA's have helped at least 14,000 Idahoans through last month. Agents and brokers are to remain the lead, but in some rural communities and areas less accessible the IPA's will continue to be needed. There is a small gap in assisting some populations of refugees in the Boise and Twin Falls regions, those groups that require the largest amount of assistance, and that gap is being filled by Mountain States Group. Mr. Gonzalez provided an update on the Tribes and stated that four out of five of the agreements with the Tribes have been completed and the fifth is expected soon.

Ms. Vauk asked if YHI is only using the two groups (IPCA and MSG) going forward.

Mr. Gonzalez responded that during the special enrollment period IPA support will be significantly reduced. The future of the IPA's has not been fully designed, but the YHI Consumer Assistance Program will focus primarily on Agents and Brokers, and will include an IPA presence as required by the federal government going forward.

Chair Weeg asked if this request for funds would just cover through open enrollment and the down time until the next Open Enrollment begins and Mr. Gonzalez confirmed that is correct.

Mr. Erstad is wondering what this money is for because with the wind down after March 31 we won't have anyone coming on unless they have a qualifying event.

Mr. Gonzalez responded that we are asking these agencies across the state to continue to staff and provide facilities and training that will support the reduced amount going forward until the open enrollment starts next April.

Ms. Vauk asked the Board to recognize that even after that March 31st date we will not be silent and we need to continue getting our message out to targeted communities.

Ms. Henbest said as volunteer President of Mountains States Group she will not vote on any motions involving MSG.

Motion: Mr. Estess moved that the Board, as an exception to the bidding requirements of YHI's Procurement Policy, approve the extension of the Contracts with Mountain States Group and IPCA, in an amount not to exceed \$20,000 and \$120,000 respectively, acknowledging that such amounts are within the budgeted amounts previously approved by the Board.

Second: Mr. Shores

Ms. Henbest abstained from the vote.

The motion carried.

(b) Call Center Extension- Board Approval

Mr. Estess stated that YHI has a temporary call center set up at a DHW location leveraging DHW facilities and technology. This call center is currently staffed with 10 temporary staff. Open Enrollment will be ending at the end of March. Funding and arrangement for the call center was approved at the July 25, 2013 Board Meeting to cover YHI through April 1, 2014. The Marketplace Committee is looking for an extension to have a portion of the staff remain at the current call center location between April 1, 2014 and July 31, 2014. We anticipate having our next phase of our consumer support center in place by August 1, 2014.

In relation to the budget, Mr. Gonzalez said the original budget included a contingency as well as high projected numbers. YHI has done good job of operating the call center with low costs (typically spent less than 30% of original budget). The Marketplace Committee thinks we will have more calls going forward. The Committee has projected high to account for call volumes for ongoing case issues, carrier issues, etc. going forward and during the special enrollment period.

The Board discussed that to ensure a smooth transition to a Phase 2 CSC solution, the Board reached consensus on extending the current contract through October 31.

Motion: Mr. Estess moved that the Board, as an exception to the bidding requirements of YHI's Procurement Policy, approve the extension of the ProPeople contract through October 31, 2014, in an amount not to exceed \$15,000 per month or \$105,000 total.

Second: Mr. Veloz.

The motion carried.

Motion: Mr. Estess moved that the Board authorize additional funds in an amount not to exceed \$6250 per month or \$43,750 total to cover amounts owed under those two contracts from April 1, 2014, to October 31, 2014 pending approval of extension of agreement with DHW

Second: Dr. Livingston.

The motion carried.

(c) Consumer Support Center RFP- Board Approval

Mr. Estess reviewed the Consumer Support Center RFP and stated that Idaho will need to be different than other State Based Exchanges due to the size of our state and our enrollment numbers. We must be lean, efficient and low cost. He stated that Idaho cannot afford to create a large Consumer Support Center structure with expensive operations that carry significant overhead. Other states are realizing that their staffing models are not sustainable once they go beyond the grant funding that is currently being used. He also said that the design must ensure that Your Health Idaho provides the proper level of service and program integration to encourage the highest enrollment possible. He continued by stating that YHI has consulted with other state exchange operations, three different private sector call center expert vendors, IDHW, Blue Cross, and the FFM to gain various perspectives on what has worked and not worked.

