

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

**YOUR HEALTH IDAHO BOARD**

**MINUTES**

**JUNE 20, 2014**

**1. BOARD MEMBERS PRESENT**

- Mr. Stephen Weeg, Chairman (via teleconference)
- Mr. Scott Kreiling, Vice Chair
- Mr. Hyatt Erstad, Secretary
- Mr. Tom Shores
- Mr. Dave Self
- Mr. Mark Estess
- Ms. Karen Vauk
- Mr. Kevin Settles
- Mr. Fernando Veloz
- Dr. John Livingston
- Representative Kelley Packer
- Representative John Rusche (via teleconference)
- Director Bill Deal
- Director Dick Armstrong

**2. OTHERS PRESENT**

- Ms. Amy Dowd, Your Health Idaho
- Mr. Alberto Gonzalez, Your Health Idaho
- Ms. Jody Olson, Your Health Idaho
- Mr. Pat Kelly, Your Health Idaho
- Ms. Cheryl Fulton, Your Health Idaho
- Mr. Trent Cummins, Your Health Idaho
- Mr. Mike Stoddard, Hawley Troxell
- Ms. Tresa Ball, HR Solutions
- Mr. Jesse Lewin, Burson-Marsteller
- Ms. Brie Gershick, Accenture
- Mr. Gerald Massey, Accenture
- Mr. Fred Heil, GetInsured
- Mr. Greg Kunz, Idaho Department of Health & Welfare
- Mr. John Kotek, Gallatin Public Affairs
- Ms. McKinsey Lyon, Gallatin Public Affairs
- Ms. Natalie Podgorski, Gallatin Public Affairs
- Ms. Marnie Packard, Pacific Source
- Mr. Peter Sorenson, Blue Cross of Idaho
- Ms. Tammy Perkins, Office of Governor C.L. "Butch" Otter
- Ms. Susan Becker, Drake Cooper
- Ms. Noelle Laury, Peyron
- Mr. Woody Richards, AHIP
- Mr. Brody Ashton, Lobby Idaho
- Mr. Tyler Mallard, Risch Pisca

### **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. Scott Kreiling (Vice Chair), at 8:07 AM, Thursday, June 20, 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**

Motion: Mr. Veloz moved to allow the Vice Chair, Mr. Kreiling, to sit in for the Chair.

Second: Mr. Self.

The motion carried.

Mr. Erstad called roll and determined the Chair (via teleconference), Mr. Kreiling, Mr. Shores, Mr. Self, Mr. Estess, Ms. Vauk, Mr. Settles, Mr. Veloz, Dr. Livingston, Representative Packer, Representative Rusche (via teleconference), Director Deal and Director Armstrong were present, resulting in a quorum.

Ms. Geyer-Sylvia, Mr. Agenbroad, Ms. Henbest and Senator Rice were absent.

### **5. PUBLIC COMMENT PERIOD**

There were no comments from the public at this time.

### **6. MINUTES**

Motion: Mr. Self moved to approve the minutes from the April 18 and May 22, 2014 Board Meetings.

Second: Mr. Shores.

The motion carried.

### **7. REVIEW OF AGENDA**

There were no changes to the agenda.

### **8. EXECUTIVE DIRECTOR REPORT**

Ms. Dowd provided a review of the Your Health Idaho roadmap and 2015 budget, including grant funding needs and approval of strategic goals for the upcoming fiscal year. Looking into July, Your Health Idaho will be doing quarterly financial statements, as well as board training. She noted that for the next meeting, risk framework go-live will be one of the primary agenda items and GetInsured will be providing a demo.

The Chair asked for clarification on the timeline for turning in the conflict of interest forms.

Ms. Dowd responded that the forms should be returned within the month, by July 15<sup>th</sup>.

The overview of the Your Health Idaho timeline included upcoming releases.

- The public launch for carrier access to the Your Health Idaho marketplace is slated for September 1, 2014 and is on track.
- Anonymous shopping is slated to launch on October 1, 2014 and a full public launch of the marketplace (Release 2) is slated for November 15, 2014.

