Board Members Present

- Mr. Stephen Weeg, Chair
- Ms. Janice Fulkerson, Vice Chair
- Ms. Tara Malek, Secretary (via videoconference)
- Mr. Kevin Settles, Treasurer
- Mr. Hyatt Erstad
- Dr. Cynthia Fairfax
- Representative Rod Furniss (via videoconference)
- Ms. Heidi Hart (via videoconference)
- Senator Linda Wright Hartgen (via videoconference)
- Ms. Margaret Henbest (via videoconference)
- Ms. Carolyn Lodge (via videoconference)
- Mr. Trent Nate
- Senator James Ruchti (via videoconference)
- Mr. Wes Trexler for Director Dean Cameron (via videoconference)
- Mr. Shane Leach for Director Dave Jeppesen (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
- Ms. Stephanie Husler, Your Health Idaho
- Mr. Matt Fuhrman, Your Health Idaho
- Mr. Ron Groom, Your Health Idaho
- Mr. Mike Stoddard, Hawley Troxell (via videoconference)
- Mr. Shawn Miller, Best Day HR (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 Chair Weeg (Chair) at 8:32 a.m., Friday, June 16, 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 web site. 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 Weeg, Ms. Fulkerson, Mr. Settles, Mr. Erstad, Dr. Fairfax, Representative Furniss, Ms. Hart, Senator Wright Hartgen, Ms. Henbest, Ms. Lodge, Mr. Nate, Mr. Leach for Director Jeppesen, and Mr. Trexler for Director Cameron were present, resulting in a quorum. Senator Ruchti joined via videoconference at 9:50 a.m. Mr. Donaca, Mr. Sorensen, Mr. Thomas, Ms. Tucker, Director Cameron, and Director Jeppesen were absent.

3. Prior Meeting Minutes

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

**Motion:** Mr. Settles moved to approve the meeting minutes from the March 17, 2023, Board meeting as presented today. **Second:** Mr. Erstad. **The motion carried.**

4. Review Agenda

Chair Weeg reviewed the agenda, no changes were made.

5. Review Roadmap

Chair Weeg reviewed the roadmap, no changes were made.

6. Board Transitions and Committee Appointments

Chair Weeg stated that today is his last day on the Your Health Idaho (YHI) Board of Directors. Governor Little has appointed Ms. Fulkerson as the new Board Chair, with Ms. Hart taking her place as Board Vice Chair and Mr. Thomas taking over as the Chair of
the Marketplace Committee. Ms. Henbest, who is one of the original board members along with Chair Weeg, has also made the decision to step down from the board. Ms. Hart will replace Ms. Henbest as the Chair of the Governance Committee.

**Motion:** Mr. Erstad moved that the Board approve the appointments of Heidi Hart as Board Vice Chair, Brett Thomas as Marketplace Committee Chair, and Heidi Hart as Governance Committee Chair. **Second:** Ms. Fulkerson. **The motion carried.**

7. **Executive Summary**

Mr. Kelly acknowledged that Medicaid unwinding was likely top of mind for many board members and said the YHI team has been consumed with work pertaining to unwinding. We originally estimated that of the approximately 150,000 Idahoans on protected Medicaid, we would see about 10,000 enrollments on the exchange. As of this morning, we have passed that goal with 10,066 enrollments. We have also passed the 100,000 total enrollments mark.

In terms of state policy, the Idaho Individual High Risk Reinsurance Pool (IIHRP) board has determined that the impact of the 1332 waiver on the 2024 individual Affordable Care Act (ACA) compliant market will be that rates will be 16% lower than they would be absent the waiver. Preliminary rate filings are under review at the Idaho Department of Insurance (DOI), and we look forward to preliminary rates being released on July 26.

Chair Weeg asked if we knew how many people had enrolled under the 1332 waiver.

Mr. Erstad, who sits on the IIHRP board, said that while we can see how many numbers are submitted, it is more of a mechanism for insurance carriers to be able to provide competitive products.

Ms. Fulkerson, who is the Secretary of the IIHRP board, said that we have the number of lives that are ceded into the pool.

