



**Idaho Health Insurance Exchange
DBA Your Health Idaho**

**Finance Committee Meeting Minutes
Tuesday, March 7, 2023**

Committee Members Present

- Mr. Kevin Settles, Chair
- Mr. Greg Donaca, Vice Chair (via videoconference)
- Dr. Cynthia Fairfax
- Ms. Tara Malek (via videoconference)

Others Present

- Mr. Pat Kelly, Your Health Idaho
- Mr. Kevin Reddish, Your Health Idaho
- Ms. Kilee Lane, Your Health Idaho
- Ms. Nichol Lapierre, Your Health Idaho
- Ms. Kelly Fletcher, Your Health Idaho
- Ms. Julie Sparks, Your Health Idaho

1. Call to Order

Following proper notice in accordance with Idaho Code Section 74-204, the Finance Committee meeting of the Idaho Health Insurance Exchange (Exchange) was called to order by Kevin Settles (Chair) at 2:02 p.m., Tuesday, March 7, 2023, at the offices of Your Health Idaho. In accordance with Idaho Code Section 74-203 (1), the meeting was open to the public and streamed in video conference format via GoToMeeting and the Idaho Public Television website. 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 website, social media platforms, and at the meeting location.

2. Roll Call

Chair Settles called roll and determined that Mr. Donaca, Dr. Fairfax, and Ms. Malek were present, resulting in a quorum. Senator Hartgen and Director Jeppesen were absent.

3. Prior Meeting Minutes

Chair Settles asked if there were any changes to the minutes from the prior meeting and there were none.

Motion: Dr. Fairfax moved to approve the meeting minutes from the November 28, 2022, Finance Committee meeting as presented today. **Second:** Mr. Donaca. **The motion carried.**

4. Review Agenda

Chair Settles reviewed the agenda, no changes were made.

5. Review Roadmap

Chair Settles reviewed the roadmap, no changes were made.

6. Financial and Enrollment Highlights

Ms. Lane began her presentation with a review of the financial and enrollment highlights. We ended Quarter 2 (2Q) of Fiscal Year 2023 (FY23) with average monthly premiums at \$432 versus a budget of \$419. Actual member months came in at 76,377, which is about 5,000 over budget. As of the end of December 2022, we had 76,377 effectuated enrollments, for both Qualified Health Plans (QHPs) and Qualified Dental Plans (QDPs). The majority of QHPs are with Blue Cross of Idaho and SelectHealth and Delta Dental has most of the QDPs.

7. FY23 Year to Date Results as of 2Q

Ms. Lane presented year to date (YTD) financial results for Your Health Idaho (YHI) operations. For the second quarter, ending December for fiscal year 2023, assessment fees came in at \$355,000 favorable driven by higher enrollments in Plan Year 2022 (PY22). Other income shows favorability of \$59,000, driven by interest earned on the Certificate of Deposit (CD). Favorability in grant income of \$135,000 is from the grant which ended in September. Total income favorability YTD is \$548,000. For the expense side of YHI operations, open positions and lower overtime drove favorability of \$203,000. Unfavorability of \$20,000 is due to the single audit and consulting and HR fees. General operating costs show \$37,000 in favorability, driven by lower facility and travel costs. Favorability of \$135,000 in eligibility and enrollment costs is driven by lower Department of Health and Welfare (DHW) costs and seasonal staff. Total operating expense is favorable of \$364,000, with net operating income favorability of \$912,000. Capital Expenditures (CapEx) shows favorability of \$151,000, due to the timing of some technology releases being put into service.

Mr. Donaca asked what the single audit is referring to.

Ms. Lane replied that the grant put us over the threshold for expenditures, making a single audit necessary.

Mr. Donaca asked about the overall shift in cost with DHW.

Ms. Lane replied that as of now, there have not been any DHW costs associated with the unwinding of Medicaid Continuous Coverage (MCC).

