

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

**MARKETPLACE COMMITTEE
MINUTES**

TUESDAY, MARCH 15, 2016

1. COMMITTEE MEMBERS PRESENT

- Mr. Fernando Veloz, Chair
- Ms. Candace Sweigart
- Ms. Janice Fulkerson
- Representative John Rusche (via teleconference)
- Director Dick Armstrong
- Director Dean Cameron

2. OTHERS PRESENT

- Mr. Pat Kelly, Your Health Idaho
- Ms. Cheryl Fulton, Your Health Idaho
- Mr. Ethan Owen, Your Health Idaho
- Ms. Dana Packer, Your Health Idaho
- Ms. Jody Olson, Your Health Idaho
- Mr. Kevin Reddish, Your Health Idaho
- Mr. Layne Bell, Your Health Idaho
- Mr. Ryan Beckstead, Your Health Idaho
- Mr. Matt Fuhrman, Your Health Idaho
- Ms. Becky Webb, Your Health Idaho
- Ms. Julie Hammon, DHW

3. CALL TO ORDER

Following proper notice in accordance with Idaho Code § 74-204, the Marketplace Committee meeting of the Idaho Health Insurance Exchange (dba Your Health Idaho) was called to order by Mr. Fernando Veloz, Chair of the Committee (Chair), at 10:07 a.m., Tuesday, March 15, 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 web site and at the meeting location.

4. ROLL CALL

The Chair called the roll and determined that Ms. Sweigart, Ms. Fulkerson, Rep. Rusche, Director Armstrong, and Director Cameron were present resulting in a quorum.

Mr. Shores and Ms. Geyer-Sylvia were absent.

5. APPROVAL OF PRIOR MEETING MINUTES

Motion: Ms. Fulkerson moved to approve the meeting minutes from the December 10, 2015 Marketplace Committee meeting as presented.

Second: Ms. Sweigart.

The motion carried.

6. REVIEW OF AGENDA

The Chair stated that there were a couple of items that need to be moved on the agenda and includes the Your Health Idaho Privacy Policy Notice which will follow the IT Update and 2016 Technology Roadmap. In addition, the Executive Session will be moved to the end of the session today.

Motion: Ms. Sweigart moved that the agenda be amended to include the YHI Privacy Policy moved to the position following the IT Update & 2016 Technology Roadmap on the agenda and move the Executive Session to the end of the meeting.

Second: Ms. Fulkerson.

7. OPERATIONS UPDATE

(a) OE Update & Dashboard

Ms. Packer reviewed the open enrollment numbers through the end of February. It does indicate that renewals went well. The number of users on the site was down slightly. It also indicates that consumers went out and shopped the plans and were familiar with the website which accounts for the lower time on site from last year to this year. Ms. Packer said that ticket volumes were almost half from last year. Last year there was not a centralized email and this year we implemented the support@yourhealthidaho.org email to serve as a central email account for consumer and agent/broker inquiries. From November 1, 2015 through February 1, 2016, YHI received 19,042 emails. Of those we have returned and completed 16,893 of them. As of yesterday, total inventory, including both emails and support tickets, is a little over 4,700.

Ms. Fulkerson asked if these are ongoing issues or if the consumers are still waiting on an initial reply. Ms. Packer said we find that the consumers reach out to YHI in numerous ways so there is some duplication.

Director Cameron asked of the 19,042 emails, if 16,893 were returned, that doesn't add up to the 4,700 total inventory. Ms. Packer said the inventory includes both support tickets and emails. Director Cameron asked if these include the 1095 issue. Ms. Packer said those are included in this. He asked if there is a breakout of what those are. Ms. Packer said no, they are currently not categorized. He asked how that compares to this time last year. Ms. Packer said last year in early April YHI had over 5,000 tickets remaining unresolved. Email was segregated at that time and as a result, was not counted in those numbers last year which suggests even lower volume in 2016 compared to the prior year. The Chair said there is an increase of about 1,000 tickets created by agents and brokers. Ms. Packer said YHI introduced more functionality and can track who

initiated the ticket and gave agents the ability to create a ticket. As such, year over year comparisons are best done comparing total ticket volumes vs. individual categorizations.