Mr. Nate, who is also on the IIHRP board, added that the waiver has allowed the high-risk pool to move from seven conditions to 27. Approximately 5,000 ceded members by the end of the year are projected, which is a considerable increase over prior years.

Mr. Kelly continued with the federal policy update, saying that the user fee for healthcare.gov states was finalized at 2.20% for Plan Year 2024 (PY24). YHI is investigating the feasibility of a move to a per member per month model for assessment fees in PY25. It is important to remember that YHI has the lowest operating cost per enrollment of any exchange in the country.

On April 26, the Centers for Medicare and Medicaid Services (CMS) introduced a proposed rule to modify the definition of “lawfully present” to incorporate deferred
action for childhood arrivals effective November 1, 2023. The rule is expected to be finalized in November.

The Policy Steering Team (PST), which is comprised of YHI team members, all carriers on the exchange, DOI, and the Department of Health and Welfare (DHW), meets monthly to discuss policy changes, adjustments, and alignment with policy requirements at both the state and federal level. YHI uses PST to ensure that decisions reflect input from our partners. The PST voted to change the default plan sort in YHI’s technology platform to display plans based on the lowest estimated cost instead of lowest net premium. This is expected to enhance the shopping experience and help consumers find the plan that best fits their needs.

8. Strategic Initiatives

Mr. Kelly reminded the Board that in March, they approved six strategic initiatives. Since then, the YHI team has worked to align our variable pay goals with these initiatives. Members of the YHI team presented the goals germane to their departments and the progress since the March meeting.

Mr. Reddish began, saying the security of Idahoans’ information is the foundation of YHI and social engineering presents a huge threat vector. We have found that having too much time between phishing campaigns causes the likelihood of failure to increase. Because of this, we are implementing monthly social engineering campaigns, along with continuing monthly privacy and security training. Multi-factor authentication is critical to security, however, the financial impact associated with over 100,000 enrollments has presented challenges. We are discussing an optional one-time password for consumer accounts with GetInsured.

Our annual Minimum Acceptable Risk Standards for Exchanges (MARS-E) audit was completed in March, which included the annual penetration test and internal controls review. Shortly after that, the IRS performed a safeguards audit. These audits were similar in some ways, with the IRS focusing more on federal tax information. The IRS audit was expected to happen in 2025, the earlier date meant that Mr. Reddish’s team spent a lot of time preparing for that off-cycle audit.

While YHI does have a disaster recovery plan in place, we continue to perform disaster recovery scenario planning. If we were to experience a catastrophic loss, such as our building burning down, we would need to be able to get the business back up and running in a timely manner.

Mr. Groom stated that a flawless customer experience is a cornerstone of what we do. We have several things in progress to help us provide that flawless experience, such as finding ways to increase automation, either through our website or Interactive Voice Response (IVR) when consumers call us. We make sure to provide timely feedback on opportunities and improvement for our Customer Advocates (CAs) and we keep an eye on Net Promoter Score (NPS), First Call Resolution (FCR), and inventory aging.
Additionally, we have a focus on regular communication, both internally and with our consumers and partners. We have also been working to ensure that we have an appropriate headcount to ensure that we can handle the call and ticket volumes.

Ms. Fulkerson and Mr. Groom briefly discussed some specific features of the IVR, which is still in the early stages.

Chair Weeg noted that for the past few years, YHI has struggled to find and maintain the headcount needed. He asked for an update on how that was going.

Mr. Kelly replied that it has been a challenge to find people who show up on the first day of training and then follow it through to completion. From accepting an offer of employment to exiting training, the completion rate has been about 50%. We have reflected upon this and ways to increase engagement immediately upon stepping through our door and we have had some success, with the completion rate for the last two classes being around 70%. He added that regarding headcount, we are close to where we need to be for customer facing roles.

Ms. Lapierre said our partnerships are another cornerstone of our success. New this year is the co-op marketing initiative, which aims to focus on underserved communities and help agents grow their business. We continue to build on relationships with hospitals, community health centers, DHW, DOI, and communities in Idaho.