YHI is proposing multiple CSC cost models encompassing flexible staffing in order to quickly ramp up for periods of high utilization. YHI is designing the best CSC to fit YHI's unique needs and is drafting an RFP to procure a vendor with the best proposed solution and cost options including a Complete Staffing Model, a Shared Staffing Model and an In-House YHI Model.

Some discussion ensued regarding the timing of the RFP, the complexity of the RFP and whether or not YHI should be issuing an RFI instead of an RFP.

Motion: Mr. Estess moved that the Board authorize the Marketplace Committee to work with staff and legal counsel to issue an RFP for a Consumer Support Center, consistent with the presentation made at this meeting.

Second: Mr. Shores.

The motion carried.

(d) Your Health Idaho SHOP Approach- Board Decision

Mr. Estess shared with the Board what the Marketplace Committee has been discussing regarding the SHOP approach and touched on the key components below:

RECOMMENDATION

- 2015 – Duplicate the SHOP Process used by the FFM
 - SHOP qualified Employer chooses & enrolls with carrier
 - Carrier/Agents/Brokers will validate small business tax credit
 - Carriers manage all reported changes
 - Carriers self-report enrollment to support invoicing of user fees
 - YHI retain enrollment records/report to CMS

BEYOND JANUARY 2015

- Assess the exchange small group marketplace
 - Marketing opportunity
 - Business requirement for SHOP
 - Operating model for SHOP
 - Cost
- Preserve implementation date options
- Implement SHOP online functionality

KEY ASSUMPTIONS

- Continued low SHOP enrollment in Idaho for plan year 2015
- CMS endorsement of approach
- Manual process to be developed and managed by YHI
- Future policy considerations will require further analysis and endorsement from CMS

Mr. Shores stated that the President has postponed many of the requirements for small business so it takes the pressure off of YHI regarding the SHOP site.

The Chair asked the brokers on the Board what, if any, volume or business related to SHOP have they seen this year.

Mr. Shores said it has been minimal change – only the quoting opportunities where in the past it was underwritten.

Mr. Estess asked what is happening with volumes and level of interest in other states.

Mr. Shores said some of the classic examples been small in WA, where they spent over \$10 million on their SHOP site and had only one county utilize it and in NM the numbers have not been great. Even in Utah they have seen a slowing down of shop information and initially that was all they were focusing on down there. What the committee has been focusing on is what is the potential market, how much money are we going to spend, and to focus on getting the individuals signed up before the deadline and then to get SHOP up and running after the first of the year.

Mr. Erstad said the process is long and complex for SHOP, and one thing to keep in mind is that in 2016 small group expands from 1-50 to 1-100 but they have not seen a single group pursue it at this point.

Ms. Henbest agrees with the direction YHI is going and that the President's delay has really impacted the marketplace.

Motion: Mr. Estess moved that as recommended by the Marketplace Committee, the Board adopt a manual process for enrollment period 2015, and that the Marketplace Committee is directed to undertake an assessment of the small group marketplace after open enrollment 2015, and provide updates to the Board on such assessment.

Second: Mr. Veloz.

The motion carried.

Additional Discussion: Ms. Dowd said that going forward YHI is required by law to do SHOP. The current plan is to purchase online functionality from our vendor GetInsured and there will be a manual process starting in plan year 2015 because YHI still has to develop it, communicate it and manage it before the online functionality is implemented.

Mr. Erstad asked that with the SHOP approach will the YHI SHOP only allow a single source carrier.

Ms. Dowd replied that we will not use the online functionality until 2015 and the configuration for that will be determined later (potentially to 2016). We will, in effect, assume responsibility for our SHOP in Idaho this coming open enrollment period, and we will not be reliant on the federal process for SHOP in 2015. We will just do it manually, not online.

Mr. Erstad added that when we come into open enrollment again, everyone who has signed up on the exchange will have to go back in and verify their income, but if they are happy with their plan, they don't have to change that. He wondered how we do that simply so individuals don't have to go through the whole process again.

Ms. Dowd said the renewal process will be much more streamlined and there is a requirement that individuals will just need to re-verify eligibility in order to obtain a subsidy.

