

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

**YOUR HEALTH IDAHO BOARD  
MINUTES  
AUGUST 20, 2014**

**1. BOARD MEMBERS PRESENT**

- Mr. Stephen Weeg, Chairman
- Mr. Hyatt Erstad, Secretary
- Ms. Zelda Geyer-Sylvia
- Mr. Tom Shores
- Mr. Dave Self
- Ms. Karen Vauk
- Ms. Margaret Henbest
- Mr. Kevin Settles
- Mr. Jeff Agenbroad
- Mr. Fernando Veloz
- Dr. John Livingston
- Representative John Rusche
- Director Dick Armstrong
- Mr. Weston Trexler (for Director Bill Deal)

**2. OTHERS PRESENT**

- Mr. Pat Kelly, Your Health Idaho
- Ms. Jody Olson, Your Health Idaho
- Ms. Cheryl Fulton, Your Health Idaho
- Ms. Jennifer Dickey, Your Health Idaho
- Mr. Ethan Owen, Your Health Idaho
- Mr. Jesse Lewin, Burson-Marstellar
- Ms. Brie Gershick, Accenture
- Ms. Natalie Podgorski, Gallatin Public Affairs
- Mr. Tom Mortell, Hawley Troxell
- Ms. Lori Wolff, DHW
- Ms. Karen Covey, First Data
- Mr. Pat Harris, First Data
- Ms. Marnie Packard, PacificSource
- Mr. Joshua Tauber, Accenture
- Mr. Gerald Massey, Accenture
- Mr. Michael McCarthy, GetInsured
- Mr. Fred Heil, GetInsured

**3. CALL TO ORDER**

Following proper notice in accordance with Idaho Code § 67-2343, the Board of Directors meeting of the Idaho Health Insurance Exchange (Exchange) was called to order by Mr. Stephen Weeg (Chair), at 8:02 am, Wednesday, August 20, 2014, at the State Capitol Building, Room

WW55. In accordance with Idaho Code § 41-6104(8), the meeting was held in an open public forum and was streamed in audio format via Idaho Public Television.

#### **4. ROLL CALL**

Mr. Veloz called roll and determined the Chair, Ms. Geyer-Sylvia, Mr. Erstad, Mr. Shores, Mr. Self, Ms. Vauk, Mr. Settles, Mr. Agenbroad, Dr. Livingston, Ms. Henbest, Representative Rusche, Mr. Weston Trexler (for Director Deal) and Director Armstrong were present, resulting in a quorum.

Mr. Kreiling, Mr. Estess, Senator Rice and Representative Packer were absent.

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

There were no comments from the public at this time.

#### **6. APPROVAL OF PRIOR MEETING MINUTES - June 20 and July 18, 2014**

Motion: Mr. Settles moved to approve the minutes from the June 20 and July 18, 2014 Board of Directors meetings.

Second: Ms. Henbest.

The motion carried.

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

There were no changes to the agenda.

#### **8. CONFLICT OF INTEREST DISCLOSURE**

The Chair said Conflict of Interest Disclosure is part of the Board policy which includes an informal discussion and a report to the Board. YHI is a very transparent organization so it's important to pay attention to the issue of real or perceived conflict.

The Board Training Session is being prepared by the Governance Committee and will be held in October. It will include a refresher on the Conflict of Interest Disclosure and Ethics Policy with legal counsel and Brian Cain from the Attorney General's office leading that session. The Chair updated the Board and read a statement that was developed by YHI's legal counsel regarding potential conflicts with specific classes of Board members as YHI moves off the FFM and onto a state-based exchange. YHI Board members may be faced with potential conflict with regards to renewals. Following the outcome of the analysis of the potential conflicts, Carriers specifically were notified and agreed to abstain from voting on decisions related to renewals when there is a real or perceived conflict.

Mr. Kelly added that this transparency is one of YHI's paradigms and maintaining open dialogue regarding policies and procedures is paramount to YHI's success.

## 9. EXECUTIVE DIRECTOR UPDATE

### (a) Staffing Update

Mr. Kelly stated that he has been impressed by the talented people working together within YHI to transition to a fully independent state-based exchange. One of YHI's goals is to build strong business operations with outstanding consumer support to meet the needs of Idahoans. Mr. Kelly introduced three new hires and these support functions will include technical support, appeals and grievances, data reporting, and management of the YHI Consumer Assistance Training & Certification process.

