



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

**GOVERNANCE COMMITTEE MINUTES
THURSDAY, MAY 27, 2021**

1. COMMITTEE MEMBERS PRESENT

- Ms. Margaret Henbest, Chair (via teleconference)
- Mr. Hyatt Erstad, Vice Chair
- Ms. Karan Tucker (via videoconference)
- Senator David Nelson (via videoconference)
- Director Dean Cameron (via videoconference)

2. OTHERS PRESENT

- Mr. Pat Kelly, Your Health Idaho
- Mr. Kevin Reddish, Your Health Idaho
- Ms. Alanee Thomas, Your Health Idaho
- Ms. Heidi Stockert, Your Health Idaho
- Ms. Frances Nagashima, Your Health Idaho
- Ms. Meghan McMartin, Your Health Idaho
- Mr. Matt Fuhrman, Your Health Idaho
- Ms. Tresa Ball, HR Precision
- Mr. Mike Stoddard, Hawley Troxell
- Ms. Cheryl Fulton, Your Health Idaho

3. CALL TO ORDER

Following proper notice in accordance with Idaho Code §74-204, the Governance Committee meeting of the Idaho Health Insurance Exchange (Exchange) was called to order by Mr. Hyatt Erstad, Vice Chair of the Committee (the Vice Chair), at 10:01 a.m., Thursday, May 27, 2021, at the offices of Your Health Idaho, 1501 S Federal Way, Suite 100, Boise, Idaho. In accordance with Idaho Code §41-6104 (8), the meeting was held in an open public forum and was streamed in audio and video format. Members of the public were encouraged to access the audio stream by dialing into a telephone number and view the materials by accessing a meeting link that were included in the notice of meeting posted on the Exchange Board's Web site, social media outlets, and at the meeting location.

4. ROLL CALL

The Vice Chair called roll and determined that Chair Henbest (via teleconference), Ms. Tucker, Senator Nelson, and Director Cameron were present, resulting in a quorum.

5. PRIOR MEETING MINUTES

Motion: Ms. Tucker moved to approve the meeting minutes from the March 2, 2020, Governance Committee meeting as presented today. **Second:** Chair Henbest. **The motion carried.**

6. REVIEW AGENDA

The Vice Chair reviewed the Agenda and there were no changes.

7. REVIEW ROADMAP

Mr. Kelly reviewed the roadmap and there were no changes.

8. COVID UPDATE

Mr. Kelly said the entire team returned to the office on April 5 and everything is going well, and it has been a positive experience. It is nice to see the socializing and collaboration happening once again and everyone has remained healthy since returning to the office. The team is still adhering to CDC guidelines as it relates to travel quarantines and contact tracing, should it be needed. Initially, team members returned to the office wearing masks. But since Boise City lifted the mask mandate, Your Health Idaho has made that optional. Your Health Idaho is allowing individuals to make that choice and so far, it has been a very positive experience. Your Health Idaho continues to honor one item that came out of the pandemic: a relaxed dress code. If it goes well, updates to the dress code in the employee handbook will be brought to the Governance Committee in the fall.

9. EMPLOYEE ENGAGEMENT

a. Gallup Survey Results

Ms. Thomas said after trying a semi-annual survey, Your Health Idaho has returned to doing the Gallup Survey annually. The Gallup Q12 survey was first implemented in 2016 to measure employee engagement. The Gallup Q12 survey consists of twelve questions with a rating scale of 1-5 to gauge the level of engagement of each team member. Your Health Idaho formed the Employee Engagement Task Force (EETF) to address the opportunities resulting from the survey. This group interviews all team members to get a better understanding of why a certain area may have scored lower than other areas and develops a plan to help improve that area.

Ms. Thomas said the Gallup Q12 survey for spring of 2021 resulted in an increase of five percent from 4.16 to 4.35 (on a scale of 1-5). Ms. Thomas shared a graph that showed scores from year to year since 2016 which shows the highest score ever in 2021. She added that Gallup revised how they calculate percentile ranks this year by adding an Engagement Index, limiting the usefulness of that measure for smaller companies like Your Health Idaho.

Ms. Thomas said the EETF worked on questions from the Spring 2020 survey that scored lower and provided opportunity for improvement. The first was question one "I know what's expected of me at work" which increased from three percent to 4.5. The second area they focused on was question five "My manager, or someone at work, seems to care about me as a person" which increased six percent to 4.65. EETF interviewed team members to find out

why the score was lower in these areas and focused on reinforcing consistency with the monthly one-on-one coaching sessions with team members and their managers. In those sessions, we talk about things that went well, areas for opportunity or growth, development opportunities, and our COMPASS values. The other area of active focus was around leadership tools and regular discussions regarding how the team is doing. This was particularly important during COVID when the team was remote.

