



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

**Board of Directors Meeting Minutes
Friday, March 15, 2024**

Board Members Present

- Ms. Janice Fulkerson, Chair
- Ms. Heidi Hart, Vice Chair (via videoconference)
- Ms. Tara Malek, Secretary (via videoconference)
- Mr. Kevin Settles, Treasurer
- Mr. Bobby Cuoio (via videoconference)
- Mr. Hyatt Erstad
- Ms. McKenzie Kraemer (via videoconference)
- Mr. Trent Nate
- Dr. Nicole Odom (via videoconference)
- Mr. Peter Sorensen (via videoconference)
- Mr. Brett Thomas (via videoconference)
- Ms. Julie Triepke
- Ms. Shannon Hohl for Director Dean Cameron (via videoconference)

Others Present

- Mr. Pat Kelly, Your Health Idaho
- Mr. Kevin Reddish, Your Health Idaho
- Ms. Nichol Lapierre, Your Health Idaho
- Mr. Bobby Vernon, Your Health Idaho
- Ms. Kelly Fletcher, Your Health Idaho
- Ms. Kilee Lane, Your Health Idaho
- Ms. Julie Sparks, Your Health Idaho
- Ms. Stephanie Husler, Your Health Idaho
- Ms. Lindsay Kaylor, Your Health Idaho
- Mr. Mike Stoddard, Hawley Troxell
- Ms. Jennifer Palagi, Idaho Department of Health and Welfare (via videoconference)

1. Call to Order

Following proper notice in accordance with Idaho Code Section 74-204, the Board of Directors meeting of the Idaho Health Insurance Exchange (Exchange) was called to order by Ms. Fulkerson (Chair) at 9:03 a.m., Friday, March 15, 2024, 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. 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

Ms. Malek called roll and determined that Chair Fulkerson, Ms. Hart, Mr. Settles, Mr. Cuoio, Mr. Erstad, Ms. Kraemer, Mr. Nate, Dr. Odom, Mr. Sorensen, Mr. Thomas, Ms. Triepke, and Ms. Hohl for Director Cameron were present, resulting in a quorum. Mr. Donaca, Dr. Fairfax, Representative Furniss, Senator Hartgen, and Senator Ruchti were absent.

3. Prior Meeting Minutes

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

Motion: Mr. Erstad moved to approve the meeting minutes from the December 15, 2023, Board meeting as presented today. **Second:** Ms. Malek. **The motion carried.**

4. Review Agenda

Chair Fulkerson reviewed the agenda, no changes were made.

5. Review Roadmap

Chair Fulkerson reviewed the roadmap, no changes were made.

5. Board Transitions and Committee Appointments

Chair Fulkerson introduced the two newest members of the Your Health Idaho (YHI) board, Julie Triepke and McKenzie Kraemer. Ms. Triepke and Ms. Kraemer each took a few minutes and introduced themselves to the board.

Motion: Mr. Erstad moved that the Board approve the appointments of McKenzie Kraemer to the Marketplace Committee and Julie Triepke to the Governance Committee
Second: Mr. Settles. **The motion carried.**

6. Executive Summary

Mr. Kelly gave a brief summary of the recent and current happenings for the YHI team, including his service on a panel at the annual America's Health Insurance Plans (AHIP) conference and the exchange's annual presentations to the legislature. Currently, there is no legislature proposed at the state level that directly impacts YHI. At the federal level, we await finalization of the Notice of Benefit and Payment Parameters (NBPP) for Plan Year 2025 (PY25).

Team member engagement continues to be top of mind for the YHI team. Efforts to increase engagement include annual total compensation and stay interviews. New this year are new hire interviews.

YHI has been recognized for its commitment to both the YHI team and Idahoans with the granting of several awards. For the second year, YHI is a recipient of the Idaho Business Review Top Companies in the Treasure Valley award. In addition, YHI has earned the inaugural Empowering Women for 2024 award. Next month, members of the YHI team will travel to Las Vegas to accept a Stevie award for innovations in customer service.

