

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

**GOVERNANCE COMMITTEE  
MINUTES  
WEDNESDAY, JUNE 8, 2016**

**1. COMMITTEE MEMBERS PRESENT**

- Dr. John Livingston, Chair
- Mr. Kevin Settles
- Mr. Hyatt Erstad
- Mr. Scott Kreiling
- Rep. John Rusche (via teleconference)

**2. OTHERS PRESENT**

- Mr. Pat Kelly, Your Health Idaho
- Ms. Cheryl Fulton, Your Health Idaho
- Ms. Karla Haun, Your Health Idaho
- Mr. Mike Stoddard, Hawley Troxell
- Mr. David Papiez, Hawley Troxell
- Director Richard Armstrong, Idaho Department of Health & Welfare
- Ms. Lori Wolff, Idaho Department of Health & Welfare

**3. CALL TO ORDER**

Following proper notice in accordance with Idaho Code §74-204, the Governance Committee meeting of the Idaho Health Insurance Exchange (Exchange) was called to order by Dr. Livingston, Chair of the Committee (Chair), at 8:02 a.m., Wednesday, June 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 Web site and at the meeting location.

**4. ROLL CALL**

The Chair took roll call and determined that Mr. Settles, Mr. Erstad, Mr. Kreiling, and Rep. Rusche (via teleconference) were present, resulting in a quorum.

Senator Rice was absent.

**5. APPROVE PRIOR MEETING MINUTES**

Motion: Mr. Erstad moved to approve the minutes as presented from the December 15, 2015 Governance Committee meeting.

Second: Mr. Kreiling.

The motion carried.

Motion: Mr. Settles moved to approve the minutes as presented from the March 14, 2016, Governance Committee meeting.

Second: Mr. Erstad.

The motion carried.

## **6. REVIEW COMMITTEE ROADMAP**

The Chair reviewed the Governance Roadmap and noted that the Committee is tasked with reviewing and recommending for Board approval the strategic and operational goals for the upcoming fiscal year, as well as reviewing the Annual Board Member Conflict Disclosure form.

## **7. REVIEW AGENDA**

There were no changes made to the Agenda.

## **8. EXECUTIVE SESSION**

Motion: The Chair moved that the Committee enter into Executive Session pursuant to Idaho Code Section 74-206 (1) to consider documents that are exempt from disclosure under YHI's public records policy and Idaho's public records act pursuant to Idaho Code Section §74-206 (1)(d).

Executive Session Roll Call: The Chair called roll and determined that Mr. Erstad, Mr. Kreiling, Mr. Settles, and Rep. Rusche (via teleconference) were present, resulting in a quorum.

The Committee entered into Executive Session at 8:06 a.m. and reconvened at 9:36 a.m. No final action or decisions were made while in Executive Session.

## **9. STRATEGIC GOAL UPDATE**

Mr. Kelly said Strategic goals are being centered in two primary areas, with those areas being enveloped in the low cost promise and sustainability. The first long term goal is to reduce the uninsured rate to 8% by the end of 2018 open enrollment. The Kaiser Foundation found the uninsured rate to be 11.8% in 2014.

The second part is to provide a flawless and world-class consumer experience. The goal means YHI will reduce the numbers of consumer touches (or calls) down to one time and will work within YHI's sustainability model to achieve these goals. This goal will also be long-term and the anticipated target date is also 2018. This goal also includes the 1095 related touches, so this is a huge goal for YHI.

Mr. Kelly said there are two options here. The first is to approve these goals today and then work on the plan for achieving the goals or have a strategic retreat in August or September and work on developing the strategic goals then. Mr. Kelly said his preference would be the first option of approving them now and working on the Key Performance Indicators (KPI's) from there.

Motion: Mr. Settles moved that the Governance Committee recommend to the Board the strategic goals as presented today.

Second: Mr. Kreiling.

The motion carried.

## **10. FY17 VARIABLE PAY GOALS**

Mr. Kelly said there are 5 operational goals that are tied to the variable pay plan for the upcoming year. These are specific to the Financial year (July 1, 2016 – June 30, 2017) and are metric driven and SMART (Specific, Measurable, Attainable, Realistic and Time-bound).

Goal 1 - Idahoans Experience: this will center around 1095 production, correction rates and turnaround for case resolution. The measurement time is the beginning of open-enrollment (Nov. 1, 2016) through the end of March 2017.

60% achievement benchmark = 95% of total 1095-A population delivered by 1/31/17 with 6% correction rate resolved by 3/31/17, 7-day turnaround for case resolution

80% achievement benchmark = 97% of total 1095-A population delivered by 1/31/17 with 5% correction rate resolved by 3/31/17, 5-day turnaround for case resolution

100% achievement benchmark = 100% of total 1095-A population delivered by 1/31/17 with 3% correction rate resolved by 3/31/17, 3-day turnaround for case resolution

Goal 2 - Retention and Enrollment: this one is similar to previous goals and includes effectuated enrollments as of March 1, 2017, based on internal YHI reporting, which means carrier reconciliation needs to be spot-on.