Mr. Kelly added that we had budgeted a contingency of \$120,000 for the year. As of today, we have incurred zero cost directly from DHW. There is some discussion with DHW regarding who will pay for what we are calling the handshake letter, which will occur when someone loses Medicaid coverage. Starting April 1, we will have paid advertising related to Medicaid unwinding and we are planning to spend about \$26,000 April – June. Regarding Mr. Donaca's question of the overall costs with DHW, they did the Advance Premium Tax Credit (APTC) determinations prior to the go-live of real-time eligibility (RTE). That cost was offset by increased headcount at YHI. Historically, we paid about \$1.2 million to DHW, and our increased headcount cost is substantially lower than that, roughly half that cost. Part of that is offset by the increased cost to our partners at GetInsured, but regarding personnel, our costs are quite a bit lower than what was paid to DHW.

Ms. Lane moved on with a review of the View Pointe financials. We are fairly close to budget, with just \$20,000 in favorability driven by billback revenue and interest earned on the CD. General operating expenses are unfavorable by \$41,000 due to a few one-time costs such as the main water line repair, front window tinting, ceiling light fixture move, and higher utilities. Net operating income is unfavorable of \$18,000. CapEx favorability is driven by no CapEx in the first half of the year, but our sun sails are expected to be installed in the third quarter of the year.

For the consolidated financials, we have a total income favorability of \$574,000 against the total operating expenses of \$321,000, with a net operating income of \$894,000.

Motion: Dr. Fairfax moved that the Finance Committee recommend to the Board the approval of the financial results through December 31, 2022, as presented today. **Second:** Mr. Donaca. **The motion carried.**

8. FY23 Forecast

Ms. Lane said for YHI operations, overall revenue is forecasted above budget as grant income and interest income replaces the slight forecasted shortfall in assessment fee revenue, which is expected to miss budget by \$26,000. The first half of FY23 is over budget by \$355,000 due to higher-than-expected enrollments. The second half is forecasted under budget by \$381,000 due to lower-than-expected enrollments. Operating

expenses are projected to be lower than budget by \$222,000 due to open positions in the first half of the fiscal year, lower overtime, and Connectors' costs. Net operating income is favorable by \$478,000.

For the View Pointe forecast, revenue is expected to exceed budget by \$62,000 due to interest income and billback revenues. Expenses are expected to miss budget by \$45,000 due to repairs and higher costs of utilities. CapEx is expected to be closer to budget due to unfinished projects that are scheduled for the third and fourth quarter of the fiscal year.

Looking at enrollment projections, the trends are fairly consistent for 2021 and 2022. In 2021, we saw a lift in May with the Special Enrollment Period (SEP) due to the American Rescue Plan Act (ARPA). After the Open Enrollment (OE) hangover in 2022, stability was due to Always Present advertising, enhanced subsidies, and RTE. The unwinding of protected Medicaid assumes a lift in April and May 2023 enrollment.

Mr. Donaca asked why enrollment is projected to decrease after May if MCC unwinding is supposed to run through September.

Ms. Lane replied that we tend to see enrollments gradually decrease, but that has to do more with adjustments that we see throughout the year.

He asked if enrollment shown for May was a net number, due to the expectation of gaining enrollments from MCC unwinding and factoring in losses that are usually experienced.

Ms. Lane replied that YHI is expecting to have the majority of enrollments from the MCC unwinding in April and May and it could taper off throughout the rest of the year.

Mr. Kelly added that YHI has asked DHW to put the over income population in the first two notice groups, which is why we have assumed value increase from unwinding centered in those months of April and May. He added that the reason that we are projecting a more pronounced decline for the rest of the year is that we think the population that comes over from Medicaid is likely to be more transient than we have seen in the previous two years while that same population was on protected Medicaid.

Ms. Lane continued with the YHI operations FY23 forecast versus budget. Assessment fee revenue is projected to be unfavorable to budget by \$26,000 due to lower enrollments in the second half of the fiscal year. Other income is \$147,000 favorable from the interest earned on the CD and \$135,000 in grant revenue planned for in the prior year, with a total income of \$256,000 favorable to budget.