Revisit Strategic Initiatives | FY25 Goal Concepts

8. Revisit Strategic Initiatives

Mr. Kelly reminded the board that in 2021, YHI established a single, long-term strategic goal to enroll 125,000 Idahoans by 2025. Since that goal was nearly met a year early, we decided to revisit YHI's strategic initiatives. We embraced the concept of Big Hairy Audacious Goals (BHAGs) to provide clarity, direction, and motivation. With an eye toward simplification, we are recommending three BHAGs. The first is 203,000 enrollments for Open Enrollment 2030 (OE30). The second BHAG is a Net Promoter Score (NPS) of 90, measuring both customer and employee NPS (eNPS). The third is to maintain the lowest operating costs of all state-based exchanges in the country. These BHAGs fall into three distinct categories: Idahoans' Experience, Enrollment Growth, and Low-Cost Promise. Each of these categories supports the others and the goals in any one category cannot be achieved without the success of the other two. The YHI executive team has proposed tactics for each category and board members were asked to provide ideas for tactics as well. Mr. Kelly reviewed the suggestions of the executive team, after which there was robust discussion by the board.

With respect to the potential for YHI to provide services to other states, the board asked which states do not have exchanges and might therefore be interested in partnering with YHI for exchange eligibility and support services. It makes the most sense to partner with neighboring states, mainly Montana and Wyoming, with Alaska being a possible exception. The discussion included what next steps might look like, including possibly needed legislation to grant authority. There was general interest in learning more details and exploring this option.

Regarding hiring permanent headcount instead of seasonals, while it is unlikely that YHI could act as a call center for another state as GetInsured now includes the call center and exchange as a package, providing support center services for businesses in Idaho is a potential option. The question of requiring a non-compete clause in the case of contracting out YHI team members was mentioned.

The board discussed ideas for additional services that could be offered with a separate instance of the HIX to provide a shopping platform for other products such as indemnity products like Aflac or Colonial or possibly Medicare. The potential difficulties involved in selling Medicare plans were discussed, with the opinion that it could theoretically be done with Medicare Advantage plans and stand-alone Part D plans due in part to the similar flow of funds. It was proposed that YHI could provide support for Medicare health plans and brokers to ease the intensity of the engagement required with enrolling in Medicare.

It was noted that medicare.gov is a useful tool that currently allows consumers or agents to shop and compare Medicare plans side by side. However, if an agent enrolls a consumer through medicare.gov, the agent is not compensated for their time. Having YHI connect the agent and the carrier could potentially be a great resource.

For Idahoans' Experience ideas, there was discussion regarding YHI team members engaging with other organizations, visiting other call centers, or attending the meetings of other boards to inspire new ideas for process improvement or employee engagement. The encouragement of preventative health measures by YHI was discussed to potentially reduce the number of other types of claims.

Educating community partners and the general public was a key topic throughout the discussion. Community hubs such as Chambers of Commerce, Rotary, Civitan, Leadership Boise, schools, hospital business offices, patient financial services, rural health clinics, and non-profits were all suggested as areas of opportunity to conduct outreach and education. An area with great need is educating consumers so they know what their medical or supplemental plans can do for them and the benefits of having a health insurance plan rather than being uninsured. There is potential opportunity to provide plans or education for people who retire early from state entities and rely on PERSI for coverage until they can go on Medicare.

The board expressed interest in regional pop-up enrollment centers during OE. They discussed potential costs, the possibility of having another organization host the pop ups at their physical locations in return for a stipend, and the technical infrastructure and privacy and security concerns that would need to be considered.

Ms. Hohl, who represented the Idaho Department of Insurance (DOI) at the board meeting, indicated that the DOI would be glad to partner with YHI for outreach or education to increase the number of agents certified with YHI. The National Association of Benefits and Insurance Professionals (NABIP) was mentioned as an additional avenue to provide education to agents and brokers.

Other potential areas of opportunity for growth discussed were Individual Coverage Health Reimbursement Arrangements (ICHRA's), the family glitch, managed Medicaid at the state level, and short-term plans. There is the possibility that in the future, the State may consider a multi-payer system for employees. If that happens, the existing exchange could be leveraged.

There was quite a bit of discussion regarding Enhanced Direct Enrollment agencies such as Health Sherpa. Mr. Nate stated that Select Health uses Health Sherpa in Utah and the partnership has been valuable. These agencies have full integration with the Federally Facilitated Marketplace (FFM) and collaboration with them could be a way to expand YHI's reach while maintaining consistency. Something to consider regarding partnering with these agencies is the concern of existing agents potentially seeing it as competition. Mr. Nate offered to coordinate a conversation between YHI and sales leaders in Utah.