Mr. Kelly stated that one of YHI’s overarching goals was set in 2021, and that is to enroll 125,000 Idahoans by 2025. The deployment of real-time eligibility, our Always Present marketing campaign, and Medicaid unwinding have all helped to move us closer to that goal. Some longer-term initiatives we are looking at to help us reach this goal are EZ enrollment, individual health savings accounts, and small business enrollment options. EZ enrollment is an initiative where the consumer voluntarily engages with us via the tax filing process. We are in very early discussions about the feasibility of these initiatives.

Ms. Fletcher said for corporate leadership and culture, our priority is focusing on YHI’s team members. We are building bench strength across the organization through professional development, ameliorating leadership development programs, and developing a comprehensive succession plan. Our monthly one-on-one reviews, stay interviews, and annual reviews offer great opportunities for conversation and feedback. The Gallup and Employee Net Promoter Score (eNPS) surveys allow for anonymous feedback and information on how we can improve.

Ms. Fulkerson added that Mr. Kelly had shared with her that he and his team have been participating in leadership workshops where they individually read a book about leadership and then meet to discuss it. She said by reading a book together, the team will develop a common language and culture and said she thinks it is a great idea.

Ms. Lane said fiscal stability is the culmination of several efforts across the organization. These efforts include maximizing team member retention through engagement activities, such as corn hole tournaments, dress up days, weekly and monthly one-on-one reviews,
and an all-hands lunch when a new training class starts. Other efforts include hiring seasonal team members directly and reallocating resources as needed. We also hold a monthly financial review with the directors of each department and have an annual audit and budget performance review. We will continue outreach efforts to encourage and support growth in our Connectors’ books of business.

9. Team Member Engagement

Ms. Fletcher shared that she and Ms. Martinez attended a human resources conference in May. The conference focused on team member engagement, and they were pleased to find that YHI already does a lot of the activities suggested at the conference. We have events scheduled weekly, monthly, quarterly, and annually to make sure our team members feel heard and like they are part of the team.

Ms. Fletcher reminded the Board that YHI measures team member engagement with our eNPS survey that is deployed once a month. It is brief, anonymous, and administered through Bamboo HR. The first time we administered the survey was in November of 2022 and we had a score of 54. We conducted the survey again in February and May of 2023 and the scores were 31 and 32, respectively. We think the high score in 2022 was the result of the successful implementation of real-time eligibility. The score for the survey just conducted in June was 60; that score is still being analyzed.

New themes noticed in May were promoter comments about pay, perks, benefits, recognition, and the type of work we do. Comments made by detractors were about staffing/scheduling and work-life balance.

Ms. Hart asked if the team was having to put in a lot of overtime to keep up.

Ms. Fletcher replied that Medicaid unwinding has definitely impacted our volumes and while the demand has been unpredictable, it is less than before real-time eligibility.

Mr. Nate asked if there was identifiable variance in participation in the eNPS survey, due to the large variance in the scores.

Ms. Fletcher replied that participation has been steady, ranging from about 70%-80%.

YHI first deployed the Gallup Q12 survey in 2016 and has repeated it annually since then. This year, we had a 98% response rate and the overall grand mean decreased from 4.47 to 4.41. Even though the score declined, it is still an excellent score and the second highest YHI has ever achieved. All questions had a score of 4.1 or higher. Looking at eNPS and Gallup results, the scores from 2022 appear to be anomalies driven by real-time eligibility euphoria. Despite our very good score, the team member engagement goal was missed.

Ms. Fletcher said that stay interviews were conducted one on one with team members in April and May. Overall, team members recognize and appreciate YHI’s efforts. Most
team members said that they can see themselves staying at YHI for at least two more years. They are aware that YHI offers professional development opportunities and say that training has improved over time. Team members acknowledged that while they feel at times that we are understaffed, they know that hiring is ongoing and currently difficult. Suggestions for improvement included more company-wide activities, more availability of private space and breakout rooms, and hybrid work options.

Ms. Fulkerson asked if professional development was optional or mandatory and how high the participation rate is.

Ms. Fletcher replied that we encourage team members to utilize the Pryor+ platform when they have free time to help them learn new skills. It is optional and self-directed.

Ms. Hart asked what privacy and security considerations there would need to be in order to offer more hybrid work options.