David Chase, Program Specialist - Mr. Chase comes from Mountain States Group and will primarily be responsible for acting as Consumer Connector liaison and training with respect to both tribal and overall training for groups and assisters.

Frances Nagashima, Program Specialist - Ms. Nagashima comes from St. Luke's and will be leading the policy and process area.

Renee Sandretto, Consumer Support Specialist - Ms. Sandretto was formerly with PacificSource and will be leading call center escalations and resolutions.

### (b) CMS Review Status and Next Steps

YHI continues to make progress towards reaching CMS milestones and is in active daily communication with CMS regarding YHI's implementation. On August 5 and 6 CMS was onsite to conduct a Gate Review that was hosted by DHW which reviewed major milestones with positive response from CMS. These reviews have all been completed with one pending in October. The YHI team has also conducted a number of Marketplace and Eligibility demos with regards to the new technology solution. CMS is still targeting an 8/31 date to approve YHI's plan to move forward with a state-based exchange.

The next CMS review, expected to be completed in October, is the Operational Readiness Review. This last Gate Review before implementation determines that the technology solution has been developed, tested, validated and verified, and is ready for operations.

As part of the annual review, Mr. Kelly noted that there will be a number of agreements with CMS and other federal agencies that have been identified which are related to data, privacy, security and other operations of YHI.

Motion: Representative Rusche moved that the Board authorize the Executive Director and the Chair acting together to enter into such agreements upon consultation with legal counsel as necessary or appropriate for the efficient operation of YHI.

Second: Mr. Self.

The motion carried.

### **(c) Office Move Updates**

Mr. Kelly noted that YHI has been authorized by the Board to consolidate into a single location. The lease has been terminated at State Street location effective September 30 and a new lease enabling a single YHI location will be signed this week. The YHI office technology will be moved August 23-24, and access to email and phones will be down during the move.

## **10. MARKETPLACE COMMITTEE REPORT**

### **(a) Accenture PMO Contract**

Mr. Kelly stated that YHI would need up to two resources to accommodate the Operations Director transition now through the end of October.

Motion: Mr. Veloz moved that the Board accept the recommendation of the Marketplace Committee and approve adding Attachment 5 to the existing Statement of Work (SOW) for the Accenture PMO contract for purposes of Operations Support, in the form presented today, in an amount not to exceed \$99,960 plus expenses and delegate to the Chair of Marketplace Committee and the Executive Director Authority to sign an SOW for additional Operations Support with the PMO, with this not to extend past 3 months.

Second: Representative Rusche.

The motion carried.

Mr. Kelly confirmed that these funds will not be used for the purpose of funding the re-enrollment and renewal processes.

### **(b) PMO Report**

Mr. Josh Tauber shared the Accenture PMO update on the status of the Project Implementation Dashboard which is published weekly.

The key achievements include securing a vendor this week to perform a MARS E Assessment. From a DHW perspective, there were two verification services built, tested and attested earlier this month by the IV&V vendor. From a test perspective there are two tests that will be conducted. The first being a User Acceptance Test (UAT) which will allow stakeholders to test the new technology solution and the second being end-to-end testing which began earlier this month. Mr. Tauber reiterated the completion of milestones and communication with CMS continue in order to drive a CMS decision on the readiness of Idaho to have a state-based exchange.

The DOI successfully loaded all of the 2015 plans onto the Federal Marketplace as per the FFM requirement to ensure that Idaho will not have issues should we need to use the FFM again in 2015.

GetInsured held another very successful demo yesterday, which is referred to as Checkpoint 4 (4<sup>th</sup> of 5 total), with the first release scheduled for the beginning of September. The final key

item surrounds the renewal strategy. Renewal activities are underway with daily meetings which include participation from the agent and broker communities, carriers, and YHI on the specifics of the renewal process.

