1. **BOARD MEMBERS PRESENT**
   - Mr. Stephen Weeg, Chair
   - Mr. Scott Kreiling, Vice Chair (via teleconference)
   - Mr. Jeff Agenbroad, Treasurer
   - Mr. Hyatt Erstad, Secretary
   - Mr. Tom Shotes
   - Ms. Karen Vauk
   - Mr. Kevin Settles
   - Dr. John Livingston
   - Ms. Margaret Henbest
   - Ms. Candace Sweigart (via teleconference)
   - Mr. Jerry Edgington
   - Ms. Janice Fukerson
   - Senator Jim Rice
   - Representative John Rusche
   - Representative Kelley Packer (via teleconference)
   - Director Dean Cameron
   - Director Dick Armstrong

2. **OTHERS PRESENT**
   - Mr. Pat Kelly, Your Health Idaho
   - Ms. Jody Olsen, Your Health Idaho
   - Ms. Dana Packer, Your Health Idaho (via teleconference)
   - Mr. Layne Bell, Your Health Idaho
   - Ms. Wanda Smith, Your Health Idaho
   - Ms. Karla Haun, Your Health Idaho
   - Ms. Meghan McMartin, Your Health Idaho
   - Mr. Kevin Reddish, Your Health Idaho
   - Mr. David Chase, Your Health Idaho
   - Ms. Frances Nagashima, Your Health Idaho
   - Ms. Alexi Faucher, Your Health Idaho
   - Ms. Stephanie Mathiesen, Your Health Idaho
   - Ms. Robyn Price, Your Health Idaho
   - Ms. Stephanie Fasula, Your Health Idaho
   - Ms. Cheryl Fulton, Your Health Idaho
   - Mr. Mike Stoddard, Hawley Troxell
   - Ms. Tresa BaI, HR Precision
   - Mr. Peter Sorensen, Blue Cross of Idaho
   - Ms. Lori Wolff, Idaho Department of Health and Welfare
   - Ms. Tammy Perkins, Office of the Governor
- Mr. Tim Olson, PacificSource
- Mr. Norm Varin, PacificSource
- Mr. Shad Priest, Regence Blue Shield
- Ms. Moriah Nelson, Idaho Primary Care Association

3. **CALL TO ORDER**

Following proper notice in accordance with Idaho Code §74-204, the Board of Directors meeting of the Idaho Health Insurance Exchange (Exchange) was called to order by Mr. Stephen Weeg (Chair), at 8:04 a.m., Friday, June 24, 2016, at the State Capitol Building, Room WW17. In accordance with Idaho Code §74-203 (1), the meeting was held in an open public forum and was streamed in audio format on the Idaho Public Television website.

4. **ROLL CALL**

Mr. Erstad called roll and determined that The Chair, Mr. Kreiling, Mr. Aglenbroad, Mr. Shores, Ms. Vauk, Mr. Settles, Dr. Livingston, Ms. Henbest, Ms. Sweigart, Mr. Edgington, Ms. Fulkerson, Senator Rice, Representative Rusche, and Director Armstrong were present, resulting in a quorum.

Rep. Rusche arrived at 8:32 a.m. and Director Cameron arrived at 8:36 a.m. Ms. Maher and Mr. Veloz were absent.

5. **PUBLIC COMMENT PERIOD**

There were no public comments.

6. **REVIEW OF AGENDA**

The Chair noted that in an effort to streamline the meeting, motions will be held until the end of the meeting. He also noted that the confirmation of Ms. Maher to the appropriate Committees should be added to the agenda today.

**Motion:** The Chair moved to amend the agenda to add the confirmation of Ms. Maher to the appropriate Committees.

**Second:** Senator Rice.

The motion carried.

The Chair asked for Board confirmation of Ms. Charlene Maher to the Marketplace and Finance Committees of the Board.

**Motion:** Mr. Shores moved that the Board confirm Ms. Maher to join the Marketplace and Finance Committees.

**Second:** Mr. Erstad.

The motion carried.
7. APPROVAL OF PRIOR MEETING MINUTES

Motion: Mr. Erstad moved to approve the meeting minutes from the Friday, March 25, 2016 Board meeting as presented.

Second: Mr. Shores.

The motion carried.

