

FEE ASSESSMENT POLICY

WHEREAS, the Idaho Health Insurance Exchange, an independent body corporate and politic created by the Idaho Legislature under Idaho Code Section 41- 6101 *et. seq.* (the “**Act**”), doing business as Your Health Idaho (the “**Exchange**”), is empowered by the Act to assess and collect fees from exchange users and participating health carriers (“**Carriers**”); and

WHEREAS, the Act provides that the Exchange shall be financially self-supporting; and

WHEREAS, the Exchange Board of Directors (the “**Board**”) established an initial fee (“**Fee**”) of 1.5% of the total premium due for individual and small group policies (collectively, “**QHPs**”) certified by the Exchange and sold through the Exchange’s individual and SHOP marketplaces or direct enrollment, which Fee has been and shall be periodically reviewed by the Board has been and may be adjusted in the Board’s discretion; and

WHEREAS, the Fee will be assessed on and payable by the Carriers; and

WHEREAS, the proceeds of the Fee shall be used to establish reserves and cover operational and other costs of the Exchange; and

WHEREAS, the Board has determined that it should adopt a policy setting forth the process by which the Fee shall be collected, and addressing other matters relating to the Fee; and

WHEREAS, the Board anticipates that the process contemplated by this Policy for collecting the Fee will be subject to revision as the federal government improves its systems, which are currently being utilized by the Exchange; and

WHEREAS, the Board has evaluated the impacts of an Assessment Fee as a percent of premium due and due to historical experience and to minimize the impacts of premium changes on the Exchange’s primary revenue stream, the Board recommends moving to a per member per month (PMPM) approach for collecting Assessment Fees.

WHEREAS, the Exchange staff has worked with the Carriers to minimize any burden the assessment process may impose on the Carriers, notwithstanding the current limitations of the federal marketplace.

1. The Fee is set at \$11.75 per member per month (PMPM) for QHPs and \$0.75 PMPM for Qualified dental Plans (QDP) sold through the individual and SHOP marketplaces.

2. The Fee shall be effective beginning January 1, 2025 and will remain in effect until adjusted by the Board.

3. The amount of the Fee will be determined based on a reporting mechanism developed by the Exchange in consultation with the Carriers.

4. The reporting mechanism described in this Policy is solely for purposes of the Fee. The Exchange may periodically request additional information from Carriers as necessary to

monitor and support the growth and success of the Exchange as a voluntary health insurance marketplace for Idaho residents.

5. If a Carrier fails to comply with this Policy, the Exchange reserves all rights and remedies to respond, including the right to remove some or all of the Carrier's QHPs from the Exchange's marketplace. The Board must approve any action taken against a carrier for non-compliance with this Policy.

6. The Executive Director, the Finance Director, and other Exchange staff are directed to implement this Policy and to distribute this Policy to the Carriers.

APPROVED