Ms. Dowd noted one of the biggest risks Your Health Idaho faces is the renewal strategy and reenrollment, which will be discussed in the next few weeks.

#### **(a) CMS Updates**

On Wednesday, June 18, there was a core technology review of the GetInsured product which covered site architecture and design. During this time, no concerns were raised by CMS. Additionally, the CMS leadership meeting was held on Thursday, June 19, which included a review of Your Health Idaho's performance. CMS identified no red flags, but emphasized the importance of continued communications, including demonstrations of functionality for marketplace and eligibility shared services with DHW and a more detailed review of workflows, process flows, requirements and functionality. CMS also approved the cost allocation plan for Your Health Idaho.

Mr. Self asked what the cost allocation plan entails.

Ms. Dowd replied the cost allocation plan details how the costs for shared services for eligibility determination with DHW will be allocated to the exchange in order to ensure that Your Health Idaho is paying fully for the services that DHW supplies.

Representative Packer asked if the cost allocation plan takes into account the services that would have belonged to DHW anyway.

Ms. Dowd answered that yes, the cost allocation plan clearly delineates eligibility services for Medicaid eligible individuals and this is an eligibility determination for Approved Premium Tax Credit (APTC) and will be charged to Your Health Idaho.

The Board requested clarification regarding how time and cost is broken up between Medicaid eligible individuals and others.

Ms. Dowd presented a comprehensive plan developed by Your Health Idaho and DHW to demonstrate functionality and evidence of progress through a number of reviews and checkpoints.

Mr. Shores asked if in September or early October, agents and brokers could get in the system.

Ms. Dowd deferred the answer as these topics will be discussed throughout this meeting and at the next Board meeting

#### **(b) Privacy and Security Update**

Privacy and security is a top priority for Your Health Idaho and is a CMS requirement. Your Health Idaho is developing a system security plan (SSP) to ensure the privacy and security of Idahoans and to meet CMS requirements that Your Health Idaho:

1. Perform third party security assessment
2. Designate a security officer on behalf of Your Health Idaho to sign off prior to CMS granting authority to operate an Idaho based marketplace
3. Assess gap in security
4. Develop security policies

Mr. Shores asked about challenges with the FFM regarding improving access, such as requiring a Social Security Number or Date of Birth or a wife calling for household health plan and being unable to access it because the policy is in her husband's name.

Director Armstrong responded that Your Health Idaho will continue to better blend security precautions with their offerings and is taking an integrated approach to improving customer service.

#### **(c) IV&V Update**

Ms. Dowd reported the Independent Verification and Validation (IV&V) vendor was brought on in May and will continue to provide monthly reporting updates through implementation. The reports are available by request.

#### **(d) SHOP**

The Department of Health and Human Services (HHS) deferred implementation of employee choice until 2016. On June 2, 2014 the Department of Insurance (DOI) recommended deferring employee choice for Idaho and is currently awaiting a response.

Mr. Erstad asked if the current plan for Idaho will be in place until 2016.

Ms. Dowd said Idaho will be taking control of SHOP this fall and will include control of the paper based process. It will no longer be sent to Kentucky and will be handled in state.

Mr. Erstad said he assumes it will be single plan, single rate until full implementation in 2016 and asked about the process for quoting purposes. Mr. Erstad also asked if multiple plans will be available within a specific vendor.

Ms. Dowd reported that carriers will have to help with the process for quoting and offering multiple plans or a single plan is up to the carriers.

Mr. Shores asked when the paper process will start with SHOP.

Ms. Dowd said it will go into effect on November 15, 2014 along with Open Enrollment.

#### **(e) Staffing Update**

Ms. Dowd commended Mr. Kelly, Director of Finance, for the development of Your Health Idaho's budget for fiscal year 2015 and announced Ms. Jennifer Dickey will be the organization's new Lead Program Specialist. An offer has also been made to the finalist for the new IT Director, and he is expected to be joining the next Board meeting. Interviews are ongoing for the Program/Consumer Support Specialist.

#### **(f) A Look Ahead**

June 23, 2014 will be a "deep dive" into the operating model for Your Health Idaho with the Marketplace Committee.