8. EXECUTIVE DIRECTOR UPDATE

Mr. Kelly said as the Chair mentioned, the format of the Board meeting has been altered in order to focus on three main areas of the business; consumer experience, technology and finance. Administrative and formal board actions have been moved to the end of the agenda with the intent of a more comprehensive view of YHI’s business and to allow for strong discussion prior to taking any formal action.

(a) Goals/Mission

Mr. Kelly covered YHI’s goals and vision. YHI’s vision, established in 2015, ensured that we would keep our eye on improving the consumer experience; maintain our low-cost promise; and plan for sustainability. We are fortunate that our shared foresight has brought us to a current stable and successful place. We have enrolled over 100-thousand consumers, trained more than a thousand consumer connector, improved our technology, brought expertise in-house, and kept money in the bank. With a strong foundation in place, we are poised to become a consumer-centric organization.

(b) Strategic Goal Update

Mr. Kelly said YHI leadership has been discussing options and how best to maximize the Board’s expertise and vision. We believe that defining a stretch strategic goal, with SMART criteria, would enable the entire YHI Board and team a rallying point moving forward. We also would set milestones and Key Performance Indicators (KPI’s) to measure our progress.

The first goal is to reduce the uninsured rate from 11.8%, as measured by the Kaiser Family foundation in 2014, to 8% by the end of open enrollment 2018. This is a pretty lofty goal that is within the mission of YHI.

The second goal is to provide a flawless customer experience, which includes consumers, agents and brokers, enrollment counselors, and the carriers. He said the way they defined “flawless” is by measuring the numbers of consumers that interact with YHI on a subject more than two times, with the goal being to reduce that number to less than 5% of all consumers by the end of open enrollment 2018.

The next steps would include Board endorsement for the overall strategic goals proposed today. YHI leadership will develop key milestones and metrics for the Governance Committee and Board in September.
We would enhance our risk register to include funding constraints, political shifts, among other impacts to those strategic goals. We would provide quarterly reporting to the milestones and key performance indicators.

Mr. Edgington asked about the 8% in relation to the Medicaid redesign and goals. He asked how that was number was devised and what it does and doesn’t include.

Mr. Kelly said we believe that absent action on the gap population, there is a natural floor of the uninsured of about 5%, we assume a 3% reduction is within the target range of YHI.

Mr. Shores asked how we measure that. Mr. Kelly said the measurement is in the individual market only, as measured by the Kaiser Family Foundation, and we would be consistent with their methodology as we move forward.

(c) Revenue Opportunity

Mr. Kelly said we have discussed a number of times the need for additional revenue sources. As part of our move to bring resources in-house, we absorbed ownership of the front end of the website, the pages consumers see before they log in.

YHI has high traffic volumes which is very attractive to advertisers. It is measured as gross impressions, or the number of people viewing a website. It is important that we establish a policy so that those advertisers fit with the mission and compliance of the health exchange.

Potential revenue projections show that if we charged a small fee for every one-thousand impressions, we could host up to 30 advertisers. Revenue estimates show YHI could generate between $100-300 thousand dollars in the first 12 to 18 months. The best part is that website advertising would involve a minimal investment of less than $20K, bringing an immediate and positive return on investment.

The next steps are to formalize the rate structure, review the software options that allow for banner ads on key web pages, define the parameters for types of advertisers and create a list of potential buyers, and finally, we would make certain that Privacy and Security requirements are met through all of this. We would then bring our final proposal to the Board in September.

Mr. Edgington stated that the timing on this advertising as a potential revenue stream, if brought to the board in September, would be tight. Mr. Kelly said assuming the Board endorses the proposal in September, YHI would target October 1 or November 1 to begin. The pipeline would be built prior to the Board meeting in September and then YHI would execute following approval.

Ms. Henbest said her first reaction is distraction to the consumer, and wondered what kind of feedback, if any, we have received from other state-based exchanges. Mr. Kelly said YHI would be the first exchange in the country to have banner advertising on its website and we are working very closely with CMS to ensure they are fully supportive. In terms of minimizing the distractions, there would only be three ads per page, with no pop-ups or overlays.