Mr. Tauber discussed the Key Risks which include the CMS file extract and the significant scope of work during operations transition (which was mitigated in an earlier motion). The third risk is the notion of an August 31 decision from CMS as it is not always clear where the bar is that YHI is being measured to. The risk is posed when new requirements emerge, and YHI is taking steps to mitigate that risk by maintaining frequent communication with CMS. The next risk includes the documentation of key operational policies and the gap identified between the DHW and GI systems around CSR (Cost Sharing Reductions) and eligibility. Lastly, there is a need to put plans on the Federal Marketplace as per their timeline with duplicate plan review by the carriers in both the GI system and the FFM.

Mr. Self asked Mr. Tauber to clarify the negative trend with regards to the work stream status. Mr. Tauber explained that this trend is highly related to a Scope of Work that is larger and more complex than originally thought and ensuring that adequate staff is hired to mitigate that risk and the motion made earlier will reduce the downward trend. Ms. Geyer-Sylvia asked about the timing for the CMS file to arrive. Director Armstrong indicated that the files are ready to be delivered and that he believes the files will be received early September. The Chair questioned the growing number of critical items since the end of June. Mr. Tauber noted several items that will be mitigated at this meeting so that number will go down, though the program risks fluctuate daily. The Chair then asked if Accenture is comfortable with the progress and if the team has identified any fatal risks. Mr. Tauber mentioned that defects have been identified but nothing yet that would be considered catastrophic and that the end-to-end testing will be the point in the project in which fatal risks are determined.

Mr. Tauber discussed the Program Test Summary, which include four key pieces of testing; End-To-End testing (including Blueprint Testing), User Acceptance Testing, DHW and GI testing. He mentioned that successfully passing those scenarios is a critical component of going live. Ms. Geyer-Sylvia asked about the testing of the plan finder function. Mr. Tauber mentioned that it was determined in a Marketplace Committee meeting that underlying algorithms testing, which was not originally scheduled for testing, is something that needs to be looked at. The two options discussed were to have DOI perform the validation that the algorithm is working effectively or have carriers perform this validation as well. This plan finder function needs to be tested to ensure that consumers are not misdirected and this testing relates to the decision support process.

### **(c) Privacy & Security Assessment Update**

Mr. Owen reminded the Board that the CMS has asked YHI for a Security Assessment Report (SAR) which is a report that looks at security and privacy within GI and YHI. YHI released a MARS-E RFP which included a draft contract so that YHI could move forward quickly with contract execution. CAaNes and SecureState were the only two vendors who met the requirements of the RFP. Both vendors were extremely well matched after reviewing their technical proposals and qualifications by the Proposal Evaluation Team (PET) and conducting interviews. SecureState was recommended to the Marketplace Committee based on a higher PET score and higher affordability.

Motion: Mr. Veloz moved that the Board accept the recommendation of the Marketplace Committee and approve that SecureState be selected as the vendor of the MARS-E RFP and that a contract be awarded to SecureState consistent with the RFP in an amount not to exceed \$31,144 plus reasonable expenses; and that the Executive Director and Chair of the Marketplace Committee would be authorized to negotiate and execute such contract.

Second: Representative Rusche.

The motion carried.

#### **(d) YHI Decision Log**

Ms. Gershick presented the YHI Decision Log which the Project Steering Team and Marketplace Committee continue work through. One recommendation is that the SHOP market maintain the current participation rate of 70%. Ms. Gershick reviewed the tactical and operational decisions of SHOP which align with CMS. Ms. Gershick also reviewed the decisions based on eligibility, reinstatement policy, dual enrollment in Medicaid and a full-price QHP, account creation/multiple accounts, special passive enrollment period, dental disenrollment and pediatric dental age limits.

Mr. Shores asked if the consumers could change their information, including email address change, and still keep their account. Ms. Gershick will follow up on this. Mr. Erstad asked what the process will be when someone becomes eligible for an employer-sponsored health plan, but not dental and if that individual will still be eligible to purchase dental through the Marketplace. Ms. Gershick confirmed that the individual would need to purchase dental outside of the Marketplace, and that all dental plans, embedded or stand alone, would be terminated once an individual is covered under an employer-sponsored plan as you must be enrolled in a Marketplace health plan to be eligible for a Marketplace dental plan. The Chair asked what the implications will be for those passively re-enrolled who may later decide that they do not want to be enrolled. Ms. Geyer-Sylvia said that this problem may be eliminated by mailing renewal notices out in a timely manner, but that there should be a process to allow consumers to get the plan that they want in this instance. Mr. Self commented that he would encourage YHI to set guidelines and deadlines.