Director Cameron asked what the anticipated timeframe is for getting these open tickets taken care of. Ms. Packer said we have all resources working on these 6 days a week, working overtime, and working through these issues as quickly as we can. Ms. Packer said she cannot commit to a timeframe for completion.

Director Armstrong asked if people had technical issues, will YHI grant those policies. Ms. Packer said yes, we are retro enrolling them to the date they originally applied for.

Ms. Fulkerson asked about eligibility issues and if we require proof of when they were eligible. Ms. Packer said yes we do require documentation to give them the effective date that they qualify for.

Director Cameron said if it is an issue with the system, then the consumer should be granted a special enrollment period. Ms. Packer said they do, in most cases, grant an SEP in these cases or just fix the issue.

The Chair asked if there is a CMS requirement that dictates how soon an email needs to be responded to and how quickly issue need to be resolved. Ms. Packer said only for appeal tickets and not for normal support tickets.

Ms. Packer continued with Plan Selection and the lower table reflects those numbers as of the end of February. We have received on QHP plans 90,632 true enrollments, but that number fluctuates as we continue to communicate with the carriers. We have also seen an increase on non-financial applications over the last year.

Ms. Fulkerson said the average call times are down, which is good, but the abandonment rate has gone up. She asked for an explanation of this. Ms. Packer said the abandonment rate likely is due to the consumer calling multiple times and the assumption is they are hanging up. Ms. Packer said from analyzing the tickets and emails, they are likely checking on the status of the ticket. They would need to hang up during the message in order for it to be considered abandoned. Ms. Hammon added that any calls that come in after hours or after the lines are closed, those count as abandoned calls.

Director Cameron added that carrier volumes significantly declined, particularly with Blue Cross, and he wonders where those people went to. Mr. Kelly said we have not had time to do any sort of churn analysis. YHI has only, to date, looked at the metal levels. Director Cameron said it would be particularly good to dig into this and see where these folks went. Did they select a different metal level plan, or move to a different carrier?

Director Cameron also asked if there is a way to break out enrollments and effectuations by month. He said there is an assumption that people are waiting until February or March for a start date and then only enrolling to avoid the federal fees. Mr. Kelly said of the 100,854 enrollees that have selected a plan as of today, about 90,000 enrolled by the end of December, about 94,000 at the end of January, and 100,000 at end of February. In terms of effectuations at the end of January it was around 80,000 and then an additional 5,000 effectuated in February.

Preliminary March numbers show effectuation at 90,632. This seems to indicate a relatively constant effectuation rate and any intentional delays by consumers paying their premium would likely manifest itself in fluctuations in the effectuation rates over time.

Ms. Packer said for 2015 we have issued 1095-A's for consumers that were enrolled in the marketplace and received a tax credit and as of March 8 YHI issued 69,069 original 1095-A's, with 4,724 corrections and 109 voids. If a consumer was enrolled, and then didn't effectuate, those would initiate a void. The YHI team has worked diligently with the carriers to collect what their 2015 enrollments looked like. We also work with DHW and our partners at GetInsured to make sure those 1095's are issued. Part of the problem this year is really about reconciliation with the carriers. We have resources working 6 days a week to make sure the 1095-A issues that are surfacing are resolved.

Ms. Fulkerson asked how long it takes to get those out to the consumer. Ms. Packer said they are batched each night and sent to our print vendor and mailed out the next day. E-notices are received in the consumer's inbox once the batch process completes. Ms. Fulkerson also asked about duplicate or overlapping enrollments. Ms. Packer said one of the items found during 2015 was that the system allowed for overlapping policies and this is an item that YHI is working closely with GetInsured to get resolved.