Mr. Erstad said since we have our vendors there, we want keep the Idaho Exchange as nimble as we can and as user friendly and would like the Committee to keep that in the back of their head going forward.

Chair Weeg restated the process and asked if individuals would be able to look at other possible plans to see if there is something better out there during that process. Basically to just look or just update and keep plan they have.

Ms. Geyer-Sylvia said on a national basis Blue Cross Blue Shield is struggling with how this will work, and we should spend time with our vendor and in our Marketplace Committee and to be very careful to create a process that is streamlined. It's unclear how the renewal process will work right now and this is being talked about in every state in the country.

Ms. Gershick with Accenture introduced herself stating that she is part of the PMO team specifically around ACA policy and has significant experience with other states including Kentucky and California as well as 9 years at carriers. She agreed with Ms. Geyer-Sylvia's question and said this process is still being framed up even at the federal level, but wanted to make a differentiation between renewals for this upcoming period and future renewal periods. As we transition from FFM we have ongoing dependencies on that FFM migration for renewals and potentially as we discussed we have an option to move forward with FFM data or use a Plan B. So it will be much more streamlined going forward but there are some challenges in the near term. This is on the Marketplace Policy Decision log and will continue to be discussed.

Mr. Estess said one of the issues this brings up is that the policy decisions coming out of the JAD and JAR discussions that impact a whole host of issues and considerations are just starting to hit the Marketplace Committee and a whole host of issues (business, finance, etc.) and we are determining what are the top 10, top 50, top 300 that are going to come out of this process. We will be coming back to the board with relevant policy decisions down the road.

10. OPERATIONS/GOVERNANCE

Dr. Livingston stated that the Governance Committee has met once since the last Board meeting and today they have five motions under consideration (as noted below).

(a) Your Health Idaho Mission Statement- Board Approval

Dr. Livingston said the first action item up for discussion is the amending of the by-laws to include the new mission statement. That mission statement reads:

"The mission of Your Health Idaho is to maintain maximum control of Idaho's health insurance exchange at minimal cost to Idaho's citizens."

Chair Weeg asked if there was any discussion, and if this was ok with the Department of Insurance. Mr. Donovan said that the Department of Insurance had reviewed and accepted the updated statement.

Motion: Dr. Livingston moved that the Board replace the existing mission statement and adopt the following mission statement for Your Health Idaho: "The mission of Your Health Idaho is to maintain maximum control of Idaho's health insurance exchange at minimal cost to Idaho's citizens."

Second: Mr. Self.

The motion carried.

(b) Bylaw Amendments- Board Approval

Chair Weeg stated that there was a second part to the above motion.

Motion: Dr. Livingston moved that the Board amend the bylaws to include the Your Health Idaho mission statement therein.

Second: Mr. Shores.

The motion carried.

(c) Executive Committee & Personnel Committee Charters- Board Approval

The Governance Committee reviewed and accepted the amended charters from the Executive Committee and the Personnel Committee.

Motion: Dr. Livingston moved that the Board adopt the amended version of the Personnel Committee charter presented hereto.

Second: Mr. Shores.

The motion carried.

Ms. Henbest stated that the Personnel Committee removed the responsibility for doing a board performance evaluation.

Motion: Dr. Livingston moved that the Board adopt the amended version of the Executive Committee charter presented hereto.

Second: Mr. Veloz.

The motion carried.

(d) Executive Committee Appointments & Board Confirmation

The Chair made the appointment of the officers of the Executive Committee including:

- Stephen Weeg (Chair)
- Scott Kreiling (Vice Chair)
- Hyatt Erstad (Secretary)
- Jeff Agenbroad (Treasurer)
- Kelley Packer

Motion: Dr. Livingston moved to adjust the appointments to the Executive Committee as previously described by the Chairman.

Second: Mr. Agenbroad.

The motion carried.

Dr. Livingston recommends that Committees and Chairs look at Roadmaps carefully and coordinate them with board and other committees so they all flow together.

11. OUTREACH & EDUCATION

Ms. Vauk detailed that the O&E Status Report will include an update on enrollment, an SOW update, a look ahead, and a quick budget status report.