There was a discussion about AI and the growing trend around local large language models (LLMs), like ChatGPT. YHI could possibly build a proprietary local LLM that would provide consistency and speed of information, which could enhance the customer and agent experience. Having the LLM localized would mitigate some security issues.

The need for communication between YHI and carriers was discussed. It was suggested that the carriers who were not represented at this meeting be asked the same questions to get their feedback and ideas. Additionally, if the carriers are made aware of YHI's enrollment goals, they can push for the goals as well.

9. FY25 Goal Concepts

Mr. Kelly said simplicity was kept in mind as the YHI team developed goal concepts for Fiscal Year 2025 (FY25) and this is reflected in the three categories for FY25 variable pay goals, which continue to be Idahoans' Experience, Enrollment, and Low-Cost Promise. Several goals will be based on individual accountability, and we will introduce a retention award, with \$100 per year with YHI paid annually on a team member's service anniversary date. Culture and leadership remain key, however there will not be variable pay tied to this category. Assuming general support from the board, these goals will be brought back at the June meeting with metrics for board approval.

10. FY24 Goals Update

Mr. Kelly presented an update on the current status of YHI's variable pay goals. NPS is 68, which is 110% payout. Brand image was achieved at 100%. The low-cost promise goal is on track and trending toward 100% payout. Risk management is an individual accountability goal, with all but seven team members currently eligible for 100% payout. A current eNPS score of 53 is a great score but results in no payout for the corporate leadership and culture goal.

At this time, the board took a ten-minute break.

11. View Pointe Update

Mr. Kelly provided a brief review of the Executive Committee's role and YHI's role as owner and landlord of the View Pointe property. The Committee may meet and take action to respond to urgent issues where it is not practical to hold a board meeting. Any significant Committee actions must be reviewed and ratified or amended by the full board. The View Pointe property was purchased in 2020 and includes the space occupied by YHI as well as the tower next door.

The need for an Executive Committee meeting arose in January when YHI became aware of some urgent repair needs in the View Pointe complex. The fire panel required an upgrade that exceeded our approved CapEx budget with an estimated cost of \$80,000. The only elevator in the building had become unreliable and if it is not operational the building is out of compliance with the Americans with Disabilities Act. The cost of the elevator repairs is challenging to estimate as the source of unreliability varies. The HVAC systems, which are mostly original to the building, were unable to keep up with the cold temperatures in January. The cost to repair or replace the systems is estimated between \$1.2 million and \$1.4 million with equipment lead times ranging between four weeks and the end of 2025. YHI maintains cash reserves for this exact reason and has sufficient cash on hand to cover these expenditures.

There was discussion among the board that these repairs are not things that would be nice to have, they are things that are required to be done.

Motion: Mr. Erstad moved that the Board, consistent with the Executive Committee charter, ratify the selection of Peak Alarm to complete the work consistent with the City of Boise approved plans estimated at a not-to-exceed amount of \$70,000 plus electrical work as defined in the approved plans and delegate authority to the Executive Director to negotiate and execute contracts consistent with the work as presented today and as may be deemed necessary by the Executive Director, any contrary requirements in YHI's procurement policy are waived to allow the execution of contracts. **Second:** Mr. Settles. Discussion on the topic included that there was no need for a Request for Purchase (RFP) to be issued and that multiple bids were obtained. **The motion carried.**

Motion: Mr. Erstad moved that the Board, consistent with the Executive Committee charter, ratify the actions of the Executive Committee, which were to ensure elevator operation meets or exceeds requirements to remain in compliance with ADA, secure bids from two elevator contractors when feasible, and delegate authority to the Executive Director to negotiate and execute contracts consistent with the work as presented today and as may be deemed necessary by the Executive Director, any contrary requirements in YHI's procurement policy are waived to allow the execution of contracts. **Second:** Mr. Settles. **The motion carried.**

Motion: Mr. Settles moved that the Board, consistent with the Executive Committee charter, ratify the Executive Committee's actions to approve the selection of a vendor to complete the work necessary to ensure HVAC operations that meet or exceed requirements to remain in compliance with existing leases at a not to exceed amount of \$1.368 million and delegate authority to the Board Chair, Finance Chair, and Executive Director to negotiate and execute contracts consistent with the work as presented today and as may be deemed necessary by the Board Chair, Finance Chair, and Executive Director, any contrary requirements in YHI's procurement policy are waived to allow the execution of contracts. **Second:** Mr. Erstad. **The motion carried.**

Operational Updates

12. Enrollment Update

Mr. Kelly gave an update on PY24 enrollment, noting the importance of working with an agent or broker for consumer retention. Higher than expected enrollments were offset by an average premium that was lower than budgeted.