Director Cameron asked how YHI will address the payment issues in the future. Ms. Packer said with the focus being on reconciliations, YHI discovered that when a carrier terminates a member for non-payment, the carriers are not notifying us. Also, confirming the enrollment in our system requires that carriers notify YHI when someone is effectuated. Ms. Packer said it's not about collecting the money, as that is between the consumer and the carrier, but instead, YHI will be focusing on keeping the data between the carrier and YHI in synch.

Director Cameron asked if there have been lessons learned regarding internal resources resulting in discussions about keeping phones open longer, increased staff coverage, etc. Mr. Kelly said when we looked at our staffing levels for this open enrollment period, we struggled to become fully staffed during open enrollment. In the budget process for FY17, we have increased the number of temporary workers and plan to hire more of them, to allow for natural attrition, earlier in order to ensure we have sufficient staffing for the duration of open enrollment. We have also repurposed nearly everyone in the office to assist when there are backlogs. Currently about 60-70% of the entire team is working on 1095's and enrollment issues. Director Cameron asked if YHI termed people early and if we discontinued the utilization of DHW staff too early. Mr. Kelly said no, we did not but we have talked about training the DHW staff to assist in areas that could benefit us.

The Chair asked about the non-payment issue and how often YHI reconciles that with the carriers. Ms. Packer said YHI reconciles with the carriers monthly with a 30-day look back and we have started having the conversations with the carriers on how we can make the reconciliation process better.

The Chair asked if there is a resource requirement for checking with the carriers more frequently. Ms. Packer said the system generates a 30-day lookback to give to the carriers. Some of the carriers are providing us with discrepancies on a weekly basis and through the processing of 1095s, we have found areas where we can better reconcile with the carriers.

Ms. Packer said in regard to the Consumer experience, we have made some pretty significant improvements in the automation of the renewal process, we updated the instructions for the disenrollment process on the website, and improved is the usability of YHI's Policy Manual, which has been posted on our website for consumers to access easily. We are also tracking at about 7% on the correction rate for 1095A's.

As of March 8, YHI has received 907 appeals. Appeals are regulated by CMS with certain time lines we are required to meet. We have identified that consumers do not want to wait for tickets to be resolved and are filing appeals to expedite the process, so there is some overlap in appeals and outstanding tickets. YHI has resolved 742 through informal decision and provided the consumer with hearing rights if they did not like the decision. To date, we have only had nine Appeals that went to a hearing, and of those, two are in progress, one was settled outside of the hearing process, three requests were upheld, and three withdrawn.

Ms. Fulkerson asked about the trends for the types of appeals. Ms. Packer said we do track the appeals and the majority are around disenrollment dates. Ms. Fulkerson asked if some of the 165 are in the ambiguous area with possible tickets for the same problem. Ms. Packer said she does not have a breakdown of how many, but it is very likely.

Director Cameron asked about the nine hearings and what were the nature of those issues? Ms. Packer said that the last three were around disenrollment dates. Mr. Kelly said all but one were around disenrollment dates. The one other was around eligible dependents and was settled outside of the hearing.

(b) Plan Management

Ms. Packer said the plan management slide represents the timeline of our efforts to prepare for the upcoming 2017 open enrollment. These are the dates YHI is tracking to for QHP plan certification for the 2017 plan year. This was created in conjunction with the Department of Insurance.

8. CMS UPDATE

(a) Proposed Rules & Key Takeaways

Ms. Packer shared some key takeaways are that open enrollment for 2017 and 2018 mirrors 2016 open enrollment. Open enrollment for 2019 will be shortened to November 1 through December 15. Divorce will now be a qualifying life event for 2017. CMS announced how they are increasing verifications around SEPs during PY2016, which was already on YHI's technology roadmap. The FFM user fee remains at 3.5%. And there are some additional policy changes centered on risk adjustment model recalibration, network adequacy, and SHOP.

The Chair said it is important to note that Idaho's assessment fee is at 1.99% which is considerably lower than the federal fee at 3.5%.