Mr. Settles asked if YHI had developed a mockup yet. Mr. Kelly said yes, and he will share it following the Board meeting.
(d) Call Center Expansion Update

Mr. Kelly said I will now turn to an update on our call center project plan. Last week, we outlined a timeline that looks at the categories of people, place, and procedures. He reported YHI has made significant progress on all three fronts. In terms of place, we have identified space within our building and are working with our current landlords on terms and conditions of the lease, as well lease rates and the impact of tenant improvements. We have also looked at possible risk factors like the space not being available for onboarding on August 1 and taking calls on September 1. We have identified alternate space in the building which could be used on a temporary basis for onboarding and training. And we also have looked at alternate space in the downtown corridor should that need arise.

In terms of procedures, we have made significant progress on this critical piece of the project. We have a technical writer documenting these standards, with rigorous review of these documents. We are targeting completion on July 25.

Mr. Kelly moved on to the people aspect of the project and said we have job descriptions and experience requirements posted on our website and on several online employment sites. Response has been favorable, and we have had over 300 resumes submitted. This creates a new problem in that we do not have enough time to review and properly source these candidates. In order to mitigate that, we have redirected an internal resource to help with the screening and each team lead will take their share of screening requirements. We are also bringing on a temporary administrative assistant to help in this area.

9. CONSUMER EXPERIENCE

(a) Consumer Support Inquiries

Mr. Kelly said YHI analyzed the consumer experience during open enrollment to identify key areas of opportunity for improvements in our operations and technology. As mentioned earlier, we are proposing a new strategic goal of providing a flawless consumer experience. As we thought through how to measure that flawless experience, we looked at the number of times a consumer interacts with our support team via tickets or email. The analysis shows that 2/3 of the population had no tickets or emails, ensuring that their enrollment went relatively smoothly. However, 1/3 of the population had interaction with our support team. We then broke that down by the type of issue they had and found that about 10% had issues with receiving their 1095A’s, another 9% needed corrections, and about 17% had concerns with OE or SEP items.

Mr. Kelly said with that, and circling back to the flawless consumer experience goal, we believe that reducing the total percent of consumers to less than 5% would be a considerable stretch goal for YHI and also be pretty close to flawless, given the complexity of the tax credit, health insurance shopping, and enrollment process.

Before we jump into the details of each of these three main areas, I wanted to also share our overall approach with technology improvements and how they related to solving these areas. We took a two pronged approach to technology enhancements this year, with a consistent focus on improving the consumer experience. First, fix the underlying data structure and implement additional controls and validations to catch errors before they manifest themselves into a
problem for our consumers; and second, knowing that there will always be a need to help consumers resolve issues, remove the dependency on our partners at GI to resolve these consumer issues via the ticket process by shifting great resolution capabilities to the YHI service team. This will reduce the latency that has been experienced in the past.

I will now go through each of these areas in a bit more detail, first explaining the problem or issue and then how we are working to resolve those issues.

(b) 1095A Lessons Learned - Timeliness

Mr. Kelly said there were two primary drivers in the delay of 1095A's. First, pending enrollment status did not trigger a 1095A and that caused a delay. Second, missing monthly premiums needed to trigger a 1095A; this delayed the form because each month must be displayed in the form.

The primary causes have been identified as FFM data conversion, carrier sending enrollment confirmation via inbound 834s was not aligning with YHI policy IDs, carrier reconciliations excluded pending enrollments, and finally, manual overrides to correct coverage dates unintentionally impacted data processing of monthly breakdown for 1095As.

Mr. Kelly shared the actions to improve the consumer experience here. First, we have added pending enrollment status to the monthly reconciliation files to ensure that the enrollments confirmed at the carriers are also showing a confirmed status in the HIX. We have also implemented validation checks in technology released this week (4.2) and additional validations and controls will be rolled out in the 4.3 release scheduled for September 15th. Finally, the reconciliations review also includes monthly files to identify any data discrepancies.

Mr. Erstad asked if we are able to track these now so that we mitigate this risk prior to January.

Mr. Kelly said the reconciliation process is in the works and being refined. We will not have all the validation checks in place with this current release, as some of those will be included in the release in September.

(c) 1095A Lessons Learned - Corrections

Mr. Kelly said there were two primary factors driving the 1095 Corrections including overlapping coverage dates and termed or cancelled enrollments showing active enrollments and vice versa. Primary causes of these issues centered on overrides processed in the system unintentionally caused overlapping coverage dates, inbound 834s unintentionally changed coverage dates, limited validation checks did not prevent overlapping coverage dates with exceptions cases, and carrier reinstatements were showing as termed or canceled in the HIX.