Mr. Reddish said the security requirements are laid out in the MARS-E framework, detailing what constitutes a compelling business reason for hybrid work. The YHI team continues to discuss this to come up with solutions that fulfill the requests of the team while maintaining the required security standards.

Ms. Fletcher summarized the importance of team member engagement as part of YHI’s culture. The anonymous surveys conducted show where and how to improve and enhance team members’ experiences and professional growth.

Mr. Kelly said while our Gallup survey score was excellent, we did not achieve the goal that had been set, which means there is no payout for that goal. However, concerns were raised by committee members during the Governance Committee meeting that not paying out on the goal could send the wrong message, considering the effort that had been put into it. They acknowledged that when you already have a high score, it is difficult to improve that score. The committee asked YHI to come to the board with a proposal for a payout of the goal. After internal discussion and debate, we are proposing an 80% payout on the team member engagement goal for Fiscal Year 2023 (FY23).

Several members of the board discussed the work that has been done by YHI leadership to not only receive such a high score but to have had no scores below a four this time. It was decided that although the goal was not reached, a payout of 80% was appropriate, with the understanding that moving forward, there will be a greater focus on setting goals that are attainable.

**Motion:** Mr. Erstad moved that the Board approve 80% payout of the FY23 Team Member Engagement variable pay goal. **Second:** Ms. Fulkerson. **The motion carried.**
10. FY23 Goals Update

Mr. Kelly gave an update on the goals that are currently in progress. The first one is Idahoans’ Experience which is measured by our NPS. As of today, our NPS is 64 compared to a goal of 39, which means this goal is on track for 100% payout.

The second goal is Low-Cost Promise which measures improvement from the approved FY24 budget net operating income. We are projecting that our net operating income will exceed this goal by $253,000, which is 100% payout. As a matter of good governance, this goal will not be paid until after our financial audit is complete.

Ms. Fulkerson observed that our NPS is great and in terms of realistic goal setting, there should be more discussion about it similar to the Gallup survey results.

Chair Weeg suggested that perhaps instead of a hard, single number, the goal could be to land in a certain range.

Mr. Kelly continued with Risk Management, the last goal that is currently underway. This goal primarily focuses on our phishing campaigns, as phishing remains a huge threat vector to YHI. Performance to date has been below where we like it to be. There was a lot of time between the first campaign in this period of performance and the previous campaign, which meant it was not top of mind and we believe that is what caused the scores to drop. The second and third campaigns in this period have had better results and we are hopeful that we will be able to have a 60% payout for this goal.

11. FY24 Variable Pay Goals

Each of the variable pay goal owners presented their respective goals for FY24.

Mr. Groom reported that NPS will continue to be the primary component for measuring Flawless Customer Experience. Understanding that the current NPS is extremely high, increases to that score are expected to be moderate. The fiscal year will be divided into two periods of performance: July through December and January through June. An NPS of 67 would constitute 100% payout, 66 would be 80%, and a score of 65 would be 60%.

The second part of the Flawless Customer Experience goal is brand image, which will be based on the results of the annual customer survey and measures how favorably consumers view YHI. The net favorability rating will be measured and compared to the average of the results from 2019 through 2023, which is 61. A score of 65 will be 100% payout, 63 will be 80%, and 61 is the 60% achievement of this goal.

We have also added an individual accountability component to this goal. Using the Quality Assurance (QA) program already in place, CAs and leads will be recognized for exceptional performance. Based on a 20-60-20 bell curve, team members will be recognized with the top 20% receiving $200 and the middle 60% receiving $100. Periods
of performance will be July through December and January through June and the budget will be funded from the existing compensation plan, estimated to be $6,000 per year.

Ms. Fulkerson asked if everyone would be able to reach the top 20% or if it was spread out across everyone, and Mr. Groom explained that the bell curve would include all of the CAs, so only the top 20% of CAs could receive the $200 payout.

Ms. Lane explained that the Enrollment and Low-Cost Promise goals go hand in hand. Enrollment is based on our approved FY24 budget, which assumes a 23% increase in enrollments for Open Enrollment (OE) 2024 and is very challenging. 116,000 enrollments as of the end of OE represents the 100% threshold and 110,000 enrollments is the 80% threshold. While we are seeing enrollment growth this year due to Medicaid unwinding, we know that population is likely more transient than our base population, so this goal is still significant.