On the expense side, personnel costs are favorable by at \$261,000, due to open positions and less overtime. We have unfavorability in both general operating and eligibility and enrollment expenses at \$35,000 and \$43,000, respectively, driven by the single audit, consulting and HR fees, and an increase due to insurance expense. Favorability of \$34,000 in Connectors' expenses is from a tribal engagement that was budgeted for but

not contracted. Total operating expenses are favorable to budget of \$222,000 with a net operating income favorable of \$478,000.

Chair Settles asked if we were still meeting all of our responsibilities despite not having a contract with the tribe.

Mr. Kelly replied that the Affordable Care Act (ACA) requires YHI to engage with all recognized tribes in the state. Engagement and having a contractual relationship are separate. As long as we engage them in training and quarterly meetings, we have met our obligation. We continue to talk with the tribes who have not formally engaged with us, but there are some contractual items that are challenging to work through, and we have not yet found a solution for those.

Ms. Lane presented the View Pointe FY23 forecast versus budget, saying we are projecting \$19,000 of favorability in other income from the interest earned on the CD. We have about \$42,000 of favorability in tenant billback for higher utilities. We are unfavorable to budget by \$43,000 in general operating expenses, with a total operating expense unfavorability of \$45,000. Net operating income is projected to be \$17,000 favorable to budget.

For the consolidated forecast versus budget, we show \$318,000 in total income favorability and \$177,000 in total operating expense favorability, for a net operating income of \$495,000.

9. FY24 Budget

Ms. Lane stated that the proposed budget is aligned with what YHI needs to be successful in FY24 and beyond. Operational efficiencies, incremental automation, and funding for retaining and motivating highly qualified team members are the primary tools YHI needs to be successful. The budget process followed a typical bottom-up approach for expenses, with input and discussions with functional area leaders. Key budget items for YHI operations are the unwinding of MCC, an increase of \$1.3 million in the GetInsured contract, and an agent/broker marketing co-op program that we will discuss in more detail later this afternoon.

The primary change in View Pointe's proposed budget is an increase in operating expenses due to increased labor costs for vendors and higher utility costs.

For budget assumptions for YHI operations, headcount and incremental growth align with enrollment growth. July headcount includes an Operations Analyst and in January, headcount will increase by two full-time Customer Advocates (CAs). The first two quarters of FY23 had open headcount and FY24 assumes all positions are filled as of July 2023. Merit is assumed at 3%, which is consistent with current practices and historical norms. Market is assumed at 2% for FY24 and 1% beyond. Employee benefits assume 15% growth in medical and historical increases for other benefit programs. Currently, participation in our simple IRA is 53%. The FY24 budget assumes participation of 70%.

We have added \$120,000 for the agent/broker marketing program which assumes 40 licensed brokers with a match of up to \$3,000 per broker. Always Present marketing and outreach continues and is a driver of enrollment stability throughout the year.

Chair Settles asked if the brokers would pay toward advertising and then YHI would match the amount.

Mr. Kelly responded that while we are still developing the process and criteria, the idea is that it would be a dollar for dollar match up to \$3,000, either at the time of sale or through a reimbursement. YHI would control the advertising itself to ensure consistency of messaging and brand. We are hopeful that we can develop criteria in those awards that will help us reach the underserved communities and the Hispanic markets. We are still working out how it will be allocated across the state and how to make it fair and equitable while balancing the communities that we want to reach.

Chair Settles asked if YHI would facilitate the agents' and brokers' access to the promotion.

Mr. Kelly said we are estimating about 40 licensed brokers, which would mean that they are also certified with YHI. They would go through an application process and we would award the dollar match based on the criteria in the Request for Application (RFA). It would take about 1,000 enrollments to pay for this program.

Chair Settles asked if it would be primarily used as a tool to try to attract new enrollees.

Mr. Kelly replied that in thinking about how to reach our goal of 125,000 enrollments by 2025, we are trying to find ways to help our agents be more efficient finding and serving potential enrollees. We think that a local agent might have a better chance at connecting with the Hispanic market or other underserved communities than we have with our broad-based marketing.