On June 25 & June 26, 2014 a collaboration meeting for state-based marketplaces will take place in Washington, D.C. Key topics for discussion will be marketing strategies, operations, consumer assistance, financial stability and opportunities for meeting with senior CMS leadership.

Your Health Idaho and Accenture will also meet with Director Henry Chao from CMS for an Idaho-specific technology and infrastructure discussion.

### **9. PERSONNEL COMMITTEE REPORT**

Mr. Self reported on the FY15 Compensation Recommendation Finance Committee. He noted there are four basic compensation components: Base Pay, Market Adjustment, Merit and Variable pay. The merit and variable components are not guaranteed, they must be earned based on performance and goals.

Modifications to compensation were presented to the Board, with Mr. Self noting the recommendations are part of the budget approval for the meeting.

Next steps are to finish the documentation, provide all the information to the Finance Committee and ensure all questions are answered for the budget process, which the committee expects to present at the next Board meeting.

### **10. FINANCE COMMITTEE REPORT**

#### **a) Overview of Budget Process**

Mr. Kelly provided an overview of the budget process where the team followed a bottoms-up approach with template submissions from each functional area owner. The budget was split into three distinct categories: capital, project and operational. The headcount and compensation recommendations were fully vetted by the Personnel and Finance Committees. There are a handful of incremental positions that have been endorsed by the committees.

#### **b) Operating Income Statement**

Operating expenses are seen as business as usual. Project expenses mostly consist of getting technology solutions up to date and vendors. Operating Income Statement shows income of just under \$10 million with assessment revenue just over \$4 million. It is important to note that the assessment fee revenues will be placed in reserves until the self-sustainability period beginning January 1, 2016.

Mr. Shores asked what the assumption is of the number of policies and the production of that number.

Mr. Kelly responded that current estimates include retention of the current base at 80 percent of the 76,000 and current estimates range anywhere from 10,000 to 40,000 new lives covered in 2015 Open Enrollment.

### **c) Project Expenses**

Moving on to the project expenses, or the expenses associated with getting technology solutions implemented, the total expense falls just short of \$10 million. Capital expenses related to the project come out at \$36 million. Employee capital expenses are at \$16,000 as part of project.

### **d) Grant Funding and Approval Request**

Your Health Idaho is requesting approval for total spend for FY15 of \$55.6 million. The additional grant funding needed is \$22.2 million which carries Your Health Idaho through the grant period ending December 31, 2015.

The Board asked if this would be the last grant Your Health Idaho has the ability to apply for setting up the exchange.

Mr. Kelly replied that Your Health Idaho has an opportunity through the end of the 2014 calendar year to apply for grant funds. Based on current estimates, he anticipates this being the only additional grand fund request.

Clarification was requested as to whether the additional grant is in any way tied to CMS's perspective on Your Health Idaho's success of the build with GetInsured.

Mr. Kelly said when looking at the additional expense anticipated relative to the technology, the answer is yes. The design changes that CMS required in addition to the length of time since the original grants were approved; those elements make up the funding being requesting.

Mr. Weeg asked what the contingencies are in the \$22 million and what the total grant request to date is.

Mr. Kelly responded that there are contingencies included in the overall projected spend, mostly in the project expense area. With respect to the second question, Your Health Idaho would be right at \$90 million. The original KPMG estimates were at \$82 million and he noted the funding for Your Health Idaho is one of the lowest in the country.

Mr. Shores asked if there is any potential interest return on the account for fees the organization is using in reserve.

Mr. Kelly said the assessment fee revenue is held in two separate bank accounts. One is collateralized and secured and the other is up to the FDIC limit, so the asset is protected in that manner. The collateralized account does earn interest, but at a nominal rate.

Motion: Mr. Veloz moved that the Board approve the budget of \$55.6M for Financial Year 2015, encompassing operating and project expenses and grant finding of \$22.2M to be submitted to CMS.

Second: Mr. Settles.

The motion carried.

## **11. OUTREACH & EDUCATION COMMITTEE REPORT**

Ms. Olson began with a review of the current scope of work (SOW).