Ms. Fulkerson asked about the risk adjustment model recalibration and Mr. Kelly said that those do not fall under the purview of YHI and he would direct that to Director Cameron. Director Cameron said the Department is still reviewing the risk adjustment model recalibration and has begun discussions of network adequacy which would require legislation. The department is

looking at changing enrollment dates for Idaho and will update the Committee when they know more. Ms. Fulkerson said thinking about the consumer experience in 2017 and 2018, the risk adjustment model recalibration and network adequacy may affect the consumer.

Director Cameron said they are seeing trends that concern the DOI and it will certainly affect the plans carriers submit on May 1. Some are requesting significant changes that would significantly affect adequacy issues. Regarding the risk adjustment, the biggest issue here is if this was intended to be one way to stabilize the marketplace, and if the reinsurance and the corridors are going away, without those components, the risk adjustment becomes an even more important piece. If this isn't resolved and the marketplace isn't stabilized, the DOI anticipates less participation by carriers in the Marketplace by 2018 or 2019.

(b) SHOP Update

Mr. Kelly said SHOP is another item that was identified in the proposed rules. Currently we have less than a thousand covered lives and we currently use the direct enrollment method with the carriers. YHI has several options we have reviewed regarding SHOP. The first is developing our own technology, which has pretty significant costs associated with it, and no ROI in the foreseeable future. The second option is leasing the FFM technology for SHOP, which again would be costly and would create a distraction to the current technology improvements and could create some duplication of efforts in working with CMS for plan management and other related functions. Based on conversations with CMS and previous direction from the Board, we plan to maintain our current direct enrollment approach for 2017 and 2018.

9. MARS-E V2.0 SAR RFP

Mr. Owen reviewed the MARS-E v2.0 where YHI is required to have a security assessment. At the last meeting, the Committee approved an RFP. The PET received three responses which they reviewed. Of the three, two vendors were selected for interviews and BAFOs were requested. The PET team met again, reviewed the BAFO responses and interview notes and selected CSG. YHI executed the contract on February 19, 2016.

10. OEP SLAs & NEXT YEAR

Mr. Owen said we are looking towards the next open-enrollment. As a reminder, the contract with GetInsured specifies a 99.75% uptime, and any planned maintenance and DHW outages are not factored into the uptime SLA. During our maintenance window on March 1, we ramped down from seven to four servers. Traffic was up 3% year-over-year. Peak concurrent users was 12/15 and consistent with the last OEP. The server architecture is being changed and YHI is working with GI on plans for the next OEP. We will update the Committee on those plans as they develop.

Mr. Owen shared some high level performance trends. A 99.8% uptime was reached. Some of these numbers do not tie with Operations numbers, these are just authenticated numbers. Ms. Packer's numbers include the front end as well.

11. IT ROADMAP

Mr. Owen shared what went well this year and said the infrastructure was solid and system availability was excellent. System performance and responsiveness held up despite higher enrollment volumes. The eligibility redeterminations done by our partners at DHW and the automated renewals worked smoothly for consumers who qualified. YHI has received feedback from multiple stakeholders about the improved experience.

Mr. Owen said YHI looks at areas that can be improved in order to enhance the overall consumer experience. Some of these areas include: 1) Operational efficiencies where we need to improve turnaround times to resolve consumer issues with fewer escalations; 2) Data Integrity where we had multiple changes to systems and processes after migrating off the FFM; 3) Compliance where we are addressing ongoing ACA/CMS change requests and making privacy and security improvements; and 4) Overall Idahoan Experience where we had consumer change reporting challenges and want to improve agent effectiveness.

Ms. Fulkerson asked if there is an opportunity to create an override for YHI staff, will that result in a reduction of tickets. Mr. Owen said that is a great question and that is the goal. Ms. Packer added that it would eliminate the needs for a service ticket to GI so would cut down time and get the issue resolved for the consumer much more quickly.

