

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

**YOUR HEALTH IDAHO BOARD
MINUTES
DECEMBER 16, 2014**

1. BOARD MEMBERS PRESENT

- Mr. Stephen Weeg, Chair
- Mr. Scott Kreiling, Vice Chair
- Ms. Zelda Geyer-Sylvia
- Mr. Hyatt Erstad, Secretary
- Mr. Tom Shores
- Mr. Mark Estess
- Ms. Karen Vauk
- Mr. Jeff Agenbroad, Treasurer
- Mr. Kevin Settles
- Mr. Fernando Veloz
- Dr. John Livingston
- Ms. Margaret Henbest
- Representative Kelley Packer (via teleconference)
- Representative John Rusche
- Director Bill Deal
- Director Dick Armstrong

2. OTHERS PRESENT

- Mr. Pat Kelly, Your Health Idaho
- Ms. Jody Olson, Your Health Idaho
- Mr. Ethan Owen, Your Health Idaho
- Mr. James Wong, Your Health Idaho
- Ms. Jennifer Dickey, Your Health Idaho
- Mr. Trent Cummins, Your Health Idaho
- Mr. Kevin Martin, Your Health Idaho
- Ms. Cheryl Fulton, Your Health Idaho
- Mr. Brian Kane, Assistant Chief Deputy Attorney General, State of Idaho
- Ms. Betsy Russell, Spokesman Review
- Mr. Mike Stoddard, Hawley Troxell
- Mr. Jesse Lewin, Burson-Marsteller
- Ms. Elizabeth Woodworth, Burson-Marsteller
- Mr. Michael Fairweather, Accenture
- Ms. Eva Szalewicz, Accenture
- Mr. Vincent Lam, Accenture
- Mr. Lalit Ahlowalia, Accenture
- Mr. Gerald Massey, Accenture
- Mr. Michael McCarthy, GetInsured
- Mr. Nir Sheep, GetInsured
- Ms. Becky Webb, GetInsured
- Ms. Patricia Harris, First Data

- Ms. Kalleen Lyman, First Data
- Ms. Lori Wolff, Idaho Department of Health & Welfare
- Mr. Greg Kunz, Idaho Department of Health & Welfare
- Mr. Weston Trexler, Idaho Department of Insurance
- Mr. Peter Sorensen, Blue Cross of Idaho
- Ms. Tresa Ball, HR Precision
- Mr. Randy Gardner, Gallatin Public Affairs
- Mr. John Kotek, Gallatin Public Affairs
- Ms. Natalie Podgorski, Gallatin Public Affairs
- Ms. Tammy Perkins, Office of Governor C.L. “Butch” Otter
- Ms. Susan Becker, Drake Cooper
- Mr. Jim Murray, Select Health
- Mr. Doug Dammrose, Mountain Health Coop
- Mr. Brody Aston, Lobby Idaho
- Ms. Noelle Laury, Peyron Strategic Communications
- Ms. Lisa Anderson, Peyron Strategic Communications
- Ms. Emily Patchin, Risch Pisca
- Ms. Kimberly Kruesi, Associated Press

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 8:05 am, Tuesday, December 16, 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 on the Idaho Public Televisions web site.

4. ROLL CALL

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

Mr. Kreiling arrived at 8:10 am, Ms. Henbest arrived at 9:14 am and Ms. Geyer-Sylvia arrived at 9:24 am.

Senator Rice was absent.

5. PUBLIC COMMENT PERIOD

There were no public comments.

6. APPROVAL OF PRIOR MEETING MINUTES

Motion: Mr. Shores made a motion to approve the meeting minutes as presented from the October 24, 2014 Board meeting.

Second: Mr. Erstad.

The motion passed.

7. BOARD TRAINING

Mr. Stoddard and Brian Kane, Assistant Chief Deputy Attorney General, began the training by discussing entity structure and policies which included rules for independent bodies, general review of governance structure and YHI policies and Federal/State requirements.

Betsy Russell from the Spokesman Review, Deputy Attorney General Kane, and Mr. Stoddard presented information regarding applicability of Public Records Laws/Your Health Idaho Public Records Policy, public records requests, specific areas of interest including e-mails, board member communications, attorney-client privilege, open meetings, committee meetings subject to open meetings, and executive sessions.

Mr. Stoddard and Deputy Attorney General Kane presented governance issues including Board Member roles, duties and liabilities, conflicts, and liability.

Mr. Stoddard and Deputy Attorney General Kane presented specific policy reviews including procurement, privacy and security and other topics.