So once again, we looked at how to fix these items. Reconciliations are the key to issuing accurate 1095-As and, as such, we will focus on addressing overlapping coverage dates during our reconciliation process. We will also include enrollment validation checks for coverage dates to mitigate and identify any overlapping dates.

To address, and ensure the proper enrollment status in the HIX, once again our technology releases this year will include deployment of additional validation checks for inbound carrier 834
transactions. We will also manually process terms and/or cancels as part of the reconciliation work stream. And finally, monthly reinstatement reports from carriers will enable YHI to manually reinstate the enrollments.

The Chair noted that the 1095A issues caused significant problems this year, and he would like to see YHI obtain the ability to fix issues without having GI in the mix, he would like to see the data structure fixed, and he would like to see coordination with the carriers to ensure the data is correct. He asked what the confidence level in this strategy that it will work.

Mr. Kelly said this is a big body of work and everyone at YHI has a vested interest in making sure this is taken care of before open enrollment this fall. We have a high degree of confidence that this will be mitigated.

(d) Open Enrollment and SEP Related Items

Mr. Kelly said there are three primary drivers for open enrollment and special enrollment issues: duplicated households in the system prevented APTCs from applying correctly, incorrect coverage date assignment caused from data flow processing in the HIX, and qualifying life events during open enrollment.

The primary causes have been identified as: FFM data conversion created a household without an account for a consumer to access their Dashboard, change in agent process for creating an account from previous open enrollment, correct coverage date assignment is dependent on receipt of APTC data and consumer selection of a plan, and limitations to the ability to process qualifying life events after open enrollment processes have begun. For these areas, we had to look at both technology fixes as well as operational and training opportunities for improvement.

Mr. Kelly said to address the multiple household item, we have taken a three pronged approach for resolution. First, we have implemented a technology enhancement to remove existing duplicate households. Second we monitor creation of any new duplicate households via a system generated report. And third, we are implementing additional training for agents and brokers as well as working with workgroups such as the Health Underwriters Association to further understand the importance of training and following procedures within the HIX.

Ms. Fulkerson asked when the broker handbook will be ready. Mr. Kelly said the primary focus currently is the call center processes and procedures, and next will be the broker handbook.

Mr. Edgington asked Mr. Kelly to explain the GI Change Requests. Mr. Kelly said GI is working on a change request that goes through the system and identifies the duplicate households. Then it deactivates them in the system. Second, monitoring reports will be generated when a duplicate household is created in the future so that it can be removed from the system.

Mr. Shores commented that the process we were using actually created duplicate accounts but we were able to identify and mitigate that pretty quickly.

Rep. Rusche said it's good to clean up the information that we have, but what preventative measures are we taking to keep it from happening again. Mr. Kelly said training of the processes and procedures is the most cost effective approach. Rep. Rusche is concerned it will be an
ongoing problem because it may not be a technology solution, it could be process, and we need to make sure we are preventing issues from occurring.

Senator Rice said in looking at the household, which is based on the parents, he is concerned about divorce and what impacts that could have on duplicate households.

Ms. Packer said we have three different validations and if it isn’t a one-to-one match, then a second level of validation takes place. If it hits two of the three criteria, then it is reviewed by a manager. It is a 3-tier review of these multiple households to ensure we don’t remove an account that shouldn’t be removed.

Ms. Fulkerson said she appreciates the steps, and it sounds like there is a lot of technology involved. She asked if there is a step to reach out the consumer or the agent/broker by phone. Ms. Packer said yes, the process is to start with DHW because of the complications of multiple technology platforms. Then YHI agents will reach out to the agent/broker of record on file. Finally, the YHI agent or the agent or broker of record, will reach out to the consumer.

The Chair noted that the households we are talking about are very complicated so this is a lot trickier than one might imagine.

(e) Operations Dashboard

Mr. Kelly reviewed the dashboard and said it displays a variety of statistics and the measuring period is from open enrollment through May 2016. In the upper left, we are tracking our appeals as well as resolutions. To date, YHI has received about 831 appeals, nine have resulted in a hearing and one has been elevated to a Federal hearing process.

Mr. Kelly moved to the table in the upper right corner that depicts total individual and household enrollments. Total enrollment remains north of 100,000 Idahoans who have selected a plan and over 95,000 have effectuated. That higher effectuation rate compared to what was assumed, is driving revenue into our financial statement for both this financial year and the financial year than begins on July 1.