Chair Henbest asked how the participation rate this year compared with prior years. Ms. Thomas reminded the Committee that new employees that have been with Your Health Idaho less than three months do not participate in the survey as they do not have enough history with the company. This year, we also had a few individuals out on leave during the survey period and some participated and others were not able to. We also had a couple of folks that just chose not to participate this year. Your Health Idaho currently has 50 employees, 49 surveys were sent out while 46 replied to the survey. In past years, Your Health Idaho has seen 100 percent participation, but we have never had the unusual circumstances that we had this year with some folks out and unable to take the survey.

Ms. Thomas shared the new high score this year of 4.35 which is the *grand mean*. She pointed out the areas with really high scores and noted that these increases are in the areas that the EETF worked on and in some related areas as well. She then shared a year-over-year comparison of the six years Your Health Idaho has been doing the survey and this year's survey scored exceptionally high in comparison, with most categories improving. The two areas that scored lower than the prior year, questions three and nine, may end up being the questions worked on by the EETF in the coming year. Those questions are "At work I have the opportunity to do what I do best every day" and "My co-workers are committed to doing quality work."

b. Growth & Development

Ms. Thomas said Your Health Idaho conducted a growth and development survey to gather feedback on what topics and potential programming the team members would like to see in this space. The results showed that team members wanted easier access to professional growth and development opportunities. There is also currently a form that needs to be completed that may include a claw back statement if an employee were to leave shortly after completing the course. And when a training happens offsite, we have to limit the number of folks that can participate to ensure we have appropriate coverage here at the office. In order to break down some of these barriers, Your Health Idaho will be purchasing the Pryor + learning platform for the entire organization. The courses hit on both soft skills and technical skills, and some are only a couple of minute micro-learnings, a few hours for deeper learning, or a day or two seminar - depending on the course chosen. The platform will be purchased and ready to go by the end of this fiscal year for use in FY22.

10. COMPENSATION POLICY

Mr. Kelly said Your Health Idaho has a Compensation Policy that has been in place since the beginning in 2014. Part of it includes detailed instructions on how to implement the recognition program. As we have worked through team member recognition, it became clear that it could use a few updates to recognize how the organization has evolved and making sure recognition is

balanced between customer-facing and non-customer-facing positions. Redlines were included in the materials for the meeting and primarily include the removal of the details around the five areas of recognition which was very specific and tactical. Replacement verbiage for this section focuses on the Executive Director implementing and defining this area with the executive team's input. We are not fundamentally changing the program but balancing it more between customer and non-customer facing roles. All programs will remain within the budget.

Motion: Ms. Tucker moved that the Governance Committee, recommend to the Board, approval of the Compensation Policy, as presented today. **Second:** Senator Nelson. **The motion carried.**

11. FY21 GOALS UPDATE

Mr. Kelly said we are almost done with the financial year with two goals still outstanding. Low Cost Promise measures operating expenses compared to budget and ends on June 30. We are currently at about 90 percent of achievement with \$347K in savings year-to-date and are on track to reach 100 percent achievement of this goal by the end of June. The second goal is the Employee Engagement goal, which is partially complete and ends on June 30. This is a two-part goal with the first part, the Gallup Q12 survey, completed at 100 percent achievement. The second part to this goal in the COMPASS cards, or peer recognition. As you know, with the team in remote status at the beginning of the goal period, participation was a bit lower. We have been trending up and are hoping to achieve the 80 percent threshold.

12. FY22 OPERATIONAL & STRATEGIC GOALS

Mr. Kelly said for the new fiscal year, we have the single strategic goal of providing a flawless customer experience, defined by the number of contacts required to resolve a customer issue. During Open enrollment we saw that only 2.7 percent of customers required three or more contacts and now outside of open enrollment we are remaining close to three percent and are not proposing any changes to this goal.

Mr. Kelly said the five operational goals being proposed are in the same five categories we had last year but include some changes to how those achievements are measured both during open enrollment and outside of open enrollment. These goals initially all focused on the open enrollment performance period and we determined that it was just as important to focus on these outside of open enrollment.

Idahoan's Experience will still focus on Net Promoter Score (NPS), First Contact Resolution (FCR), and Turnaround Time (TAT). There will now be two measuring periods, as noted previously (open enrollment and post-open enrollment periods). For First Contact Resolution and Turnaround Time, we are proposing an eleven and six percent increase for open and non-open enrollment periods, respectively. Net Promoter Score has seen tremendous success and we are proposing a five percent increase during open enrollment and an eight percent increase for non-open enrollment.