Motion: Mr. Veloz moved that the Board approve a SHOP participation rate of 70% for plan year 2015.

Second: Ms. Henbest.

The motion carried.

### **11. FINANCE COMMITTEE REPORT**

Mr. Tyree from Harris & Co. reviewed the financial statements produced from the audit. Overall for the year YHI saw their net position increase by \$12.4M through grant revenue and assessment fees. The Federal Reports is the assessment on internal controls and compliance work and no reportable conditions on financial statements were found. There was one reportable condition finding which had nothing to do with actual finances or expenditures. YHI wasn't aware of some of the reporting requirements and this finding has been resolved as a result of the audit. The Summary Schedule of Prior Audit Findings listed the items that were found as a result

of YHI being in the start-up phase which included a limited controls environment. As staff and management have increased and the segregation of duties being defined, this finding will be alleviated. Mr. Tyree mentioned that the YHI team did an excellent job getting the information requests to the auditors even with the quick turnaround period.

Motion: Mr. Agenbroad moved that the Board accept the recommendation of the Finance Committee and approve that Audited Financial Statements and additional information contained in the report as presented today.

Second: Dr. Livingston.

The motion carried.

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

### **(a) Renewal Strategy**

Ms. Olson updated the Board on the renewal strategy. YHI is working with Department of Health and Welfare with a goal to focus on the consumer, make the transition as easy as possible, involve key stakeholders, avoid gaps in coverage and retain accurate tax credit and cost-sharing information for the consumer. Outreach has begun, and will continue through the end of the month, to gather renewal information from the consumer. YHI has held two agent/broker webinars and had over 200 agents and brokers in attendance and there have been 12,000 informational mailers sent to consumers, with an additional dually branded mailer (DHW and YHI) being mailed out in the coming weeks, requesting information from consumers to determine APTC eligibility. YHI and the workgroup are continuing to perform weekly evaluations to increase effectiveness of the strategies. Ms. Olson mentioned that the workgroup is determining what the safety nets will be for people that have not responded to ensure coverage for everyone. She also reminded the Board that the APTC form can be submitted electronically, by mail, through an agent or broker or by calling the hotline to submit the information over the phone.

Ms. Geyer-Sylvia asked about the continued coverage of the individuals that may be losing coverage at the end of September. Ms. Olson mentioned that this is separate from the current renewal efforts as the issue surrounds the verification of immigration status and citizenship. She isn't sure if the federal government will provide the contact information for those 2,900 Idahoans who are affected. Chair Weeg asked that a request be made to CMS to get that list and Ms. Olson agreed to follow up. Mr. Shores mentioned that CMS has had difficulty matching the verification documentation to the insured. Ms. Henbest has concerns about confidentiality as disputed immigration status is private information.

### **(b) DHW Renewal Scenarios**

Ms. Wolff discussed the DHW renewal scenarios and comparing Idaho's strategy to the FFM strategy. In July, the FFM released new guidance in a proposed rule. There are also current regulations in place since 2012 which are what DHW have based their strategies on for the re-verification process. If this new guidance is approved, it will allow for flexibility in the Marketplace as state Marketplaces will be able to take advantage of the new rules. The state must

determine verification thresholds and the policy decision was made that as long as DHW is checking their interfaces and verifying the stated income as being within 10% of actual, then DHW will be able to use that stated income amount. For re-determination purposes, the 10% verification threshold does not apply and that their stated income will be measured against the Federal Poverty Limits. CMS will not be starting the notification process until November, and if Idaho drops off the FFM before that time, consumers will not be included in the redetermination process by the FFM. All income will be verified at tax time and as this credit is advanced, the consumer may either have to pay back some of the credit, or will be issued a return on overpayment in the case of incorrect income reporting.