The table in the bottom right shows the distribution of enrollments, both financial and non-financial, as well as across the carriers. The non-financial accounts for about 85% of the total and we are looking into the drivers of that. Dental enrollments are showing about tenfold increase over last year.

Shifting to the consumer support area including call, ticket and email statistics in the lower left corner. Our total inventory count as of this morning is just above 300, which is about normal for volumes outside of open enrollment. The oldest ticket is from May 5th and of the outstanding inventory, over 80% are from the month of June. Obviously still a lot of work still to do here, but we have made some significant progress.

Dr. Livingston asked about the enrollment numbers and asked how many people total are available for enrollment. Mr. Kelly said the total target market is about 240,000 and it includes the gap population. The Chair said the gap population is 80,000 so realistically we are at about 66% market penetration. Mr. Kelly said that is correct.
Mr. Shores said from the agent standpoint, and this year in particular, there are non-financials that we are bringing back to the Exchange instead of going direct with the carriers.

Senator Rice asked if YHI has done any work on making sure we have a good process and good standards that ensure the DOI is part of the appeal process, if needed. Mr. Kelly said he would be happy to work with the DOI in cases where we need to. YHI follows the ACA guidelines strictly but will work with Director Cameron to work on overlapping cases.

Director Cameron agreed and said there needs to be a discussion and decision, particularly when it comes to SEP’s. DOI may have a different interpretation than CMS, so we need to work through that. When talking about appeals, it seems odd that 831 appeals would be unclassified and not sure that they fall into the category of appeals. Director Cameron asked about the abandonment rate and what it means.

Mr. Kelly said there are two different groups of work for the abandonment rate; the YHI Service Line (YHL) and the Call Center (DHW). The math for the metric for the abandonment rate is the same in both cases. Call answered and placed in the queue. When they hang up, it creates an abandonment. Ms. Packer added that the abandonment measure is before someone pick up the line. Director Cameron said the abandonment rate went up from 2015 to 2016 so he wondered what YHI is doing to reduce that abandonment rate for the next open enrollment. Mr. Kelly said with the integration of the call center, we are looking at all the metrics, including the abandonment rate, the average speed to answer and first touch resolution. Those metrics are driving the staffing plan for the call center and the rate is targeted to be lower because we realize the rates are not sustainable over time.

Senator Rice asked about the difference in these two numbers and asked Mr. Kelly to explain again the difference between the YHI Service Line and the Call Center. Mr. Kelly explained when a consumer calls the 855 number, they reach the Call Center and that is reflected in the 18%. When the call is transferred to the YHI Service Line, those are typically escalated calls that require additional work and are handled by YHI staff.

Mr. Edgington asked to go back to Dr. Livingston’s question about the enrollments and the numbers. If YHI is successful in achieving the 8% uninsured rate by the year 2018 and it is currently at 11.8%, what approximate number would be enrolled through YHI relative to the 100,000. What is the translation from the percentage? Mr. Kelly said it is about 140-150,000 given the percent in the overall population.

Rep. Ruesch asked about the complaints related to network adequacy and if we pass those on to the carrier. Director Cameron said yes, we have received complaints regarding network adequacy and we do anticipate receiving more complaints. We are currently in the process of reviewing network adequacy as the carriers are submitting their product lines for certification. We are using the federal essential guidelines for network adequacy. The Department is considering establishing their own guideline which would supersede the federal guidelines. We are seeing in the filings that were announced, significant product and network changes. We are seeing what is a direct result of the ACA, in that we are seeing more restricted networks. We have also been working with YHI in developing a categorization of networks, so that when a consumer comes directly to the carrier, or comes to the DOI website or the Exchange, we have uniform categorization. It is an issue that is very complicated and fraught with problems, so we will
always have the risk of a consumer buying a product thinking their provider is in the network and then the negotiations take place annually and the provider drops out of the network.

Mr. Erstad said we are watching other states and seeing rate increases as high as 20-30%. With these smaller networks, is it providing any rate relief in the products that are being offered? Director Cameron said the theory is, the more basic the network is, the lower the cost is. The average request for premium increase in Idaho was 27%, with some much higher and some much lower. Ours are not as bad as some other states and carriers have filed amended requests which are better but still may not be good enough.