The Low-Cost Promise goal measures improvement from the approved FY24 budget net operating income. A 3%, or $97,000 improvement for net operating income budget is the 80% threshold and a 5%, or $162,000 improvement is the 100% threshold.

Mr. Settles commented that reaching 116,000 enrollments seems like a very large goal, and Mr. Kelly agreed. He added that it is in line with our goal to reach 125,000 enrollments in 2025 and also tied to the approved FY24 budget.

At this point, there was considerable discussion from the board regarding the attainability of such a high goal, the unprecedented rate of growth it would require, and whether the target should be set lower. Concern was expressed about the demoralizing effect it could have on the team if compensation was attached to a goal that feels impossible to achieve. A question about the current rate of uninsured individuals in Idaho was posed to Mr. Trexler, who provided that number during a short break later in the meeting (10.2% non-elderly in 2021). Chair Weeg suggested the discussion be tabled for the time being.

Mr. Reddish presented the FY24 Risk Management goal, saying that it would still be measured by phishing campaigns and follow the same periods of performance as the previously discussed goals. This year, we have shifted from Risk Management being a team goal to one that focuses on individual accountability, which will provide a better relationship between individual behaviors and risk mitigation. There will be six phishing campaigns and in order to reach 100% achievement, team members have to properly report and not respond to all six campaigns. The 80% achievement would be reached by those who miss one. We have found that the same people miss campaigns over and over, so anyone who misses more than one will not receive any payout for that period.

Ms. Henbest asked how the leadership team's responsibility to make sure that people are engaged in the campaign would be affected by the change to individual accountability.

Mr. Kelly replied that everyone in the company is subject to phishing campaigns, with the exception of Mr. Reddish and Mr. Fuhrman, and we will work with Mr. Reddish and Mr. Fuhrman on their specific goal criteria.
Ms. Fletcher said that we are proposing a move away from the Gallup survey as a way to measure engagement, shifting instead to a monthly eNPS survey. Being delivered monthly would give team members the opportunity to provide regular, more timely feedback. This would also enable us to watch for patterns related to other influences in the marketplace. The fiscal year will be divided into two periods of performance: July through December and January through June. Progress will be measured using the most recent six-month average compared to the prior six-month average, with the high and low scores being dropped for each period. The 100% payout would be 6% increases over rolling average scores and the 80% payout would be 3% increases over rolling average scores. We will continue to do the Gallup survey, but there will no longer be a variable pay component attached to it.

**Motion:** Mr. Erstad moved that the Board, as recommended by the Governance Committee, approve the FY24 Goals as presented today, with the exception of the enrollment goal. **Second:** Mr. Settles. **The motion carried.**

Mr. Kelly stated that we would bring the Enrollment and Flawless Customer Experience goals back in September, after we have seen where enrollment ends with Medicaid unwinding. Any desired changes to these goals can be made at that time.

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

**12. PY23 Enrollment and Medicaid Unwinding Update**

Mr. Kelly stated that Medicaid unwinding has been the focus of the team this year. Part of our strategy was to front load Idahoans who are believed to be tax credit eligible, which drove enrollment growth in April, May, and June. We expect enrollment growth to slow through July and then we expect to see normal attrition through the rest of the plan year. In June, Medicaid unwinding enrollments exceeded our goal of 10,000 and overall enrollments are in excess of 100,000.

Ms. Lapierre reported that Medicaid continuous coverage requirements ended on April 1, 2023. As of February 1, 2023, approximately 450,000 people were enrolled in Medicaid. DHW continues to send out about 30,000 notices a month to the approximately 150,000 Idahoans who either no longer qualify or have not been in contact with DHW during the Public Health Emergency (PHE). To ensure a positive customer experience and minimize gaps in coverage, we have implemented an expedited approval policy for Loss of Medicaid Special Enrollment Period (SEP) and system enhancements that eliminate the need for document verification for the SEP. Additionally, we have brought on additional team members to help with the increase in customer volume.