13. Operations and Customer Experience

Mr. Vernon reported that although there was increased enrollment during OE24, inbound volume decreased. This is attributed to improvements in the income verification process and the implementation of real-time eligibility. The year-over-year increase in NPS of 49% is also attributed to these improvements.

14. Customer Survey Results

Ms. Lapierre presented the results of the annual customer survey, which overall showed positive responses in purchasers and non-purchasers regarding their opinion of and satisfaction with YHI. In years past, customer service has been the main complaint in this survey, which is no longer the case in the last two years.

15. Marketing and Outreach Update

Ms. Lapierre gave an update on marketing and outreach, discussing the positive results of the OE24 campaign and refined targeting that resulted in reaching significantly more consumers at a lower cost. New this year was a welcome letter to each new enrollee from Mr. Kelly that included how to contact YHI and other helpful information. She reported that YHI's website has been completely redesigned by the in-house YHI marketing team and the addition of how-to articles to improve consumer self-service is planned for the near future. The board discussed the benefits that have come from advertising year-round instead of only during OE.

Finance Update

13. FY24 Q1 Financial Review

Ms. Lane began with a brief overview of financial and enrollment highlights. For YHI Operations year to date through the end of the second quarter, total income favorability of \$400,000 was driven by higher enrollments and interest earned on the Certificates of Deposit(CDs). Total operating expense favorability of \$250,000 was driven mainly by open positions. Mr. Reddish provided clarity regarding the identity management favorability. Mr. Reddish explained the support provided by the previous vendor, WSO2, was inadequate so YHI chose not to renew with them, and we are looking at different vendors. Overall Net Operating Income was \$650,000 favorable to budget.

View Pointe results year to date through the end of the second quarter, show total income favorability of \$26,000, which was driven by interest earned on the CDs, rent billbacks, and common area maintenance adjustments. This is offset by total operating expense unfavorability of \$23,000, driven by higher utilities, repairs, and maintenance.

The year to date through the end of the second quarter consolidated results show total income favorability of \$426,000 and total operating expense favorability of \$227,000, for a net operating income favorability of \$653,000.

Motion: Mr. Settles moved that the Board, as recommended by the Finance Committee, approve the financial results through December 31, 2023, as presented today. **Second:** Mr. Trent Nate. **The motion carried.**

14. FY24 Financial Forecast

Ms. Lane presented an overview of the FY24 forecast. For YHI operations, assessment fee revenue is forecasted to be above budget due to higher-than-expected enrollments, with this favorability offset by lower-than-expected average premiums. Interest income from our CDs is \$121,000 favorable to budget and operating expenses are projected to be lower than budget. Net operating income is projected to be favorable to budget by \$309,000.

For the View Pointe forecast, favorability in revenue driven mainly by interest income is offset by unfavorability in expenses, which is due to repairs and higher costs of utilities.

For the consolidated YHI operations and View Pointe FY24 forecast versus budget, total income favorability of \$219,000 is driven mainly by higher interest earned on CDs. Total operating expense is favorable by \$84,000 with a total net operating income of \$302,000. CapEx shows favorability of \$60,000.

15. FY25 Compensation and Talent Discussion

Ms. Fletcher presented an overview of the proposed compensation and talent plan for FY25. The proposed headcount of 74 total team members is expected to be sufficient to support budgeted enrollment growth. A third-party compensation survey showed us some opportunities and our goal is to be at 90% of the midpoint, with some positions needing two years to reach that level. The survey informed merit and market pools of 3% and 2%, respectively. The employee benefit structure remains unchanged and includes a 15% increase in medical.

Motion: Mr. Settles moved that the Board, as recommended by the Governance Committee, approve the Compensation and Talent Plan for Fiscal Year 2025, as presented today. **Second:** Mr. Nate. **The motion carried.**

16. FY25 Budget

Ms. Lane gave an overview of the budget process and key items to consider for FY25. For YHI operations in PY24, enrollment was higher than expected and average premiums were lower than expected. The Agent/Broker Co-op Marketing Program will be discontinued due to low participation and replaced with initiatives that provide a better return on investment.