Senator Rice asked if the DOI is seeing more complaints of inadequate networks so we have consumers that cannot see their doctors. Director Cameron has not yet seen the complaints increasing but he anticipates that they will.

There was additional discussion regarding network adequacy and the challenges particularly in the rural areas of Idaho. The Chair suggested these discussions be covered in the Marketplace Committee meetings in the coming months. Mr. Settles added that certification of plans, and the effects of network adequacy don’t fall under YHI’s charter. YHI simply accepts the recommendation of the DOI.

Mr. Kreiling said the role of the exchange is to educate consumers and work with the agents and brokers, so that the consumer has a better experience. Mr. Erstad added that YHI will have consumers that do not have an agent and we need to be sure that we are addressing that a plan might have a narrow network when they are shopping in the site. YHI needs to have more emphasis on that in training with the agents and brokers, because it may be a great priced product, but may have a very narrow network.

(f) 2017 Open Enrollment

Ms. Olson shared the open enrollment timeline and beginning in September, the work DHW does around redeterminations of APTC’s. As those come in, they send out APTC determinations so that on Nov 1, when the consumer logs in, they will see their 2017 information. Open enrollment begins November 1 and DHW will continue to update APTC’s during this time, resulting from consumers waiting until the last minute to update their information. As we have tried to bend consumer behavior, we have found our best resource has been the agents and brokers.

Ms. Olson said as we go through open enrollment, we have a couple of major deadlines including December 15, which ensures coverage by January 1 if enrolled by that date. Then January 15, for coverage by Feb 1 and then the end of OE on January 31, 2017.

Ms. Olson said activities are underway for how to reach difficult to reach audiences including the young invincibles and uninsured. Last year we held a Super Sign-up Saturday and the planning for that again this year is to engage from day 1 so this will be a more robust activity. YHI is also exploring faith-based outreach. We have messaging strategy activities in July, advertising planning in July and August, renewal noticing meetings with stakeholders in June and July, renewal and redetermination consumer outreach planning, front end website review and refresh, and finally, training timeline and objectives.
Mr. Shores said the challenge with the Super Sign-up Saturday last year was with the posters as no one allows posting them anymore. Second, the messaging in the notices is difficult to understand and he suggested putting together focus groups of laypeople to read the letters.

Ms. Olson said multiple in-person trainings will be offered and trainings will be videotaped for those who cannot attend in-person training. Also, agents who attended in-person training last year had greater success using the system, so YHI is now requiring mandatory participation at a minimum of two live trainings for certification.

Ms. Olson added that a step-by-step procedure manual is being developed and will contain procedures for agents, CSRs, carriers and the public. We are also updating the webinar series. The series was redesigned to allow feedback from agents and to answer requests for best practices, problem solving and procedures. An emphasis is placed upon conversation and question and answer time. We are also looking at doing lunch and learning in an effort to be transparent overall. YHI basic certification training will be available to all stakeholders who wish to participate.

Mr. Erstad asked when the new certification training will be ready to go and when the video links will be ready. Ms. Olson clarified that the video links won't be available until after the first live training. The modules are currently being created and awaiting the updated screenshots from the technology release in September. She also added that there have been requests for basic training so we have developed a YHI 101 training for new agents that previously certified agents and broker can attend depending on their needs. She added that CPE credits will be offered again.

(g) Privacy & Security Update

Mr. Reddish said focus is more around compliance items and Idaho’s Authority to Connect (ATC). This entails a number of requirements that need to be met with CMS. The ATC allows Idaho to operate as a State Based Marketplace (SBM). YHI is working with CMS to start the renewal process.

Mr. Reddish said the 2016 required submissions include the Computer Matching Agreement (CMA) and the Plan of Actions and Milestones (POA&M), which are both complete and submitted. In addition, the Privacy Impact Assessment (PIA) is in progress, and due June 30. This is a collaborative document with DHW and 95% complete. The Annual Attestation, which is due June 30, is also in progress. This is the state attesting that we have our controls in place.

Mr. Reddish said the Security Assessment Report (SAR) is complete, but has not been submitted, and is due July 31. And finally, the MARS-E v2 Gap Analysis which is due December 30 has not been started.