Consumers who complete their re-evaluation and are no longer Medicaid eligible are sent to YHI in the nightly account transfer if assessed as potentially tax credit eligible. A “handshake” letter is sent on behalf of DHW to all Idahoans who are disenrolled from Medicaid. Weekly notices are sent encouraging Idahoans to enroll before their Medicaid
coverage ends or SEP closes. Every step of the way, we are recommending consumers take advantage of no-cost help available to them from local YHI-certified agents. The Lost Medicaid digital campaign launched on April 3, and a Lost Medicaid QR flyer was sent to multiple organizations across the state. In addition, a Lost Medicaid social media kit is available to Consumer Connectors to help spread the word.

Chair Weeg asked how Idaho’s rate of converting people who have lost Medicaid coverage to a plan on the exchange compared to the conversion rate of the rest of the state-based exchanges.

Mr. Kelly replied that as of June 12, DHW reports that 36,935 of the 62,534 Idahoans who have completed the re-evaluation process have been determined ineligible (excluding procedural terminations). As of June 13, 9,951 Idahoans have enrolled with the SEP for Loss of Medicaid, which gives us a conversion rate of about 26%. The conversion rate prior to unwinding was about 3%. Based on discussions with state exchanges across the country, we are leading the nation in terms of conversion rates.

Mr. Kelly said that enrollment mix by carrier is slightly different for Medicaid unwinding compared to the overall enrollment distribution. SelectHealth and Regence have the highest share of unwinding enrollments, while St. Luke’s Health Plan has the largest percentage increase in the number of enrollments. 61% of unwinding customers have an agent versus 69% overall, which reinforces the importance of outreach to consumers to connect them with an agent.

Metal tier mix for unwinding reflects availability of cost-share reductions compared to the overall enrollment distribution. 47% of unwinding enrollments selected a silver plan compared to 29% of overall enrollments due to cost-share reductions available for incomes up to 250% of the federal poverty level. Gold mix is slightly lower for unwinding, likely due to affordability. 98% of unwinding enrollments have a tax credit versus 88% overall.

Mr. Kelly said overall monthly Qualified Health Plan (QHP) premium trends have not changed much since the last update. QHP average gross premium shows measurable year over year decline as of June 2023. The 1332 reinsurance waiver delivers a 7% decline in 2023 gross premium for those with a tax credit. Consumers with a tax credit experienced a 22% increase in net premium, or the amount they pay. PHE and benchmark plan price points drive an increase in net premium from 2021 through 2023. Premiums for 2023 will evolve through the remainder of the year as protected Medicaid consumers move to YHI.

Ms. Fulkerson asked if we will be able to track the retention of people who came to YHI as a result of Medicaid unwinding or if they would blend in with the rest of the population.

Ms. Husler said that she would need to look into it, but she thinks tracking them is possible.
Ms. Henbest commented that since most of the unwinding enrollments are not using an agent or broker, it would be valuable to target and educate that population.

Mr. Settles said more funds going into the high-risk pool would drive premiums down. While that is positive for consumers, it would have a negative impact on our revenue.

Mr. Kelly replied that it is too early to predict what will happen in 2024 and potential impacts to YHI’s revenue, but there are a couple of factors that may help keep the overall gross premium and the second lowest cost silver moving more closely together. DOI has done some work with QHP standards that will hopefully create a more meaningful difference across plans. In addition, there are no new market entrants this year, so the carrier landscape is stable from 2023-2024.

13. Customer Experience

Mr. Groom stated that Medicaid unwinding has driven more volume than forecast, with March and April for 2023 being 122.03% higher than 2022. We have focused on increased staffing to manage the volume. However, NPS continues to reflect outstanding performance and there has been minimal impact from hold times to scores over the last three months.

14. Marketing and Outreach Update

Ms. Lapierre reported that our Always Present advertising campaign, Big Life Changes, launched March 1. Adding the Lost Medicaid campaign this year has broadened our audience reach and increased brand awareness. As of May 31, we had 9.6 million impressions, which is a 144% increase from 2022 to 2023 with only at 51% increase in spend. Compared to 2022, both cost per impression and cost per click are down. For Lost Medicaid, we have spent just over $18,000 and have had 3.3 million impressions.