Retention and Enrollment measures auto renewals, the percent of new enrollments, and the targeted total number of enrollments expected for the year. We are proposing a seven percent increase in enrollments as compared to budget. Some of this will result from a national campaign that the Biden Administration will be doing and also our increased incremental advertising spend

over the course of the year. The enhanced subsidies under the American Rescue Plan will also continue into 2022. We are proposing no compensation be tied to this goal as there has been a lot of policy changes under the new administration.

Risk Management will continue to focus on phishing and social engineering and will now be measured during both open-enrollment and non-open enrollment periods. Since phishing and social engineering remain our biggest risks in this space, we will continue to focus on these which will be equally measured depending on the time of year. The first area of focus will be around the reporting rate which will require that 94 percent are properly reported to reach the 100 percent achievement level for this part of the goal. The second part is a response, or click, rate which will need to remain below four percent over the entire year to reach the 100 percent achievement rate.

Senator Nelson asked about the actual percentage of attacks we have seen. Mr. Reddish said that is a difficult question to answer since we have a number of compensating controls that sit outside our firewall that knocks down threats before we even see them. Your Health Idaho does use an automated phishing platform that sits in front of our system that does intercept true phishing emails before they reach our team. Some still get through the system (about five percent), and team members use a button that is part of Outlook to report them. From there, the Artificial Intelligence (AI) in this system starts to learn about our organization and what is and what is not true phishing so that it can block a higher percentage going forward. Mr. Fuhrman added that we do track the campaigns that make it through our firewall. We did see an increase in attacks during our remote status this past year, but since the team has returned to the office, those attacks have tapered off a little bit. SPAM is currently the larger problem we are seeing.

Mr. Kelly said for Low Cost Promise, the real change is the shift of focus from Operating Expenses to Net Operating Income. It is simply how much revenue is left to spend at the end of the fiscal year. This was born out of the events in fiscal year 2021 where we saw a big decline in revenues due to COVID, and Your Health Idaho quickly shifted to managing those expenses to ensure we would hit that Net Operating Income budget. We are proposing for this goal that we see a ten percent improvement in net operating income as compared to budget. That measures Assessment fee revenues only and does not include interest income. We are also excluding two contracts: the Department of Health and Welfare MOU, which is a cost allocation for eligibility shared services and the GetInsured contract, which is fixed price.

The last item is Employee Engagement, and we are proposing to keep the two components. COMPASS cards participation is proposed to increase by fourteen percent and the Gallup Survey where a half a percent increase is proposed. While that half percent may seem small, it will be challenging given how well we did this year. There are additional activities that are aimed at increasing employee engagement but will not be tied to compensation. Those include the continuation of Total Compensation discussions, the Stay Interviews, and evolving the editorial calendar topics based on Employee Engagement Task Force interviews.

Ms. Tucker said she appreciates that what we measure is what we focus on. She was curious about staff retention rates and if that has been a component in any of our goals. Mr. Kelly said we do measure employee retention and did include that in part of the variable pay goals in the past but removed it for various reasons. COVID did create an environment where turnover has been lower given the job market and we are hopeful to maintain our high retention as the

economy continues to recover. We typically measure retention in April or May of each year, and we generally retain at least 80 percent of our employees each year.

Motion: Ms. Tucker moved that the Governance Committee, recommend to the Board, approval of the FY22 Operational and Strategic Goals, as presented today. **Second:** Senator Nelson. **The motion carried.**

13. LEGISLATIVE UPDATE

Mr. Kelly said during the most recent legislative session, Senate Bill 1086 was passed, which affects all of Your Health Idaho's contracts. This bill requires that all government entities, including those that are an independent body corporate and politic (like Your Health Idaho), receive a certification from vendors in the contract stating that the contractor does not, and will not for the life of the contract, boycott goods or services from Israel or territories under its control. We have already worked with legal counsel to develop the wording for contracts coming up for renewal, specifically in the Marketplace Committee, as contracts issued prior to the effective date cannot be renewed without this written certification added. There are exceptions, but because those exceptions are not terribly clear and if the contract does not include this certification the contract becomes null and void, Your Health Idaho is inserting it into all contracts in order to avoid punitive action.

The Chair asked that she understands the consequences are negating the contract but wondered who is in charge of monitoring this and making sure companies are in compliance. Mr. Stoddard said the statute itself does not provide for someone to monitor it, however the Department of Administration is to develop implementing rules and guidance. The Attorney General's office is working this week internally to develop those rules and we are awaiting those. We are taking the most conservative tact we can in terms of issuing guidance to clients. The Chair said it is kind of odd that the legislature would target a foreign government and wondered what might be behind this. Mr. Stoddard agreed and said there are lawsuits affecting this across the country, but it has been adopted in at least ten states.