10. TECHNOLOGY UPDATE

(a) Tech Roadmap

Mr. Reddish reviewed the targeted release dates for technology improvements. We had a release last week that was very successful. There will be one more release in September that will include
security enhancements and automated eligibility redeterminations and renewals. A final release for the year in December will include SEP validations and some CMS-required reporting.

Ms. Henbest asked how all of this drives a better consumer experience. Mr. Reddish said many of these items came directly out of lessons learned from items that did directly impact the consumer experience. Ms. Packer added that we have focused on technology developments that help us manage the business better and provide a better consumer experience. These enhancements are going to help us identify and create a flawless consumer experience so the consumer doesn’t have to contact. Ms. Henbest said it would be helpful to have an overview that helps us address past problems and understand the infrastructure and how it helps us move towards a better consumer experience.

(b) GI Development Spending Authority

Mr. Reddish went through the cost of implementing these requirements. The inception-to-date spend with GI is $36.3M with a spending authority of $40M and the initial approved DDI spend was $34.6M. We will be seeking an increase in spending authority with GI to enable the future technology enhancements related to the consumer experience.

11. FINANCE UPDATE

Mr. Bell reviewed the 3Q FY16 Financial Statements. He said the revenue variance is higher than what we had planned in part due to higher average premiums and higher effectuation rates, resulting in assessment fee revenues for Q3 2016 of over $1.9M.

The Chair asked if the information contained in the following slides has been reviewed by the Committee and, if so, he recommended a high level review with additional comments from Mr Agenbroad.

Mr. Bell said looking at the quarterly and year-to-date OPEX Income Statement, we shifted our grant spending so our quarterly appears to be slightly below projections, however the year-to-date shows we are currently underspending. We anticipate moving forward we will be relatively flat.

Mr. Agenbroad said when he looks at financials, he looks at revenue generation. Idaho is doing well with both the effectuations and number of enrollees. On the expense side, there is a positive variance which means the team is doing well at keeping expenses low.

Ms. Henbest asked if YHI will spend down the entire grant by the end of the year. Mr. Bell said we anticipate utilizing the entire grant award. We do have the ability to draw an additional 90 days following the close of the grant.

Ms. Fulkerson asked about the actions that we took last week in relation to the integration of the call center and where that expense would fall in the budget. Mr. Bell said YHI anticipates the bulk of that will be done in the first and second financial quarter, or third and fourth calendar quarter.

Mr. Erstad asked if while this was reviewed by the Finance Committee, are they comfortable where we are financially. Mr. Agenbroad said the preliminary numbers show we are headed in
the right direction. That being said, we will be very in tune with the revenue and expense side of those decisions.

_The Board took a break at 9:55 a.m. and reconvened at 10:08 a.m._

12. **YHI ADMINISTRATIVE**

(a) **Strategic Goals Motion**

_Motion:_ Dr. Livingston moved that the Board approve the Strategic Goals as presented today.

_Second:_ Mr. Erstad.

The motion carried.

(b) **Operational Goals Motion**

_Motion:_ Dr. Livingston moved that the Board approve the Operational Goals as presented today.

_Second:_ Mr. Erstad.

The motion carried.

(c) **DHW MOU Extension Motion**

_Motion:_ Ms. Fulkerson moved that the Board approve an amendment to the current DHW MOU extending the term through July 31, 2017, and that the current SOW be extended for one month at no cost, and approve the adoption of a new SOW for a term not to exceed 11 months in an amount consistent with the amended Fiscal Year 2017 budget and authorize the Executive Director and Chair of the Marketplace Committee to negotiate and execute such amendments.

_Second:_ Mr. Shores.

The motion carried.

(d) **First Data IV&V Extension Motion**

_Motion:_ Ms. Fulkerson moved that the Board extend the First Data contract through September 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:_ Mr. Shores.

The motion carried.

(e) **SOW #14 Motion**

_Motion:_ Mr. Edgington moved that the Board approve SOW #14 in an amount not to exceed $46,000. This Scope of Work falls within the approved Fiscal Year 2017 Outreach & Education budget approved by the Board.
Second: Ms. Henbest.

The motion carried.

(f) Enrollment Entity Motion

Motion: Mr. Edgington moved that the Board approve the release of the Enrollment Entity RFA and request the Board authorize the RFA Review Team to select the enrollment entities and authorize the Executive Director or the O&E Committee Chair to execute the Enrollment Entity contracts at an amount not to exceed $314,000 which amount is included in the approved FY17 budget.