The training session lasted 90 minutes and wrapped up at 9:30am.

8. REVIEW OF AGENDA

Motion: Ms. Henbest moved that the Board amend the agenda for today's meeting to remove the dashboard reporting item and the operations update item from the Marketplace Report section as those items will now be covered as part of the Executive Director Update.

Second: Representative Rusche.

The motion carried.

9. EXECUTIVE DIRECTOR UPDATE

(a) Open Enrollment Update

Mr. Kelly shared that over the past month over 74,000 new and passive enrollments have been processed. While most enrollments have gone successfully, there have been some challenges with linking tax credit eligibility to accounts, multiple accounts for the same consumer, and accessibility to accounts, which has been driven by the linking and account duplication problems. YHI's top priority is to ensure that Idahoans that had coverage in 2014 are enrolled in a 2015 plan that fits their needs and that new applicants that want coverage on January 1, 2015 are able to get through the enrollment process.

(b) YHI Operational Responses

YHI has taken immediate action to address this situation, including expanding the scope of training, adjusting workflow procedures to better load-balance cases and implementing technology patches to enable Your Health Idaho to help consumers more efficiently resolve questions more quickly.

Mr. Kelly added that YHI has seen a significant decrease in new tickets generated, although there is still a lot of work to be done in order to continue to solve these immediate challenges and develop long-term solutions by putting processes in place to bring wait times down to an acceptable level.

Helping lead these operations is YHI's new Operations Director, James Wong. Mr. Wong joined the team at the beginning of open enrollment and will be leading YHI's Operations efforts. He comes to YHI with experience in Health Care and IT Management and has truly hit the ground running in his new role.

YHI continues to closely monitor call center activity and will continue to work with the Department of Health and Welfare to implement additional solutions as needed to ensure it's providing the customer service Idahoans deserve.

(c) Plan Selection Deadline Extension for 1/1 Coverage

Mr. Kelly said in addition to the operational actions, in response to consumer demand and the longer than expected wait times, YHI has worked in close consultation with DHW, the Marketplace Committee, and key stakeholders to extend plan selection and enrollment deadlines.

First, YHI will allow Idahoans that submitted an application by December 15th to have until December 20 at 11:59 PM MST to finalize their plan selection and enroll and until December 31st to make a payment to the carrier.

This decision is a result of information received from agents and brokers, carriers and staff working with consumers that it would be beneficial to have a few extra days for individuals who were either in the process of receiving their APTC eligibility determination or those who have applied but not yet selected a plan, to enroll. This extension is necessary to providing Idahoans with extra time to complete the enrollment process and be covered beginning January 1.

A number of communications have been sent to the Agents and Brokers so they are able to immediately work within this new schedule and communicate directly to their clients about the extension, and a press release was issued, which received immediate media coverage.

For consumers desiring January 1 coverage and who were unable to select a plan by December 20, YHI will handle these on a case-by-case basis using the Complex Cases Process.

Mr. Kelly said in the spirit of openness and transparency, YHI is asking the Board to make a motion to ratify this extension.

Motion: To better enable consumers to obtain insurance coverage effective January 1, 2015, Mr. Agenbroad moved that the Board, for consumers who have signed an application no later than 11:59 p.m. MST, on December 15th, extend for an additional five days, the open enrollment period, which is the date to select a plan, to December 20, 2014. Such extension will mean that these consumers can obtain coverage effective January 1, 2015, if they complete plan selection by 11:59 p.m. MST on December 20, 2014, and assuming payment for the first month's premium is received by the carrier no later than December 31, 2014.

Second: Mr. Erstad.

The motion carried.

Representative Rusche asked if the team is tracking the backlog. Mr. Kelly said yes and YHI is able to redefine its path as needed based on the backlog reports. The Board will be updated regularly and as needed.

(d) CMS Updates

Mr. Kelly said with the Exchange now live, YHI continues to have reporting requirements to CMS. In the first week of open enrollment, YHI submitted daily reports of Exchange activity to CMS, which is now reported weekly. YHI continues to have one technology call per week with CMS to discuss any technology related issues.

Moving forward, YHI will need to work with CMS to develop a monitoring and oversight plan to ensure YHI is meeting CMS compliance standards.

In terms of the grant funding, YHI sent the last grant submission to CMS prior to the November 15 deadline. As part of the routine negotiation process, YHI responded to several questions sent by CMS regarding the grant application. YHI had a phone meeting with CMS on December 11 to discuss the grant application, and CMS is expected to announce grant awards in the last week of December 2014. In addition, YHI completed a no-cost extension on current grants that still have available funds.