### **(a) Current SOW**

The committee is focusing on lessons learned from 2014 outreach and marketing effort leading up to enrollment and pre-enrollment in 2015. They are continuing to support outreach to tribes, the business community and people with qualifying life events. They are developing candidates for testimonials, pursuing earned-media opportunities and integrating front-end and back-end components of the website.

The budget for the current SOW #5 was \$406k and they have invoiced \$234k to date.

Mr. Kreiling asked about the timeline for testimonials.

Ms. Olson said testimonials are ongoing because it has been difficult to find someone willing to have their image and name used publicly.

### **(b) SOW #6**

The budget for SOW #6 is \$1,373,000 and runs from July 1 to September 30, 2014. Market research is focused on trying to identify likely Your Health Idaho customers.

SOW #6 also incorporates more players, including HHS, CMS and CCIIO, which requires coordinating meetings and schedules. The committee is also working on microtargeting likely consumers and a Coordinated Enrollment, Renewal and Retention Communication Plan. The plan covers when communications go out, what they say, and creates a universal Your Health Idaho renewal piece.

The committee will continue ongoing maintenance of the website by working to make sure the front end and back end are seamless. They are also continuing with social media and earned media work and working with a new firm, Drake Cooper, on paid media. Outreach & Education is moving forward heavily by working on tribal enrollment events, distributing materials and formalizing a calendar.

Mr. Shores said one of the concerns they had was a paid advertisement going into the midterm elections and asked if that was included in the budget.

Ms. Olson replied that yes, although Your Health Idaho is not certain if they will spend the full amount, the committee elected to increase the paid media amount in the event they need to spend more.

Mr. Erstad said there was a recent action to modify the COBRA notifications to encourage individuals to look at the exchange, and asked if they have the ability to reach out to vendors with COBRA administration via brochures or handouts.

Ms. Olson noted this is a reason for the desire to create a universal Your Health Idaho piece, to best reach out to a variety of stakeholders and partners. COBRA administration is one of those.

Motion: Ms. Vauk moved that the Board approve SOW #6 to run from July 1, 2014 to September 30, 2014, in an amount not to exceed \$1,373,00 as reviewed and recommended by the Outreach and Education Committee.

Second: Mr. Self.

The motion carried.

## **12. PMO REPORT**

Ms. Gershick reviewed the PMO report for the week ending June 15, 2014. Achievements include a finalized integrated program plan, deep dive on CMS, privacy and security consult, continued work on a reenrollment strategy and completed marketplace business walk-through scenarios.

For Issues and Risks, the enrollment strategy is still open and solution options were presented to the Marketplace Committee. An outcome of the privacy and security consult is requiring a single security plan. GetInsured is resubmitting their designs to align with Your Health Idaho's requirements.

The Workstream Status shows integration as trending red, specifically around the re-enrollment strategy which is expected to be resolved by June 30, 2014.

Mr. Self asked about integration and the re-enrollment strategy.

Ms. Gershick said the re-enrollment strategy team is just one of the components trending integration to red.

Mr. Kreiling asked if re-enrollment is the primary reason for integration to be trending red or if it is a combination of factors.

Ms. Dowd added that it will be completed on June 30, 2014 and then soon after it will be vetted by the Marketplace Committee and brought to the Board, hopefully at the July 25, 2014 Board meeting.

Representative Packer asked if this is a direct impact for the November 15, 2014 deadline.

Ms. Dowd responded that the renewal strategy is significant and depending on the direction that is chosen, Your Health Idaho will have to decide that. There are routes that would be a risk to the go live, but the team has some good options emerging that will not only be successful but allow the organization to make the deadline.

Mr. Weeg suggested the Board may need an additional meeting in the first week of July.



### **13. DHW UPDATE**

Mr. Kunz, Deputy Administrator, shared a diagram showing a two week demarcation depicting the sprints happening at DHW. DHW is focusing on development, integrated testing and user acceptance testing and ensuring these are completed in a timeline that is acceptable to Your Health Idaho and CMS. Mr. Kunz reported on the Key Initiatives which include Embedded APTC Rules, HCA Application for eligibility, IBES Screen Changes, IRS & Non-ESI MEC Verifications, Account Transfer, Notices and Reporting. Within these initiatives, he reported on what is completed, key risks and next steps. Mr. Kunz hopes to submit this every two weeks in electronic format to Your Health Idaho.