Mr. Donaca asked if 1,000 enrollments spread across 40 brokers was a reasonable goal.

Mr. Kelly responded that if you assume the 1,000 enrollments to be equally distributed across the brokers at 25 each, that growth is very attainable.

Ms. Lane continued with budget assumptions, saying business insurance assumes growth consistent with historical experience. Directors & Officers and Errors & Omissions assume 12% growth, while General Liability assumes 3%. Cyber & Media Liability assumes 30% increase, as FY23 saw a 58% increase. FY23 had a single audit for the modernization grant but FY24 does not have a single audit. The GetInsured contract has an increase of \$1.3 million. Our seasonal workforce supports the workload during OE and the strategic goal of 125,000 in FY25.

Chair Settles asked when YHI was last fully staffed.

Mr. Kelly replied that it was likely the end of 2016, before the implementation of the support center.

Ms. Lane stated that several scenarios were considered for FY24 to ensure YHI's compensation remains competitive in the current market. These scenarios are not included in the FY24 proposed budget, but they were discussed with the Governance Committee.

As stated, the proposed market pool is 2%. Given current economic dynamics, an additional 1% would provide greater flexibility to reward and retain current team members. Moving market from 2% to 3% is a cost of \$45,000.

An increase of 1% to the variable pay pool for managers and above would be \$9,200. Supervisors are currently grouped with the rest of the team at 5%. Giving them a 1% bump would cost \$5,250. These costs are linear, so a 2% bump would simply be double the cost.

These changes, if implemented, would provide another tool to ensure that YHI has the resources needed to meet our operational and strategic goals.

Chair Settles asked if this move was driven by the Governance Committee.

Mr Kelly replied that this same set of sensitivities was discussed with the Governance Committee last week, as this is the area of the budget where they have oversight. After some discussion, they supported the increase in market from 2% to 3%. They also supported increasing the variable pay pool for managers from 6% to 7% and directors from 7% to 8%. They also supported the last sensitivity where we separate the supervisors from the rest of the team and the Governance Committee recommended these changes to the Board. Ms. Lane has run these changes through the models and confirmed that this is about a \$60,000 change for the year.

Chair Settles stated that if these changes have made it through the Governance Committee, he is comfortable that they have been thoroughly vetted.

Mr. Donaca asked about the intent of presenting these scenarios to the Finance Committee if they have already been recommended by the Governance Committee.

Mr. Kelly replied that it was a matter of timing, that the Finance Committee materials were sent out prior to the occurrence of the Governance Committee meeting. If the Finance Committee votes to recommend the budget including these sensitivities, the P&Ls will be revised before they are sent to the Board.

Chair Settles said that we have the room to make these changes and he feels it is the right thing to do.

Mr. Donaca stated that he has been involved with a subcommittee that discussed several things, some of which were similar to this. He asked if the Governance Committee had discussed this.

Mr. Kelly replied that the Governance Committee held an executive session, and a motion regarding long-term compensation followed the executive session. There were no dollar amounts discussed, so any costs associated with that are not included in the proposed budget. He added that based on the motion that came out of the Governance Committee, he assumes there will be an executive session at the Board meeting to cover that topic and based on those discussions, we will adjust or not, based on what the board decides to do, following that executive session.

Ms. Lane continued with CapEx for the budget assumptions. FY24 assumes technology enhancements of \$550,000, dropping to \$500,000 for FY25 and beyond. Other CapEx is assumed at \$100,000 for break/fix items and contingency.

For View Pointe, revenue aligns with current leases and assumes lease renewal for existing tenants. Expenses reflect the current contracts and consumer price increases of 3%, with CapEx of \$60,000, which has not changed and will be assumed in FY25 and beyond.

Chair Settles asked if the \$550,000 for technology enhancements was maintenance costs or if there were specific enhancements planned.

Mr. Reddish explained that GetInsured has done a great job in enhancing the products we need. These funds are reserved more for functionality that GetInsured would not handle or federal or state policy changes that drive technology updates.