Mr. Owen reviewed the technology roadmap and said Q2 is what we are currently focusing on and include items that we are 99.5% sure of and can implement. We need to focus first on a calendar perspective for plan management and plan quality ratings is slipping into Q3. Green items are currently on hold.

Mr. Owen said we are starting to look at Q3 and it is pretty full. Within the next month to 6 weeks, we should have a true understanding of the effects of 1095 lessons learned. We will continue to look at and improve automated eligibility redeterminations and renewals. In terms of renewals which were in the 70% range, we think we can get that up to 90% and if the reconciliations continue to improve, we think we can get that even higher. We will continue to focus on overrides and what we can do to help consumers. Mr. Kelly added that to put things in context, a quarter is a long period of time. For Q2 the release date is June 15 and Q3 is September 15. Those are important dates to keep in mind in terms of how they relate to auto renewals, anonymous shopping and more. The question is why the scope increased so much compared to what was estimated in December. There are two primary reasons, one being we need to do these things to improve the consumer experience. He said everything in green will touch that consumer experience so they are all very important. The second reason is we have grant funding through December 22, 2016, so we are trying to use as much development funds as we can prior to the expiration of grant dollars.

12. YHI PRIVACY POLICY NOTICE

Mr. Reddish provided a brief update on YHI's Privacy Policy and said this is a policy that is public facing and resides on the YHI website. There were originally two existing policies; the YHI Privacy Policy and the Notice of Privacy Consent. He said he found it a little confusing why there were two separate documents so the team worked to unify those and make it simpler for the consumer. We also compared our policy to what the FFM and other SBM's have and reworked ours to clarify it. In the new document, we better explain to the consumer why we need their PII, what we do with it, and how we safeguard it once we have it.

Motion: Chair Veloz moved that the Governance Committee recommend to the Board the changes in the YHI Privacy Policy as presented today.

Second: Ms. Fulkerson.

The motion carried.

13. FIRST DATA CONTRACT

Mr. Kelly said we extended the contract for First Data at the last Board meeting. Unfortunately, First Data was not able to finalize their attestation due to delays on the CMS side, so we are proposing an extension to June 30, 2016 with no value to the change in the contract.

Motion: Chair Veloz moved that the Marketplace Committee recommend to the Board to extend the First Data contract through June 30, 2016; no change is made to the \$20,000 not to exceed amount of the contract extension approved at the December 2015 Board meeting.

Second: Ms. Fulkerson.

The motion carried.

14. GI SPENDING AUTHORITY

Mr. Kelly said this is related to the items on the technology roadmap. In February 2014, we awarded the HIX technology contract to GI. The original DDI spend was \$34,638,000. In July of last year, we increased that amount to \$37M to allow for additional technology development, change requests and additional improvements in the system. To date, we have spent or have committed CR's in the amount of \$36,052,052.96 which leaves us with just a little bit of room under the current spending authority of \$37M.

Mr. Kelly said when we look at the CR's that are contemplated on the roadmap, those CR's are just a little over \$3M and would bring our spend to \$39,337,615.96 which means we need to increase the overall spending authority with GI to a cumulative amount of \$40M which will cover CR's and leave approximately \$600K for contingency. These have been contemplated in our FY16 budget and they are all within the grant funding that has been awarded to Your Health Idaho. Mr. Kelly added that it is important to note that the way we structure the CR's with GI, there is no change from these CR's to our M&O costs allowing us to maintain that focus on our long-term sustainability.

Motion: The Chair moved that the Marketplace Committee delegate signing authority to the Executive Director to execute Change Requests with VIMO, Inc., doing business as GetInsured, in an amount not to exceed \$40,000,000 (exclusive of M&O), an increase of \$3,000,000 over spending authority.

Second: Ms. Fulkerson.

The motion carried.