### **14. MARKETPLACE COMMITTEE REPORT**

Mr. Estess reported on the overview of the enrollment strategy for 2015, the three primary renewal options for consideration, program risks and the timing for next steps.

#### **(a) Renewal Process Update**

Governance and Authority, Program and Plan Management, Eligibility, Marketplace Design, Integration and Testing, Training, Consumer Support and Experience, Data Migration and Conversion, Security and Privacy and Finance and Sustainability are all elements that will be contained in the risk framework document under development. The intent is to engage a one-time only re-enrollment in 2015 and then in 2016 it will be a passive enrollment.

The three primary renewal options under consideration are:

1. Active and passive re-enrollment
2. Active re-enrollment
3. Clean slate, or starting from scratch

These are incredibly complex so contingency planning is important to approaching these three options. The program risks include legal, data quality, privacy and security, timing, development, public perception, financial, sustainability, consumer experience and system functionality as a whole. The timing is as follows:

- On June 30 the Marketplace Committee will get formal recommendations, a special Board meeting the week of July 7, 2014 and a team meeting TBD to discuss options for the Board.

Mr. Gonzalez said the complexities around data are one of the more significant risks. The data issues and re-enrollment will be addressed on June 30, 2014.

Mr. Shores said the time element is concerning in keeping the agents and brokers engaged, especially if Your Health Idaho has to go with the clean slate option.

Mr. Estess said they are trying to be realistic about what can be done and quantify how much time agents and brokers can spend with consumers on their plans.

***The Board took a break at 10:00am and reconvened at 10:10am.***

### **(b) End-to-End User Acceptance Testing**

Ms. Dowd reported that The Marketplace Committee deferred the decision on end-to-end user acceptance testing to allow for more time to define test plan and requirements. The new statement of work with PMO includes full end-to-end user acceptance testing that focuses on points of interface between SERFF, Marketplace, DHW and carriers and completes CMS testing script requirements.

Motion: Mr. Veloz moved that the Board approve up to \$1.6 million to be added to the existing PMO contract for purposes of end-to-end user-acceptance testing and grant the Chair or Vice Chair of the Board, Chair of the Marketplace Committee and the Executive Director authority to sign a SOW for the end-to-end user acceptance testing with the PMO.

Second: Dr. Livingston.

The motion carried.

### **(c) GI SOW #2 Update**

Ms. Dowd vetted the GetInsured SOW #2 through the Marketplace Committee and it is ready to sign. Release 1 will include almost \$17 million in delivery and Release 2 will include just over \$12 million in delivery and all payments are contingent on Your Health Idaho acceptance of GetInsured deliverables.

### **(d) Reporting and Data Needs**

Mr. Gonzalez said the program has launched a reporting team to identify where and how the data elements are all being collected in order to report the appropriate data points. The committee hopes to create a marketplace data dashboard for the board. Categories would include application activities, eligibility, plan selection and enrollment, a service center, consumer connectors, system, and appeals and complaints.

Mr. Shores suggested the dashboard could include participants who signed up who did not have insurance previously.

### **(e) Eligibility Shared Services Agreement**

Ms. Dowd said teams have made excellent progress in the last month working on the MOU, now referred to as the Eligibility Shared Services Agreement. She then requested Board approval to delegate to the Marketplace Committee to execute an agreement between Your Health Idaho and DHW to provide services to the fully integrated eligibility system. They are currently operating under a Letter of Intent that expires this month. Your Health Idaho would be agreeing to allocate \$5 million to DHW, including the \$2 million under the existing Letter of Intent. They would like to enable this by June 30, 2014.

Mr. Kreiling asked where placeholder for this is in the budget.

Ms. Dowd responded that the money comes from grant funding and from the \$22 million grant mentioned by Mr. Kelly.

Mr. Kelly confirmed it will come from the two grants right now and additional funding needs will come from the third Grant that the Board approved earlier in the meeting.