(a) Enrollment Update

Ms. Vauk reported that through the end of February, more than 43,000 Idahoans have selected a plan through YHI. YHI is still promoting through enrollment events (with three upcoming in Boise, Idaho Falls and Nampa) and have completed to date 12 Open Houses with massive communications efforts in promoting these including nearly 100,000 Save-the-Date postcards.

Ms. Geyer-Sylvia shared that the carriers are seeing a high number of cancellations, that the data provided by Ms. Vauk may not be accurate and that in a few months we should have a harder number.

Ms. Olson confirmed that this number represents those people that have selected a plan as of February 28. YHI does not yet know if any cancelled or if they paid their premiums. This is a first cut number and does not reflect actual enrollment.

Various members of the Board shared in the discussion including the Chair who stated that we need to wait to get actual enrollment numbers from the carriers and reminded the Board that the grace period for payment is longer than normal so it could be June or July before we know how many individuals have actually enrolled in a plan.

(b) SOW Extension – Board Approval

Ms. Vauk said that advertising continues on TV, Radio, Print, Digital, Direct Mail and Social Media and that YHI is adding testimonials to Social Media and Direct Mail. She pointed out that out of home billboards (approx. 30, state-wide) are going up at close of open enrollment and will be focusing on enrollment of those with Qualifying Life Events, to run through summer.

Ms. Vauk continued by stating that the latest round of market research is complete and the results are being analyzed. She also shared that there will be a KBOI TV Special on March 16 focused on the end of open enrollment and information on the process. In addition, there will be an Idaho Public Television Special on March 20 that will include a live call-in with experts on hand to answer questions.

Ms. Geyer-Sylvia asked why YHI was considering billboards after the open enrollment period and is concerned that people will be confused.

Ms. Vauk replied that the purpose of the billboard are to raise awareness of life qualifying events with a different target audience. She said YHI needs to let them know they can take action and not wait until the next open enrollment.

Ms. Geyer-Sylvia stated again that she is very concerned about the billboards and worries that we could be creating a problem and confusion.

The Chair recommended that the O&E committee revisit the billboard issue in their next meeting.

Ms. Vauk talked about looking ahead and the Post-Open Enrollment period and said the Committee will be looking at the plan and budget estimate draft that is being prepared for O&E Committee review. The planning covers April 16, 2014 to February 28, 2015.

Scope to be divided into 4 SOWs:

- SOW #5 April 16 – June 30, 2014
- SOW #6 July 1 – September 30, 2014
- SOW #7 October 1 – December 31, 2014
- SOW #8 January 1 – March 31, 2015

The committee will continue research-driven planning and execution through state-wide surveys that are planned for April, July, November & February.

Ms. Vauk stated that there will be four scopes of work the committee will be focusing on in the Post Open Enrollment period in preparation for the 2015 Open Enrollment:

- Strategic Reset– Review lessons-learned; develop detailed plans for outreach to Tribal members and small business.
- Awareness - Through testimonials, in-person outreach, and paid/earned/social media, tell the story of the importance of health insurance and the value of YHI.
- Education - Target potential enrollees with a focused message that reinforces the importance of health insurance while also providing specifics about upcoming enrollment opportunities.
- Enrollment - Re-initiate the call to mobilize Idahoans to use both the individual and SHOP exchanges through integrated media and grassroots outreach.

Ms. Vauk added that throughout this time, YHI will continue to target Individuals & Families Special Enrollment Period so YHI will continue that level of targeted outreach and advertising to reach individuals and families with Qualifying Life Events.

Ms. Vauk said the O & E Committee will review, approve and recommend the next budget to the Board on March 27.

Ms. Vauk stated that the current Statement of Work ends on April 15 and since the next Board meeting is set for April 18, the O&E Committee would like to request a one-week extension to current SOW #4, at no additional cost.

Motion: Ms. Vauk moved that as an exception to the Procurement Policy, the Board extend by one week, to April 22, 2014, the time period of the Gallatin Contract and related Scope of Work

#4, with no increase in the previously approved contract amount, such that the Board may consider these services in more detail at the Board's next scheduled meeting in April.

Second: Mr. Self.

The motion carried.

Ms. Vauk reviewed the breakdown of the O&E expenditures. She said it is trending under the approved amount and noted some adjustments within spending in various categories which is indicative of the Committee's ability to be aware and be flexible and to adapt.