Second: Ms. Vauk.

Rep. Rusche asked for a point of reference on the cost of enrollment entities during open enrollment 2016. Mr. Kelly said the cost, as proposed in the motion are consistent with the prior year's cost.

The motion carried.

(g) Agent Training and Support RFP Motion

Motion: Mr. Edgington moved that the Board approve the release of the Agent Training and Support Services RFP, and request the Board authorize the Proposal Evaluation Team to select the vendor and that the Board authorize the Executive Director and the Outreach and Education Committee Chair to execute the contract with the selected company in an amount that falls within the FY17 approved budget.

Second: Ms. Vauk.

The motion carried.

(h) GetInsured Change Requests Motion

Motion: Ms. Fullkerson moved that the Board delegate signing authority to the Executive Director to execute Change Requests with Vimo, Inc., doing business as GetInsured, in an amount not to exceed $45,352,527 (exclusive of M&O), an increase of $5,352,527 over the existing authority, which is included in the approved FY17 budget and included in the existing grant awards.

Second: Mr. Shores.

The motion carried.

(i) Financial Statements Motion

Motion: Mr. Agenbroad moved that the Board approve the 3rd quarter financial statements for Fiscal Year 2016 through March 31, 2016 as presented today.
Second: Mr. Settles.

The motion carried.

(j) Technology Privileged Access Form

Motion: Ms. Henbest moved that the Board approve the Privileged Access Acknowledgement Form as presented today.

Mr. Kelly said the Privileged Access Forms are to acknowledge those engaged at YHI as well as through vendor relationships who have elevated access to the HIX, therefore they are exposed to personally identifiable information (PII). This allows us to reiterate the importance of keeping that information secure and allows for disciplinary action in the case of any release or inadvertent or intended release of that information. It is signed upon engagement with YHI and then signed again after the annual Privacy & Security training that occurs for all YHI employees.


The motion carried.

13. EXECUTIVE SESSION

Motion: The Chair moved that the Committee enter into Executive Session pursuant to Idaho Code Section 74-206 (1) to consider personnel matters pursuant to Idaho Code Section §74-206 (1)(b).

Executive Session Roll Call: Mr. Erstad called roll and determined that The Chair, Mr. Kreiling (via teleconference), Mr. Agenbroad, Mr. Shores, Ms. Vauk, Mr. Settles, Dr. Livingston, Ms. Henbest, Ms. Sweigart (via teleconference), Mr. Edgington, Ms. Fulkerson, Representative Rusche, and Senator Rice, were present, resulting in a quorum.

The Committee entered into Executive Session at 10:20 a.m. and reconvened at 11:08 a.m. No final action or decisions were made while in Executive Session.

(a) Executive Director Merit Increase Motion

Motion: Ms. Henbest moved that the Board approve the merit increase of 3.3% for the Executive Director, effective July 1, 2016 which funds are included in the Fiscal Year 2017 amended budget.


The motion carried.

(b) Executive Director Variable Pay Motion

Motion: Ms. Henbest moved that the Board approve variable pay of $11,989, which funds are included in the Fiscal Year 2017 amended budget, for achievement of Fiscal Year 2016
Operational Goals for the Executive Director and authorize the Board Chair to release payment of funds once goal achievement is complete.


The motion carried.

(c) Executive Director Market Adjustment Motion

Motion: Ms. Henbest recommended a market adjustment of 2% for the Executive Director effective July 1, 2016 which funds are included in the Fiscal Year 2017 amended budget.


The motion carried.

(d) Executive Director Variable Pay Weighting Motion

Motion: Ms. Henbest moved that the Board approve Fiscal Year 2017 variable pay weighting of 40% for Idahoans Experience, 20% for Retention and Enrollment, 20% for Low Cost Promise, and 20% Compliance, which goals were presented and approved today.

Second: Mr. Kreiling.

Senator Rice commented on the weighting and feels it is good based on the Executive Director review and what we need to improve.

The motion carried.

14. ADJOURN

The Chair noted that the next Board meeting will be held on or around September 16, 2016 with the appropriate Committee meetings scheduled in the weeks prior to that. There being no further business before the Board, the Chair adjourned the meeting at 11:11 a.m.

Signed and respectfully submitted,

[Signature]
Stephen Weeg, Chairman of the Board