Ms. Lane presented the YHI operations quarterly income statement. There is a \$2.5 million increase over the FY23 forecast for assessment fees, with most of that from an increase in enrollment and a smaller portion from the average premium increase. There is an \$87,000 increase over the FY23 forecast for other income which assumes the current rate of return of 3.5% for CDs and the grant income that we saw in FY23 will not be seen in FY24. Overall, a \$2.4 million increase in the FY24 budget for total income over the FY23 forecast. On the expense side, there's an increase of \$745,000 for personnel costs which includes \$196,000 for FY23 open positions, \$155,000 for FY24 new hires, \$224,000 merit/market, and \$170,000 for benefits and payroll taxes. Marketing and outreach expenses has an increase of \$182,000 which includes \$120,000 for the agent/broker marketing co-op and an increase of \$62,000 for paid advertising. The increase in eligibility and enrollment includes \$1.3 million for the GetInsured contract, \$41,000 for seasonal staffing, offset by a decrease of \$60,000 in DHW costs. Total operating expenses increase by \$2.2 million over the FY23 forecast. Net operating income for FY24 is shown at \$169,000 better than the FY23 forecast.

Ms. Lane reported that there are no significant changes on the View Pointe quarterly income statement other than an increase of \$17,000 in interest on the CD and the annual lease increases for our existing tenants of \$23,000. Operating expenses assume the annual

3% increase to be offset by one-time expenditures in FY23. Net operating income for FY24 is \$41,000 better than the FY23 forecast.

For the consolidated quarterly income statement, the total income variance from FY23 forecast to the FY24 budget is \$2.4 million. The total operating expense of \$2.2 million is an increase over the FY23 forecast with a net operating income increase of \$210,000 over FY23.

Ms. Lane said that for budget assumptions in revenue, enrollment leverages in-year retention plus continued growth due to Always Present advertising and RTE. Medical inflation and competitive market dynamics continue. Based on conversations with the Department of Insurance (DOI), we are assuming a year over year premium change of 4%, with no new carriers entering. The budget assumes 2.49% for the assessment fee in FY23 and FY24 but assumes a decrease in FY25 to 2.39% and that is shown in the projections out to FY29. Enrollments in January 2024 assume 114,000 and 125,000 in 2025, with slight growth from 2026 through 2029.

Mr. Kelly said that when we set the assessment fee estimates, we assumed Medicaid unwinding would occur prior to PY23, so our enrollments are lower than what we estimated at that time due to MCC continuing longer than anticipated. For PY22, premiums came in a little better than we thought they would and in FY23, they are not quite as good as anticipated. However, we expect to be on target for FY23 assessment fee revenue.

Chair Settles asked if when we say better than budget or worse than budget does it mean better from the customer's standpoint, so less expensive, or does better mean more expensive and therefore better for our revenue.

Mr. Kelly replied that gross premiums are down about 6% in PY23. Net premium, or how much a consumer pays for health insurance, is up about 10%. We have discussed this in the Marketplace Committee meetings, and we will continue to discuss it at the Board meetings. For the last two years, there have been increases in net premiums largely due to the market dynamics and new carriers coming in. There have been some actions taken in QHP design or guidelines for PY24 that should help create separation between the metal tiers, which should help with the second lowest cost silver, which then helps with APTC. Hopefully we will be able to reverse that trend, as the net premium increase hurts Idahoans who purchase insurance. The increase of 4% in PY24 was discussed at length with our partners at DOI, and it will help.

Chair Settles added that he was pleased to see the projection of the assessment fee decrease in future years.

Mr. Donaca commented that Representative Furniss and DOI had previously shared concerns regarding the forecast for average premium and total enrollment. He asked if YHI was still using the same projections from 12-18 months ago.