The Vice Chair asked Mr. Cameron if there has been anything coming through his office that may affect the exchange. Director Cameron said they are certainly monitoring several things at the national level, but nothing that would have a dramatic impact to the exchange. There are continued discussions around the premium tax credit, addressing the family glitch, and some discussion around additional funding for high-risk reinsurance pools. In regard to the Idaho legislature, there really wasn't anything that would have an impact on the exchange, with the exception of a bill that was introduced by the department around faith based insurance programs and how to determine if they are legitimate insurance programs or what we call pretenders, or faith based plans that are not actually tied to a specific religion and using faith as a ploy to avoid being regulated by the Department of Insurance and being on the exchange. That bill, as expected, did not pass. At the federal level, there has always been consternation around short-term plans and that remains true. The only other bill around healthcare was around Medicare supplements and changing how they work. Finally, there was a bill to eliminate the catastrophic health care fund and the energy care reimbursement that they tried to tie to the open enrollment period of the exchange. It will be interesting to see if that causes dramatic cost-shifting or whether or not there are other ancillary impacts.

Chair Henbest joined the videoconference at 10:50 a.m.

14. BOARD SURVEY

The Chair reminded the Committee that the survey was revised in 2020 to reflect a mature Board and there are no revisions this year. Ms. Ball will send out the survey to Board members in August and the information collected will be presented at the September meetings. At that same time, the Committees will be performing their Committee assessments.

Senator Nelson asked that part of the survey include questions around virtual versus in-person and how effective that was. He asked that since he is up north, he likely will mostly participate via videoconference and wants to ensure that the virtual folks have the opportunity to participate in a meaningful way. Mr. Kelly will work with Ms. Ball to ensure that is covered.

15. ANNUAL CONFLICT DISCLOSURE

The Chair asked if anyone thought there were any changes needed to the Annual Conflict Disclosure that was included in the packets today. She said Ms. Fulton will send out the forms, along with the most recent version each Board member completed. Forms, or emails stating that nothing has changed since their prior disclosure was submitted, can be returned to Ms. Fulton and Mr. Stoddard via email, at the Board meeting on June 18th, or via postal mail. They should be completed no later than June 25, 2021

16. EXECUTIVE SESSION

Motion: The Chair moved that the Committee enter into Executive Session Pursuant to Idaho Code Section § 74-206(1), to consider the evaluation of an employee and to consider documents that are exempt from disclosure, pursuant to Idaho Code Section § 74-206 (1)(b)(d).

Executive Session Roll Call: The Chair took a roll call vote and determined that Mr. Erstad, Ms. Tucker, and Senator Nelson were present and agreeable, resulting in a quorum.

The Committee entered into Executive Session at 11:07 a.m. and reconvened at 12:18 p.m. No final actions nor decisions were made while in Executive Session.

17. EXECUTIVE DIRECTOR FY22 VARIABLE PAY WEIGHTING

Motion: The Chair moved that the Governance Committee, recommend to the Board, approval of the overall FY22 Executive Director Variable Pay Weighting as determined today and subject to approval at the June 18, 2021, Board of Directors meeting. That weighting is Idahoans Experience at 35 percent, Retention & Enrollment at 15 percent, Risk Management at 15 percent, Low Cost Promise at 20 percent, and Employee Engagement at 15 percent. **Second:** Mr. Erstad. **The motion carried.**

18. PRIVACY & SECURITY POLICIES UPDATE

Mr. Fuhrman said there were not a lot of changes this year and all changes that were made have been reviewed by our external auditor as part of the security assessment that just wrapped up. The first change is in the Remote Access Policy where we added a line that states “Employees

“may” be financially liable if they lose or damage Your Health Idaho equipment. The Personnel Security Policy was updated to reflect the criminal history check requirements for all team members as identified under the Position Risk Designation in the MARS-E control framework. The last change was in the Physical and Environmental Protection Policy which was updated to reflect the change in log review frequency from weekly to monthly. Our last system had a limit in how much or how long information could be stored. The new system in the new office provides additional retention capabilities allowing for less frequent log reviews at thirty-day intervals. Please note the required interval is every sixty days.

Motion: Mr. Erstad moved that the Governance Committee, recommend to the Board, approval of the revisions to the Privacy & Security policies, as presented today. **Second:** Ms. Tucker. **The motion carried.**

19. NEXT MEETING

The Chair noted that the next meeting will be held in late August or early September.

20. ADJOURN

There being no further business before the Committee, the Chair adjourned the meeting at 12:24 p.m.

Signed and respectfully submitted,



Margaret Henbest, Committee Chair