15. MARKETPLACE CHARTER AMENDMENTS

Mr. Kelly said the Committees have Charters which outline what their responsibilities are. The Marketplace Committee currently oversees Privacy & Security policies, while all other governance items are under the purview of the Governance Committee, with the exception of employment and finance related items, which falls under the Personnel and Finance Committees, respectively. We are proposing to move the governance of Privacy & Security to the Governance Committee for several reasons. First, all of the other governance related items fall under the Governance Committee already. Second, there is a natural tension within consumer experience and protecting their data so that would provide some checks and balances between the two Committees. Also, the MARS-E control framework is very broad in terms of covering policy, audit, risk management, legal and compliance, which are core pillars of our Governance structure. And it is also important to note we would continue to provide update to the Marketplace Committee so that they are aware of how changes in Privacy & Security would affect the consumer experience. We had our Governance Committee meeting yesterday where they supported this change, contingent upon the Marketplace discussion today.

Ms. Fulkerson asked about the Governance Committee scope. Mr. Kelly said yes, with the exception of personnel related and finance items, Governance handles all policy and procedures for Your Health Idaho.

Motion: The Chair moved that the that the Marketplace Committee, and in accordance with the recommendation of the Governance Committee, recommend to the Board that the Marketplace and Governance Committee Charters be amended to move Privacy and Security governance responsibilities to the Governance Committee.

Second: Ms. Sweigart.

The motion carried.

16. AGENT COUNCIL

Mr. Kelly said that at the December Board meeting, the idea of an agent council was proffered in order to ensure agents/brokers had a voice in the technological and operational process changes at both YHI and partner organizations as well as provide agents visibility into the prioritization of those suggestions.

Mr. Kelly said YHI recognizes the importance of our agent and broker community and we have a number of existing channels in which we receive feedback from agents and brokers. In talking with Mr. Shores and reflecting on those existing channels, it became clear that we can improve those channels and more specifically the tracking of the feedback that we receive from the agents and brokers. Some of the existing channels include agent training sessions, town hall meetings, webinars, teleconferences, informational bulletins and website updates, and analysis of support emails and tickets. There wasn't a formal process for collecting the feedback, nor were the agents and brokers informed on what the decision was or how we incorporated that back into the decision process.

YHI is proposing in lieu of an agent council, that we maintain the existing communication channels, add a formal tracking system for suggestions and outcomes, and expand the channels to include general agent feedback email. Then we will track the status and report back by hosting

monthly web forums for updates, and provide context for those recommendations. We would also have an open Q&A at the end of those forums and the feedback would be considered for the next monthly meeting. This monthly cadence was absent prior to this discussion today and believe it would enable the spirit of an agent council while utilizing the existing channels we have in place today. One area to add is we have received a lot of feedback from the agent/broker community around operational workarounds and that those need to be communicated in real-time and we plan to do that and also by summarizing them in the monthly webinars.

Chair Veloz asked if there is any way to incorporate continuing education credits to the training. Director Cameron said they will certainly look at that. Mr. Kelly noted that the annual training for certification of agents and brokers does include some CPE credits.

17. EXECUTIVE SESSION

Motion: The Chair moved that the Committee enter into Executive Session pursuant to Idaho Code Section 74-206 (1), the Committee will convene in Executive Session to consider records that are exempt from disclosure, including those documents covered under Your Health Idaho's Privacy and Security policies and public records policy pursuant to Idaho Code Section § 74-206 (1)(d).

Executive Session Roll Call: The Chair called the roll and determined that Rep. Rusche (via teleconference), Ms. Sweigart, and Ms. Fulkerson were present resulting in a quorum.

The Committee entered into Executive Session at 11:48 a.m. and reconvened at 12:01 p.m. The Committee took no final actions nor made any final decisions while in Executive Session.

18. NEXT MEETING

The next meeting will be held in early June of 2016. Ms. Fulton will conduct a poll to determine the exact date and time.

19. ADJOURN

There being no further business before the Committee, the Chair adjourned the meeting at 12:02 p.m.

Signed and respectfully submitted,


Fernando Veloz, Committee Chair