Mr. Kelly replied that the main difference in how we look at premiums and revenue today versus a year ago is that we broke out the dental plans from the health plans in terms of how we model average premiums. Most of the confusion last year came from the fact that we had a blended premium that DOI did not recognize as a QHP average premium, it was too low due to the impact of mixing QDP and QHP together. He said that separating those two provides more clarity in terms of year over year changes. Mr. Kelly and Mr. Trexler discussed at length the premium assumptions for PY24. Mr. Kelly said that DOI would likely indicate a higher percentage increase, but YHI tends to be more conservative. Last year, the blended premium was slightly lower than what is assumed this year, largely due to the fact that we were looking at blended rates, not QDP and QHP separately. He said that blending QDP and QHP premiums can cause odd behaviors in projections and splitting them has allowed us to have a cleaner look into the future.

Ms. Lane reviewed the seven-year consolidated income statement and said that in FY24, total income is \$14,123,000 and an incremental increase with assessment fees for FY25, but it is steady in the outer years. The expense side is fairly straightforward, with the biggest increase being the \$1.3 million for GetInsured but expenses flatten out in the outer years. Net operating income in FY24 is unfavorable by \$20,000, but in the outer years we are favorable.

10. Financial Sustainability

Ms. Lane stated that YHI's operating expense cash reserve is about \$6 million, which would cover six to nine months of operating expenses. The capital expenditure reserve is typically for one-time expenses for non-consumable assets. Investment in our strategic initiatives drives revenue growth and lower assessment fee in PY25 and beyond. There is a dip each year in October for the OE media, but the cash balance remains above the cash reserve while lowering the assessment fee.

11. Sensitivity Analysis

Ms. Lane reported that YHI evaluated several different scenarios including operational dynamics, enrollment stabilizing, and premium fluctuations and distilled those scenarios down to the three with the highest likelihood and impact on the exchange. The scenarios were also performed on assessment fee changes in PY24. Each scenario's impacts are captured separately but can be mixed and matched. It is possible that parts of different scenarios could occur simultaneously, but the financial impacts would likely only be partially additive.

The first scenario explores what would happen if premium increases do not occur. The current budget assumes premium growth of 4% in PY24 and increases of 2% in PY25 and beyond. The scenario assumes changes in premium are a 1% decrease for PY24 and beyond. The assessment fee would need to be increased to 2.59% in PY24 and 2.69% in PY27. The likelihood of this scenario is low.

Chair Settles asked if YHI was aware of any plans that would impact premiums from the legislature, DOI, or the governor's office.

Mr. Kelly responded that he was unaware of any upcoming changes and added that the high risk pool (HRP) board has not set the funding for PY24, but he assumes it will be consistent with what it was this year. The legislature has moved on from the large discussions on health insurance and Medicaid expansion.

Ms. Lane said the second scenario that was evaluated is if enrollment growth slows. The current budget assumes 125,000 enrollments in FY25, with 2% growth year over year until PY27, with 1% growth for PY28 and beyond. The scenario assumes 0.5% per annum growth for PY26 and beyond and shows us start to dip into the cash reserve by PY28. However, this scenario assumes no change to the assessment fee. The likelihood of this scenario is medium.

The third scenario presented by Ms. Lane is regarding assessment fee reductions. The current budget assumes the assessment fee remains at 2.49%, with a reduction to 2.39% in PY25 and beyond. This scenario assumes a decrease in the assessment fee to 2.39% in PY24 and beyond, which would make Idaho's assessment fee lower than that of the proposed Federally Facilitated Marketplace (FFM) rate of 2.5%. It is risky to lower the assessment fee prior to understanding premiums in PY24 and it could drive a bigger future increase if premiums decline.

Chair Settles, Dr. Fairfax, and Mr. Kelly briefly discussed premiums in states that utilize healthcare.gov and the FFM fee, which is 2.75% in PY23 and proposed at 2.5% for PY24.

Mr. Donaca commented that he does not see a reason to reduce the fee, especially for FY24, as we are already at least \$20,000 off and potentially could be \$80,000 off.