12. FINANCE COMMITTEE UPDATE

Mr. Agenbroad presented the Finance Committee update and stated that the Committee has two items to bring before the Board for approval:

(a) New YHI Bank Account- Board Approval

Mr. Agenbroad said that YHI currently maintains three bank accounts: a checking account for all inflows and outflows related to the operations of YHI, an investment account for any balance in excess of \$250k in the checking account (these funds are collateralized to mitigate custodial credit risk) and a line of credit account established as a backstop for any timing delays related to receipt of grant funds.

YHI began collecting assessment fees in January 2014. Assessment fees are to be held in reserve until the self-sustainability period in 2016, and assessment fees may also be used for any unallowable expenses under the grant terms. In order to enable the segregation of grant funds from assessment fee reserves, the Finance Committee is proposing to open two new bank accounts:

- A Primary account that is non-interest bearing with a balance not to exceed the FDIC insured limit of \$250k.
- An Investment account that is interest bearing and collateralized for any balance in excess of the FDIC limit of \$250k which will mitigate custodial credit risk.

Motion: Mr. Agenbroad moved that the Board approve to open two new bank accounts to segregate assessment fees from grant funds.

Second: Ms. Geyer-Sylvia.

The motion carried.

(b) Contract Development and Negotiation Support- Board Approval

Mr. Agenbroad explained that the YHI Board originally approved the Barrack Law Firm engagement in an amount not to exceed \$40k. The scope and duration with Mr. Barrack has expanded.

Motion: Mr. Agenbroad moved that the Board approve an additional \$40k, cumulative contract award of \$80k, to Barrack Law Firm to complete the GetInsured, IV&V, security, and call center contracts, if applicable.

Second: Mr. Veloz.

The motion carried.

13. PERSONNEL COMMITTEE

(a) PTO Policy Change- Board Approval

Ms. Henbest (via teleconference) presented a quick overview on the Personnel Committee stating that the committee completed an Executive Director evaluation, reviewed compensation practices, completed the Committee Charter and referred to Governance Committee, reviewed leadership team PTO benefits, and reviewed current staffing needs.

Ms. Henbest said that the pace of work at YHI is high, so the committee reviewed the PTO Policy for the leadership team. She stated that there is a copy of the changed PTO policy in the packet for the Board to review.

Chair Weeg asked if there were any questions regarding the PTO Policy and then asked if the 40 hours were included in the 120.

Mr. Estess said the intent is to be at market practice in order to attract and retain the highest quality team members.

Mr. Settles said he thinks this is very generous and suggested considering offering comp time instead.

Ms. Henbest replied this would be a normal benefit for executive leadership in industry and felt it was a fairly normal expectation.

Ms. Vauk restated that this is only for senior level positions and comparable benefits in other organizations. She said that this would allow for frontloading of some hours so they don't have to wait 6 months and could have them sooner in their tenure.

Mr. Estess said we want to be comparable to other industries. We are dealing with executive staff with no opportunity for bonus and to really attract level of talent we want, we felt that this was within range.

Mr. Settles asked how the proposed change compares to state agencies.

Mr. Donovan stated that State Agencies get 10 paid holidays a year, executives get a set amount of vacation regardless of longevity, there is sick time accrual, and senior management has a higher accrual rate.

Ms. Dowd said YHI's HR consultant looked at state agencies and smaller companies as part of her research that led to the suggested changes.

Ms. Geyer-Sylvia suggested that the Board change the PTO policy for management team now and revisit it at a later time for the other employees.

The Chair suggested an amended motion to approve amendment to paid time off policy for management personnel and then refer the policy back to the Personnel Committee for other staff.

Motion: Ms. Henbest moved that the Board adopt the amendments to the Paid Time Off Policy for Management Personnel to be inserted in YHI's Employee Handbook, as recommended by the Personnel Committee and presented to the Board at this meeting and refer back to the Committee for further refinement of the PTO policy as it refers to management and non-management staff.

Second: Ms. Geyer-Sylvia.

The motion carried.

(b) IT Director Role-Board Approval

Ms. Henbest discussed the IT Director Role and summarized the job purpose as directing technology strategy and operations, vendor management, oversight of vendor, technology, products and platforms, and ensuring appropriate information privacy and security oversight and controls.