Motion: Mr. Veloz moved that the Board delegate authority to the Marketplace Committee to execute a Shared Eligibility Services Agreement between Your Health Idaho and DHW in an amount not to exceed \$5 million, including the \$2 million under the existing Letter of Intent with DHW and previously authorized by the Board.

Second: Mr. Shores.

Ms. Vauk asked if there are any guidelines around the level of funding that can be delegated.

Mr. Kelly said the delegation of authority adopted by the Board specifically speaks to the level of spend when Your Health Idaho approves invoices or incurs expenses. It does not specify limits as far as contracts go.

Mr. Stoddard said there is no limit in terms of the documents and that what the Board is delegating are the contract details with a maximum dollar amount. There will be multiple approvals and signatures as long as it's within the budget.

The motion carried.

## **15. GOVERNANCE COMMITTEE REPORT**

Dr. Livingston began with the Memorandum Letter from Hawley Troxell from the Governance Committee regarding conflict of interest.

Ms. Dowd said staff proposed organizational goals for fiscal year 2015 and are tracking to these to make sure Your Health Idaho meets these goals. There were a couple of goals that came into question. One question was around enrollment and retention goals, so the staff went back and reconfigured numbers that were achievable and reasonable. In addition, some goals are shared between Your Health Idaho and DHW so there is no direct accountability for Your Health Idaho over those.

### **(a) Online User Experience Measurements**

The goal is to create a user friendly online application and enrollment experience for 2015 open enrollment. This includes providing a receipt of application for financial assistance within 2 business days and DHW will calculate APTC and send electronic results to the Your Health Idaho marketplace 95% of the time. The eligibility determination for APTC will be completed with a 95% accuracy level and a benchmark survey with consumers after 2015 Open Enrollment will test satisfaction with the online application and enrollment process.

### **(b) Consumer Assistance Measurements**

The goal is to have an appropriate volume of educated and trained Consumer Connectors available to Idahoans and maintain the primary role of agents and brokers for consumers who need plan recommendations. This will be measured by a benchmark survey of consumer satisfaction with quality of service and Your Health Idaho will respond to all appeals or grievances within two business days.

Fiscal Year 2015 Enrollment Estimate has some key assumptions which includes 80% of individuals effectuated will re-enroll at the end of 2014 open enrollment as well as the 2015 New Enrollee Estimates which ranges from 16,000-40,000 new enrollees.

Chairman Weeg said he would be very concerned if the 2015 enrollment numbers ended up being similar to what Your Health Idaho had for 2014 and does not feel they are adequate goals for enrollment.

Mr. Kreiling said we would like to have more than what is projected, but should have more clarity after open-enrollment.

The Board discussed the 2015 open enrollment estimates and expressed expectations of a more robust number of enrollees than projected.

Ms. Dowd mentioned the Governance Committee may need to change the goals or update them mid-year.

Motion: Mr. Erstad moved that the Board adopt the goals for Fiscal Year 2015 as recommended by the Governance Committee and presented today.

Second: Mr. Settles.

The motion carried.

Mr. Stoddard presented the Board Training Memo. Over the next month, along with Representative Rusche and Dr. Livingston, he will be putting together a short board training to be attached to the July board meeting. The Board is encouraged to email the team with agenda items. Mr. Stoddard also referenced the disclosure statements and noted if Board members wanted to sign last year's form and indicate nothing has changed, that is appropriate.

## 16. NEXT MEETING

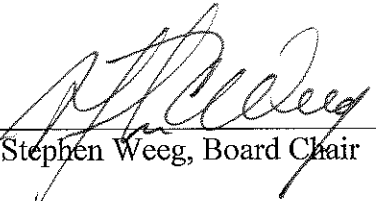
Based on the suggestion of Mr. Weeg, the Board will meet again during the first week of July with the date and time to be determined through a poll later today.

The next meeting of Your Health Idaho's Board of Directors will be held Friday, July 25, 2014 at 8:00-11:00 AM. However, there may need to be additional time for Board Training.

## 17. ADJOURN

There being no further business before the Board, the Chair adjourned the meeting at 11:00 AM.

Signed and respectfully submitted,

  
Stephen Weeg, Board Chair