For View Pointe, the primary change in operating expense increase is due to increased labor costs for vendors, higher utility costs, and assumes all tenants remain.

Assessment fees were modeled as both a percentage of premium and a per member per month (PMPM) model. There was discussion regarding the benefits of a PMPM model and the possible implications to carriers. YHI met with all carriers on the exchange and the majority are supportive of a move to PMPM, as is the DOI.

Motion: Mr. Settles moved that the Board, as recommended by the Finance Committee, approve Your Health Idaho to adopt a Per Member Per Month (PMPM) calculation for Assessment Fees, and such rate for Qualified Health Plans (QHPs) is \$11.75 and Qualified Dental Plans (QDPs) is \$0.75 for Plan Year 2025. **Second:** Mr. Erstad. There was discussion regarding capping and how PMPM would work for large families. **The motion carried. As representatives of carriers, Mr. Sorensen and Mr. Nate abstained.**

Ms. Lane and the board reviewed FY25 budget assumptions for YHI operations, CapEx, and View Pointe. Key operations assumptions include an increase in IT privacy and security due to upgrades and subscriptions, assumed growth in business insurance, and a contractual increase with GetInsured. CapEx assumes technology enhancements of \$300,000 and \$100,000 for break/fix items and contingency. For View Pointe, revenue aligns with current leases and assumes lease renewal for existing tenants and expenses reflect current contracts and CPI increases of 3%. CapEx of \$60,000 is for break/fix items and contingency. Other CapEx planned for HVAC repairs in the amount of \$750,000.

The consolidated FY25 budget to FY24 forecast statement shows a total income increase of \$848,000 due to higher enrollments and moving to a PMPM model. Total operating expenses show an increase of \$857,000 driven mainly by personnel expenses.

Motion: Mr. Settles moved that the Board, as recommended by the Finance Committee, approve the Fiscal Year 2025 YHI operating expense budget at a not-to-exceed amount of \$14,645,743 as presented today. **Second:** Mr. Erstad. **The motion carried.**

Motion: Mr. Settles moved that the Board, as recommended by the Finance Committee, approve the Fiscal Year 2025 YHI capital expense budget at a not-to-exceed amount of \$400,000 as presented today. **Second:** Mr. Erstad. **The motion carried.**

Motion: Mr. Settles moved that the Board, as recommended by the Finance Committee, approve the Fiscal Year 2025 View Pointe operating expense budget at a not-to-exceed amount of \$328,359 as presented today. **Second:** Mr. Erstad. **The motion carried.**

Motion: Mr. Settles moved that the Board, as recommended by the Finance Committee, approve the Fiscal Year 2025 View Pointe capital expense budget at a not-to-exceed amount of \$60,000 as presented today. **Second:** Mr. Erstad. **The motion carried.**

Motion: Mr. Settles moved that the Board, as recommended by the Finance Committee, approve the Assessment Fee policies as presented today. **Second:** Mr. Erstad. **The motion carried.**

Ms. Lane presented the sustainability cash flow projection through 2029. There was discussion regarding the compounding effect the percentage of premium model had on the projected cash flow versus the stabilizing effect of a PMPM model.

15. FY25 Audit Firm Discussion

Eide Bailly was approved by the board to continue audit services through FY24. At the recent Finance Committee meeting, the Finance Committee discussed if YHI should continue services with Eide Bailly and change the audit partner or if a Request for Purchase (RFP) should be issued to choose a new audit firm. The Finance Committee reports that Eide Bailly has done a good job and they recommended staying with Eide Bailly.

Motion: Mr. Settles moved that the Board, as recommended by the Finance Committee, approve the continuation of audit services with Eide Bailly, with the change of audit partner, through Fiscal Year 2025. **Second:** Mr. Erstad. **The motion carried.**

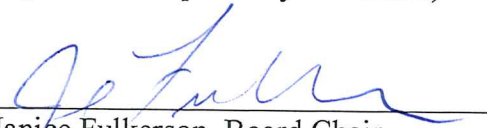
16. Next Meeting

The next board meeting will be Friday, June 21, 2024.

17. Adjourn

There being no further business before the board, the Chair adjourned the meeting at 11:48 a.m.

Signed and respectfully submitted,



Janice Fulkerson, Board Chair