Motion: Ms. Henbest moved that the Board to approve the hiring of an IT Director Role as recommended by the Personnel Committee and presented to the Board at this meeting, and direct the Executive Director and/or Personnel Committee to take the necessary actions to implement such a hire in accordance with YHI protocols; and acknowledging that this year's budget already includes amounts sufficient to pay for such a hire.

Second: Dr. Livingston.

The motion carried.

(c) DHW Contract Project Manager- Board Approval

Ms. Henbest stated the need for a Contract Project Manager. This Project Manager (PM) will be a shared resource for coordinating the system level operation and execution of project work between Your Health Idaho (YHI), Dept. of Insurance (DOI), and the Dept. of Health and Welfare (DHW). The PM will act as the liaison between the federal agencies (CMS, CCIIO, and HHS), including the vendors acquired for the management and solution of the SBM. This position works closely with these entities in establishing a clear understanding of the Federal requirements needed to obtain full certification (authority to operate) for a State Based Marketplace for Idaho.

- Oversee contractual requirements, performance guarantees, and deliverables of the PMO are clearly defined and managed.
- Work closely with the YHI, DHW and DOI stakeholders, including carriers and federal agencies, to ensure the successful migration from the FFE platform to the SBM.

- Experience with the ACA, CMS, CCIIO, and HHS regulations and guidelines; and the federal repositories (CALT, SERVIS), including CCIIO phase gate reviews.
- Coordinate the integration of Medicaid with the exchange and the Federal Data Hub to include the rules engine for determining MAGI and APTC.
- YHI is paying for all of its own costs for this resource: No state money will be used for the exchange.
- Contractor Cost: Not to exceed \$150k between April 2014 and April 2015.

Director Armstrong stated that the state resources have been highly taxed and we want to stay close to our federal partners. We are always pushing their comfort level and it is important that we stay closely knit here and this position would allow us to do this as the department needs someone and suggested we share the resource.

Dr. Livingston asked if this position is an ongoing need or just needed for the next 1-2 years.

Director Armstrong responded that this is short term through application of the federal grant which expires at the end of 2015.

Motion: Ms. Henbest moved that the Board agree to contract with DHW to share a Project Manager as discussed in detail by the Personnel Committee and recommended by the Marketplace Committee, with such individual contracting directly with DHW, and YHI reimbursing DHW for YHI's allocable costs, such allocable amount not to exceed \$150,000, and the contract to expire no later than March 31, 2015.

Second: Mr. Veloz.

Director Armstrong clarified that they will execute the MOU and that the signatories will be Director Deal, Ms. Dowd and himself.

The motion carried.

14. EXECUTIVE SESSION

The Chair moved that pursuant to Idaho Code Section 67-2345, the board 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, pursuant to Idaho Code Sections 67-2345 (1)(e), and to discuss matters of personnel pursuant to Idaho code 67-2345 (1) (a) & (b).

Executive Session Roll Call: Mr. Erstad called roll and determined the Chair, Director Armstrong, Director Deal, Mr. Estess, Ms. Geyer-Sylvia, Ms. Henbest (via teleconference), Dr. Livingston, Representative Rusche (via teleconference), Mr. Self, Mr. Shores, Mr. Settles and Mr. Veloz were present, resulting in a quorum.

Mr. Kreiling, Representative Packer, Director Deal and Senator Rice were absent.

The Executive Session began at 10:45am.

The Executive Session ended at 11:27am. The Board took no final action nor made any final decisions while in Executive Session.

15. IV&V VENDOR FINALIST

Motion: Mr. Estess moved that the Board follow the recommendation of the Marketplace Committee and First Data be selected as the vendor of the IV & V RFP, and that a contract be awarded to First Data consistent with the RFP in an amount not to exceed \$1.2M including expenses; and that the Executive Director and the Chair of the Marketplace Committee are authorized to negotiate and execute such contract.

Second: Mr. Shores.

The motion carried.

16. NEXT MEETING

The next meeting of Your Health Idaho's Board of Directors will be held Friday, April 18 at 8:00am.

17. ADJOURN

There being no further business before the Board, the Chair adjourned the meeting at 11:31 am.

Signed and respectfully submitted,



Stephen Weeg, Board Chair