Regarding outreach, in-person event participation is on the rise and more opportunities are available, especially targeting the Hispanic community. We have renewed our focus on community health centers and regional hospitals, along with other prospects in rural areas such as local libraries. We have engaged Drake Cooper on creative direction for the agent and broker co-op marketing program. The Request for Application (RFA) was issued on May 1, and we found there was some confusion with the agents on how to apply, so we have extended the due date to July 7.

Chair Weeg asked how the response had been so far.

Ms. Lapierre said that we have received a few applications and expect to get more as the deadline approaches.

Ms. Fulkerson asked if there was a dedicated time frame for this advertising to take place, and Ms. Lapierre replied that it was only for OE this year. Since this is a pilot program,
we will assess everything after OE and there might be the opportunity for this program to run all year next year.

15. PY24 Preparations

a. Training Update

Mr. Groom said that we have an upcoming webinar on June 28 that is a technology release review, and our webinar on July 20 will help us get ready for Consumer Connector certification. All Connectors are required to complete annual certification training to ensure they are prepared to serve clients for the coming plan year. Certification training includes two required courses. The first course is self-guided, and it covers YHI general information, policy, privacy and security, and our producer agreement. The second is a live virtual course and is required for Consumer Connector certification.

b. 2024 Open Enrollment Timeline

Ms. Husler stated that we are just 12 weeks away from OE. On July 5, we will begin plan testing with the carriers, and DOI will post proposed rate changes to their website on July 26. On September 15, Advance Premium Tax Credit (APTC) redeterminations begin, DOI will provide final QHP recommendations to YHI for board certification, and enrollment renewals will begin. Anonymous shopping will begin on October 1 and all final rate changes will be posted to DOI’s website on October 2. Open enrollment will begin on October 15 and conclude on December 15.

16. Technology Roadmap

Ms. Husler reviewed the technology roadmap, saying that 23.6 is the release that we are currently testing. This release includes ticketing improvements, such as implementing tools for our teams to better manage ticketing and have additional data to help make things more efficient.

Reasonable Explanation for DMI was originally included in this release but has been moved to 23.9. This is when we have consumers with variable sources of income. Currently, they have to provide proof of reasonable compatibility for their income but going forward, they will be able to attest when they apply that they have an inconsistent form of income.

The 23.9 release also includes translation of the HIX platform into Spanish, including the application. Post-Medicaid Referral Stabilization will improve the customer experience for consumers who have been referred to YHI by DHW. Reducing Income Verifications for New Tax Filers will remove the requirement to verify income if a household is not on
record with the IRS. IVR Authentication will help consumers verify their account before they reach a CA, which will increase efficiency on inbound calls.

The 24.1 release is the implementation of our annual compliance updates to the 1095A tax form.

17. Financial Update

a. FY23 Q3 Review

Ms. Lane said FY23 Q3 includes the financials from January through March. Looking at YHI actuals to budget for assessment fees, we were unfavorable by $366,000 driven by lower enrollments as unwinding had not yet started. We had favorability of $63,000 driven by interest earned on our Certificates of Deposit (CDs), with an average of about $22,000 a month. Total income was unfavorable to budget by $303,000.

For operating expenses, favorability of $187,000 in personnel is driven by open positions. The favorability of $96,000 in marketing and outreach is driven by the timing of paid media and sponsored outreach events. Eligibility and enrollment favorability of $41,000 is driven by lower use and timing of seasonals. Total operating expenses show favorability of $322,000, with a net operating income favorability of $19,000.

Ms. Lane reported there was not much change during Q3 for View Pointe. Most of the favorability is from the CD income and tenant billbacks, for total income favorability of $21,000. This was offset by unfavorability in general operating expenses of $22,000, driven by the main water line repair, front window tinting, a ceiling light fixture move, and higher utilities. Overall net operating income is steady, with unfavorability of $1,000.

On the consolidated results, we have a total income unfavorable of $281,000, with a total operating expense favorability of $300,000, and net operating income favorability of $18,000.