**The Committee took a break at 10:05 and reconvened at 10:15.**

Ms. Wolff discussed the key differences in the FFM versus the Idaho Marketplace. Idaho doesn't just identify the consumers, but needs to create brand new accounts since the data does not currently exist in either the DHW or Marketplace technology. The FFM already has the information needed to calculate APTC, whereas Idaho does not. Consumers in Idaho will also have to go through an open and passive re-enrollment process. Until Idaho has income, tax filing status for these consumers, and authorization from the IRS to verify the data, the renewal process cannot move forward. When this information is received, DHW can run their eligibility similarly to the FFM, as long as it is under the 400% of FPL, and then calculate their APTC. How Idaho differs from the FFM is that the DHW will then send a verification notice to the consumer and/or a notice describing how the APTC was calculated with instructions on how to reconcile any incorrect information. If the FFM flat file is not received, the team will rely heavily on the outreach effort to obtain the information needed to determine APTC eligibility. Ms. Wolff added that even though DHW receives the flat file from the FFM, it may not contain all of the information that is needed to determine eligibility. The Chair confirmed that YHI will need the help and support of as many services as are able to make this renewal successful.

**(c) Agent and Broker Training Update**

Ms. Olson reported that there have been two webinars held with Agents and Brokers on which more than 400 callers dialed in. There are also weekly newsletters sent to Agents and Brokers to keep them informed of YHI progress. YHI will be surveying all Agents and Brokers to determine how many intend to participate in the renewal outreach.

**(d) Enrollment Entity RFA Update**

A Request for Application (RFA) was issued in early August for entities to fill the roles of In-Person Assisters, Navigators and Certified Application Counselors. The Application Evaluation Team has received the applications who will review and present entity and funding recommendations. The RFA Timeline is:

- 8/1 – YHI issues RFA
- 8/15 – RFA responses due
- 8/25 – RFA scoring complete
- 8/26 – Entity notification of pre-selection status that will include
  - Entity categorization
  - Budget
  - Draft Agreement



- 9/1 – Entity Agreements submitted for entity review
- 9/15
  - Outreach and Education Committee meeting to review and vote on recommendation
  - Finance Committee meeting to review budget of O&E Committee recommendation
  - Entity agreement execution
- 10/1 – Training begins

### **13. GOVERNANCE COMMITTEE REPORT**

Dr. Livingston reported that the Governance Committee met last week and discussed the following key focus areas:

- (a) Board Effectiveness Survey - This survey is to be sent to all Board members over the coming weeks.
- (b) Committee Assessments - This assessment will be sent to all Committee Chairs to review Committee effectiveness in the coming weeks.
- (c) Board Training - This two hour training is scheduled for the November Board meeting. The key areas of training include conflicts of interest, Board roles, YHI legal organization, public records and open meetings and Committee charters and major Governance policies.
- (d) Review of Key Policies

Mr. Shores asked about the Board training and if it will be recorded and Mr. Livingston suggested that this happen with the help of Ms. Ball, all while staying within the guidelines and requirements.

### **14. EXECUTIVE SESSION**

Motion: The Chair moved to enter into Executive Session to discuss personnel matters pursuant to Idaho Code §67-2345(1) (a) & (b) & (D) to consider items that are exempt from disclosure.

Executive Session Roll Call: Mr. Erstad called roll and determined the Chair, Mr. Veloz, Mr. Shores, Ms. Geyer-Sylvia, Mr. Self, Mr. Settles, Ms. Henbest, Ms. Vauk, Mr. Agenbroad, Dr. Livingston and Director Armstrong were present, resulting in a quorum.

The Board entered Executive Session at 10:35 am.

The Executive Session ended at 11:17 am. The Board took no final action nor made any final decisions while in Executive Session.

### **15. AD HOC EXECUTIVE DIRECTOR SEARCH COMMITTEE NEXT STEPS**

The Chair reviewed the process for the Executive Director search. The next step will be a screening of the candidates by the Committee Chairs.

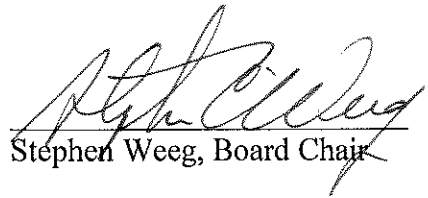
**16. NEXT MEETING**

The next meeting of Your Health Idaho's Board of Directors was not determined. Ms. Fulton will poll the Board members to finalize a date and time.

**17. ADJOURN**

There being no further business before the Board, the Chair adjourned the meeting at 11:24 am.

Signed and respectfully submitted,



Stephen Weeg, Board Chair