The team will keep the Board informed as any additional information from CMS comes through.

10. MARKETPLACE COMMITTEE REPORT

(a) Accenture MSA and PMO Contract

Mr. Kelly said YHI's plan has been to utilize vendor expertise to implement its technology solution, and then transfer maintenance and operations work to YHI staff. After a month in operation-mode, YHI now has greater visibility into the workload needed to maintain the Exchange going forward. YHI still plans to transition key operational functions because there are transferrable skill sets between vendors and staff, it is fiscally responsible and it is better for the long-term operational health of YHI.

In the near term, YHI is also planning for its immediate needs in the areas of PMO, testing and operations support to be satisfied by vendor resources to allow time for knowledge transfer and priority project management transitions.

Accenture's contract structure with YHI is a Master Services Agreement which governs overall contractual language and terms of the agreement. Specific services, deliverables, terms and costs are included in each Statement of Work. The current MSA expires on December 31 and needs to be extended to cover the term of the SOWs that extend beyond December 31, 2014. YHI is proposing an extension of the MSA to December 31, 2015.

Accenture's PMO SOW is a fixed fee structure and expires on December 31, 2014. YHI intends to continue to engage Accenture for PMO services beyond the expiration date for PMO services related to technology implementations in 2015. To ensure continuity with team members and the

overall project, YHI is proposing to extend the current PMO fixed fee contract for an additional 2 months while the 2015 scoping is finalized.

Once scoping for 2015 is finalized, Accenture and YHI will negotiate fees and terms related to the PMO services for the remainder of 2015. It is important to note that the FY15 budget included funding for PMO services.

Motion: Mr. Veloz moved that Board accept the recommendation of the Marketplace Committee to extend the Accenture Master Services Agreement to December 31, 2015 and that Statement of Work #1 be extended to February 28, 2015 at the current cost of \$306,609 per month which funds are included in the approved FY15 budget.

Second: Representative Rusche.

The motion carried.

Throughout 2015, YHI and GI will be implementing patches, fixes and releases related to the system. Each time the system is changed through one of these actions, testing is required to ensure functionality is being implemented as designed and to perform regression testing to ensure the system is not adversely impacted by the systems changes.

The current SOW is Time and Materials which enables YHI to throttle the hours as appropriate and control costs. YHI is requesting to extend the Testing SOW, which is Time and Materials, to ensure we have the proper testing framework in place. An SOW for the remainder of 2015 will be finalized once 2015 functionality and technology scope is finalized.

Motion: Mr. Veloz moved that the Board accept the recommendation of the Marketplace Committee to extend Statement of Work #2 (Testing) to February 28, 2015 in an amount not to exceed \$175,000 per month which funds are included in the approved FY15 budget.

Second: Mr. Kreiling.

The motion carried.

Mr. Kelly reminded the Board that Accenture has been providing Operations support on a Time and Materials basis since the resignation of the YHI Operations Program Manager. YHI has hired an Operations Director and is actively transferring the knowledge to him. YHI currently has a significant work load in the operations space and Accenture has offered analyst level resources to help fill this operational need in the short-term such that YHI can continue to take advantage of the strong institutional knowledge of the business processes. YHI needs to continue to build its operational team and transition knowledge to resources at YHI.

Operational resources will be an ongoing need. It would be financially prudent to move to in-house resources. The resource model will need to be monitored and adjusted as needed based on business needs and resources available especially as YHI moves to self-sustainability.

YHI is proposing that the Operations SOW be extended on a Time and Materials basis until YHI can build out its internal resources and complete the appropriate knowledge transfer.

Motion: Mr. Veloz moved that Board accepts the recommendation from the Marketplace Committee to execute Statement of Work #6 at an amount not to exceed \$700,000 through June 30, 2015, which funds are included in the approved FY15 budget.

Second: Rep. Rusche.

The motion carried.

Ms. Geyer-Sylvia abstained.

(b) 834/Carrier Integration Update

Mr. Vincent Lam, Accenture PMO, provided an update on the 834/Carrier Integration testing status. In Phase 1, all carriers have automated enrollment, causing no disruption to members. There have been ongoing meetings between YHI, GI and carriers to resolve data mismatches. These require manual processing from the carriers.