Motion: Mr. Donaca moved that the Finance Committee recommend to the Board the assessment fee of 2.49% for Plan Year 2024. **Second:** Dr. Fairfax. **The motion carried.**

Motion: Dr. Fairfax moved that the Finance Committee recommend to the Board approval of the Fiscal Year 2024 YHI operating expense budget at a not-to-exceed amount of \$13,908,047 as presented today. **Second:** Mr. Donaca. **The motion carried.**

Motion: Dr. Fairfax moved that the Finance Committee recommend to the Board approval of the Fiscal Year 2024 YHI capital expense budget at a not-to-exceed amount of \$650,000 as presented today. **Second:** Mr. Donaca. **The motion carried.**

Motion: Dr. Fairfax moved that the Finance Committee recommend to the Board approval of the Fiscal Year 2024 View Pointe operating expense budget at a not-to-exceed amount of \$294,459 as presented today. **Second:** Ms. Malek. **The motion carried.**

Motion: Dr. Fairfax moved that the Finance Committee recommend to the Board approval of the Fiscal Year 2024 View Pointe capital expense budget at a not-to-exceed amount of \$60,000 as presented today. **Second:** Ms. Malek. **The motion carried.**

12. Financial Policies

Ms. Lane stated as part of YHI's ongoing internal review process, three financial policies were reviewed to ensure alignment with operational practices.

The payroll policy was last updated in March of 2018 and the changes reflect the correct payroll company and accurate operational processes.

Chair Settles stated that in that policy, there is a statement about an accountant creating a paycheck. He asked if "accountant" refers to a YHI team member or an external firm.

Ms. Lane replied that it is a YHI team member.

Ms. Lane continued, saying the revenue policy was last updated in March of 2020. The changes to this policy reflect the correct assessment fee.

Chair Settles noted that this policy mentions grant funds and stated that if we are not going to continue to receive grant money, we might consider removing that language.

Mr. Kelly responded that while there are currently no opportunities for grants, that could change in the future. If we remove the grant language from the policy now, we will have to put it back in order to draw funds from any future potential grants.

Ms. Lane said the accounts payable policy was last updated in March of 2018. The changes to this policy reflect accurate operational processes.

Motion: Dr. Fairfax moved that the Finance Committee recommend to the Board the approval of the Financial Policies as presented today. **Second:** Ms. Malek. **The motion carried.**

13. FY23 Goals Update

YHI's Idahoans' Experience goal is comprised of our Net Promoter score (NPS) measured both during and outside of OE. NPS at the end of OE was 69, compared to a goal of 43, which is 100% outcome. Outside of OE, NPS is 68, which is also trending at a 100% outcome.

Pertaining to our Retention and Enrollment goal, Mr. Kelly reported that OE ended this year with enrollment just short of 94,000, which is 91% for that goal. Auto-renewals ended at 99.9% and enrollments are trending above last OE.

Our Risk Management goal is made up of two parts. The first part is related to our phishing campaigns. Period to date response rates are 0.6%, which is 100% outcome. Proper reporting is at 93%, which is 60% outcome. The other part of this goal is brand image, which is measured via the annual customer survey. We measure the differential between those who see us favorably and those who see us unfavorably. We had a +70-point differential, compared to a goal of +59, so that is 100% outcome.

We still have a few months to go before the Low Cost Promise goal is final, but we are on track for 100% outcome.

Employee Engagement is measured on the Gallup Q12 survey that will be deployed in May. We are working toward that goal with eNPS and Top Companies surveys, stay interviews, total compensation, and monthly one-on-one meetings with managers and team members.

Dr. Fairfax commented that the retention rate of 99.9% seemed very high, considering that people go in and out of the job market so frequently and possibly gain insurance through an employer.

Mr. Kelly explained that the 99.9% rate refers to auto-renewals, so when people login to YHI on the first day of OE, they have their tax credit and their new plan, giving them everything they need to start. For OE23, we had about 23% growth in new enrollments, meaning that we retained 77% of our customers from 2022 to 2023.

Chair Settles said that it is not a measure of how interested people are in having insurance, it is a measure of how easy we are making it for them to have insurance.

14. Next Meeting

Ms. Sparks will reach out to schedule the next meeting, which will be held in June.

15. Adjourn

There being no further business before the committee, the Chair adjourned the meeting at 3:35 p.m.

Signed and respectfully submitted,



Kevin Settles, Committee Chair