60% achievement benchmark = 95,000 effectuated enrollments with 70% retention rate

80% achievement benchmark = 97,850 effectuated enrollments with 75% retention rate

100% achievement benchmark = 100,700 effectuated enrollments with 78% retention rate

Goal 3 - Compliance & Security: this will center around keeping Idahoan's Personally Identifiable Information (PII) protected. The measurement time will be from July 1, 2016 to technology release 4.4. What this really means is reducing the number of findings that come out of the audits.

60% achievement benchmark = POA&M, PIA submitted on-time and accepted by CMS, and remediation of findings reduced by 25%

80% achievement benchmark = POA&M, PIA submitted on-time and accepted by CMS, and remediation of findings reduced by 40%

100% achievement benchmark = POA&M, PIA submitted on-time and accepted by CMS, and remediation of findings reduced by 50%

Goal 4 - Low Cost Promise: this will center around looking at YHI's cash balance because expenses and revenue are both a component of our ability to maintain a low assessment fee. There will be controls around this to ensure transparency. These numbers (not percentages) will change if the budget changes.

60% achievement benchmark = there is no 60% benchmark

80% achievement benchmark = cash balance as of June 30, 2017 exceeds budget of \$7.7M by 3% or a cash balance of \$7.9M

100% achievement benchmark = cash balance as of June 30, 2017 exceeds budget of \$7.7M by 5% or a cash balance of \$8.1M

Goal 5 - Employee Engagement: this goal is for team members with direct reports and will come from improvements made from a baseline survey in July 2016 to the next survey in June 2017. The Employee Engagement Survey came from the book "First Break all the Rules".

60% achievement benchmark = 5% improvement

80% achievement benchmark = 10% improvement

100% achievement benchmark = 15% improvement

Motion: Mr. Kreiling moved that the Governance Committee recommend to the Board the variable pay goals as presented today, pending review by each relevant Committee.

Second: Mr. Erstad.

The motion carried.

## **11. ANNUAL CONFLICT DISCLOSURE**

Chair Livingston reviewed the timeline for conflict disclosures with forms being emailed out in mid-June, forms due to Ms. Fulton on June 24 at the Board Meeting and final deadline to receive forms by June 30. There were no changes made to the format of the form.

## **12. PRIVACY & SECURITY POLICY UPDATE**

Mr. Kelly reported for Mr. Reddish and said currently YHI has a number of critical deliverables for CMS including the Computer Matching Agreement (CMA), Plan of Action and Milestones (POA&M), Privacy Impact Assessment (PIA), Annual Attestation, Security Assessment Report (SAR) and the MARS-E v2 Gap Analysis. These are all Privacy & Security related, they are all on track and all require a heavy lift to keep Idahoan's information secure. Mr. Kelly added that if there are any policy changes that come out of this, the team will bring those to the Board at the September Board meeting. This will also be included in the report to the State Legislature.

## **13. REVENUE OPPORTUNITIES**

Mr. Kelly said that YHI is looking at the feasibility of website advertising as a potential revenue stream. This is banner advertising on the front end. It is now feasible because YHI owns the front

end of the website. The team is working on rate cards, privacy and security concerns are being reviewed and revenue assumptions are being worked through. CMS also needs to sign off on this because no other exchange is doing this. Their initial reaction was positive, but we want to ensure CMS sees no compliance issues with YHI doing this.

Mr. Kreiling wanted to ensure the appropriate type of advertising will be used to ensure fair placement and avoid the google type advertising model.

Rep. Rusche asked about campaign advertising and suggested staying away from this type of advertising.

YHI leadership is still working to develop initial investment, ongoing management costs, and revenue potential – updates will be provided at the Board meeting.

Mr. Kelly added that the types of advertisers that will be targeted will include carriers, agents/brokers, enrollment counselors, non-profits that are health focused (FitOne, Race for the Cure, Relay for Life) and then educational focused non-profits (SHIBA, YMCA, AARP). Providers are an area that needs to be researched.

The revenue opportunity will scale over time, but anticipated first-year revenues are estimated to be between \$100,000 and \$300,000. And 2-3 years out it could approach \$1M. Mr. Kelly assured the Committee that nothing will take place until all the details are hammered out and the information is brought to the Board later in June.

Mr. Kelly said the start-up costs associated with this will be under \$20,000, and may even be less than \$10,000, and the system will be automated so that management time associated with this will be relatively small.

#### **14. NEXT MEETING**

The next meeting of the Governance Committee will be held in September 2016, and Ms. Fulton will be reaching out to the Committee in late July to schedule.

#### **15. ADJOURN**

The Committee adjourned at 9:57 a.m.

Signed and respectfully submitted,

  
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Dr. John Livingston, Committee Chair

9/9/16