Due to the shifting timeline for the release of Phase 2 Change Reporting functionality, the test plan has been revised to include:

- YHI and GI have drafted an updated timeline and schedule
- New target completion date moved from 12/12 to 12/30 (factors in 2 days of holiday)
- 11 initial cases distributed by 12/12
- Final two cases (reinstatement, reconciliation) require completion of these 11 cases

The following commitments will ensure that Phase 2 completes without impact to the individual consumer:

- Commitment from carriers for 1 day turnaround on initial effectuations
- Commitment from GetInsured for 1 day turnaround between effectuations and change files
- Commitment from carriers for 2 day response on change files (allowing for extra time to receive and analyze new file type)

Phase 2 initial enrollment files have been distributed to all carriers. Target completion for Phase 2 moved from 12/12 to 12/30.

Mr. Shores said one of the challenges is that once a consumer enrolls, their ability to pay the bill has been problematic. Mr. Lam said the payment redirect testing is in progress with three of the carriers having completed it (with two in progress) and it is expected to be deployed to production on time.

Mr. Shores said in addition, there have been a number of folks with data mismatches. Mr. Lam said those are the complex cases and they are being discussed in ongoing meetings and is a top priority item operationally for the team to resolve those issues.

(c) Policy Update

Ms. Szalewicz said the Project Steering Team continues to meet to discuss policy and operations. Following are topics that the PST are currently discussing and following.

Per the December 9 Marketplace meeting, YHI will offer a Special Enrollment Period for certain passively-enrolled consumers. If an individual was passively enrolled (did not make an active plan selection), they can request a one-time plan change. Plan changes must be requested by the close of Open Enrollment (February 15, 2015) and the plan change will be applied only toward future coverage using the standard "15th of the Month" plan effectuation timeline.

DHW is currently calculating the Advanced Premium Tax Credit (APTC) for special enrollments based on age as of January 1st. DHW will look for additional IRS guidelines and revisit this policy in Q2 2015.

YHI has set up recurring meetings to discuss complex and urgent consumer enrollment cases that require DHW, YHI and the Carrier to resolve jointly.

Mr. Shores asked if there is any consideration for those individuals that are passively enrolled but as of January 1 they discover they cannot afford the policy. Can they then drop it and re-enroll in a new policy effective February 1. Ms. Szalewicz said that yes, they will be able to select a new plan.

(d) Technology Roadmap

Ms. Szalewicz said that over the past month, YHI, GI, DHW, and Accenture have conducted workshops to identify all items that could be considered as scope for 2015, with 24 capabilities identified. Each item was evaluated based on level of effort to implement, benefit to sustainability, and consumer value. The outcome of these workgroups was three groups of functionality:

- 14 items recommended for implementation in 2015: High value proposition or regulatory requirements
- 5 items requiring further analysis
- 5 items recommended for deferral to 2016: Lower priority than included items

Following today's discussion, the ability to implement these capabilities will now be assessed. This will depend on three key items:

- Effort - Combined volume of work, and ability for YHI, GI, DHW and Accenture to manage in 2015
- Cost - Determining cost, and confirming ability to implement within YHI budget
- Operations - Ongoing Production workload, and extent to which this needs to be prioritized over other development

Mr. Settles asked at what point in time will the scope of SHOP be determined. Ms. Szalewicz said that current regulation is that YHI is to implement a SHOP marketplace for groups of up to 100 which is different than today's shop for groups up to 50.

Mr. Erstad asked about SHOP in 2016 and Eva said yes, we would be working towards a 2016 implementation which is when the Groups of 100 Rule will go into effect.

Mr. Shores asked that some of the Q3 items be moved up to Q2 in order to allow time for testing and working in the system. Ms. Szalewicz said she will make a note of that and once the team has time to assess all of the functionalities on the list against cost, the effort and the feasibility to implement, will come back with more detailed planning and scoping in the new year.

Ms. Geyer-Sylvia said the connection with the finances will be important in the scoping of the plan moving forward and the ability to move forward with some or all of these items. And she refreshed the Board members memories that the carriers will need the work to be done in April timeframe for fee setting for 2016 open enrollment.

11. OUTREACH & EDUCATION COMMITTEE REPORT

(a) Creative and Paid Media

Ms. Olson reviewed where YHI is in the creative area including commercials running in television, radio, digital banners, print, testimonial video, the broker and social media toolkit as well as collateral and direct mail. This media push began on November 24 and has slowed down, but will not stop until after the holidays.

(b) Earned Media

Ms. Olson said that recent media coverage has included more than 50 stories about YHI covering such topics as successful technology platform launch, ongoing re-enrollment process, enrollment and outreach events and call center wait times. There will be continued communications on re-enrollment, the technology platform deployment and sign-up figures. In addition there will be an Idaho Public Television special airing on January 20, 2015.

(c) SOW #8 Proposed Budget

Ms. Olson said as noted previously, YHI is working to determine appropriate staff levels in relation to reducing vendor support, which will be reflected in the SOWs going forward. Elements included in SOW #8 include the same elements as previous SOW's, but at a lower amount overall as outreach and education begins to taper down in preparation for self-sustainment.

Motion: Ms. Vauk moved that the Board accept the Outreach and Education Committee's recommendation to approve Scope of Work # 8 as presented today in an amount not to exceed \$1,402,234 between January 1, 2015 and March 31, 2015. Funds for SOW # 8 fit within the FY 15 Outreach and Education Budget that was previously approved by the Board.

Second: Mr. Erstad.

The motion carried.

12. GOVERNANCE COMMITTEE REPORT

(a) Public Records Policy Update

Mr. Stoddard said the Governance Committee met yesterday and there is currently only one clarification to the Public Records Policy that is being recommended here today.

At the October 24 meeting, the Board adopted 17 new privacy and security policies to meet the Minimum Acceptable Risk Standards for Exchanges (MARS-E) compliance framework providing security guidance to Exchanges for employing and operating IT systems in support of the Affordable Care Act. The policies covered topics from access control to incident response to risk assessment.

Based on a review of existing YHI policies, the Governance Committee reviewed and recommended amendments to the existing Public Records Policy to align with the newly adopted security policies.

Motion: Dr. Livingston moved that the Board accept the recommended changes by the Governance Committee to the existing Public Records Policy to align with the newly adopted security policies.

Second: Mr. Kreiling.

The motion carried.

13. EXECUTIVE SESSION

Motion: The Chair moved that pursuant to Idaho Code Section 67-2345, the board would convene in Executive Session to consider records that are exempt from disclosure under YHI's Public Record Retention Policy and Idaho's Public Record Act pursuant to Idaho Code Section 67-2345 (1)(d).

Executive Session Roll Call: Mr. Erstad called roll and determined the Chair, Mr. Kreiling, Ms. Geyer-Sylvia, Mr. Shores, Mr. Estess, Ms. Vauk, Mr. Agenbroad, Mr. Settles, Mr. Veloz, Dr. Livingston, Ms. Henbest, Representative Packer (via teleconference), Representative Rusche, Director Armstrong and Director Deal were present resulting in a quorum.

Senator Rice was absent.

The Executive Session began at 10:51am.

The Executive Session ended at 11:50am. The Board took no final action nor made any final decisions while in Executive Session.

14. PRIVACY & SECURITY ASSESSMENT RFP's

Motion: Mr. Veloz moved that the Board accept the recommendation of the Marketplace Committee to authorize the Marketplace Committee to (1) conduct an RFP for Privacy Assessment, (2) establish a Proposal Evaluation Team to evaluate the responses to the RFP, and (3) accept the recommendations of the PET.

Second: Ms. Geyer-Sylvia.

The motion carried.

Motion: Mr. Veloz moved that the Board accept the recommendation of the Marketplace Committee to authorize the Marketplace Committee to (1) conduct an RFP for Security

Assessment, (2) establish a Proposal Evaluation Team to evaluate the responses to the RFP, and (3) accept the recommendations of the PET.

Second: Ms. Geyer-Sylvia.

The motion carried.

15. NEXT MEETING

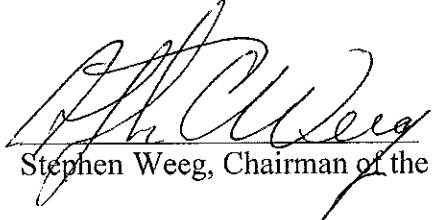
The Chair reflected on the amazing amount of progress and commitment that has been made in the last year. Mr. Estess said this will be the last meeting for Director Deal and thanked him for his hard work and dedication. Director Deal said he has never seen a Board work as hard as this one to become so successful.

The next meeting of Your Health Idaho's Board of Directors will be held on the third or fourth Friday in January, depending upon the legislature. Ms. Fulton will conduct a poll as to Board Members' availability.

16. ADJOURN

There being no further business before the Board, the Chair adjourned the meeting at 11:59 am.

Signed and respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen Weeg", written over a horizontal line.

Stephen Weeg, Chairman of the Board