**Motion:** Mr. Settles moved that the Board, as recommended by the Governance Committee, approve the financial results through March 31, 2023, as presented today. **Second:** Mr. Erstad. The motion carried.

b. FY23 Forecast

For YHI operations, overall revenue is forecasted above budget as grant income and interest income replace the slight forecasted shortfall in assessment fee revenue, which is expected to miss budget by $31,000. Operating expenses are projected to be lower than budget by $315,000 due to open positions, lower
overtime, and Connectors’ costs, with a net operating income favorable of $599,000.

View Pointe revenue is expected to exceed budget by $68,000 due to interest income and billback revenues. That is offset by expenses for higher utilities

For the consolidated results, net operating income is expected to be at or near breakeven, beating the budget by $677,000.

Ms. Lane presented the FY23 sustainability analysis, showing the forecast staying above the cash reserve with the budget as adopted, changing the assessment fee from 2.49% to 2.39% in PY25. The scenario that includes lowering the assessment fee to 2.29% in PY26 shows us dipping into the cash reserve in late 2027.

Ms. Fulkerson asked if going to a Per Member Per Month (PMPM) model would resolve that.

Mr. Kelly said moving to a PMPM model may insulate YHI a bit in terms of fluctuations in premiums, but it would still require either enrollment growth or the PMPM fee to increase.

Chair Weeg reminded the board that the $6 million cash reserve was implemented several years ago when we did not know if the exchange would be around in a year. The reserve would allow us to manage that unwinding process. We have also built in $1.5 million for capital expenditures.

Mr. Settles said it has always been a point of pride that YHI has saved Idahoans a great deal of money compared to what they would spend using the federal platform, and it was disheartening to see that the federal assessment fee rate is lower than Idaho’s. He said that saving Idahoans money needs to remain our north star, but a big advantage that the federal government has over us is that we cannot carry debt.

Mr. Kelly agreed with Mr. Settles and said that as both healthcare.gov and YHI become more mature, the financial comparison becomes more and more challenging. However, YHI is entirely self-sufficient, while the funding for healthcare.gov does not come solely from assessment fees. They have also had ever-increasing gross premiums whereas our gross premiums have been declining, thanks to the work of DOI. He said the dynamics are extraordinarily different, which is why we continue to watch this, and he thinks we will be able to deliver reductions in the coming years.

Ms. Hart noted that the cash operating and capital expenditures reserves have remained the same, and asked how those amounts were originally determined and if they are still right for the exchange.
Mr. Kelly replied that the operating reserve represents six to nine months of operating expenses and that the amounts are still appropriate, with a little adjustment needed depending on the time of year. In terms of the capital reserve, that is our best estimate based on costs for change requests from GetInsured. We also consider that if we lost a tenant at View Pointe, it could cost hundreds of thousands of dollars for tenant improvements as part of a lease negotiation.

Ms. Fulkerson noted that in healthcare, most decisions are cyclical and based on 12 or 18 months. She stated that as our cash reserve only covers six to nine months, the committees may need to look at covering more than nine months.

Mr. Settles said that the $6 million amount originally came from the fear of the exchange shutting down and what it would cost to unwind it. Since that is a worst-case scenario, he has been comfortable staying with that amount but whether or not it is a sufficient amount is regularly discussed.

c. FY23 Audit Plan

Ms. Lane said Eide Bailly was initially approved by the board for a three-year engagement which began in FY19 and ended FY21. YHI engages with financial auditors for three years at a time with one renewal for a maximum of six years. YHI would like to extend the engagement through FY24.

Motion: Mr. Settles moved that the Board, as recommended by the Governance Committee, approve audit services with Eide Bailly through FY24. Second: Mr. Erstad. The motion carried.

18. Board Reminders

Ms. Henbest reminded the board that the annual conflict of interest disclosure forms are due to Ms. Sparks no later than June 23.

The annual board survey will take place in August, and the committee effectiveness surveys will take place at the August/September meetings.

Regarding board and committee tenure, Ms. Henbest said the next term to expire will be the Office of Treasurer in December 2024. This office is currently held by Mr. Settles and the board treasurer also acts as the Chair of the Finance Committee. Chair Weeg and Ms. Henbest are assisting Mr. Kelly in filling their respective board seats.

19. Privacy and Security Policies Updates

Mr. Fuhrman stated that per our annual MARS-E federal requirements, all our privacy and security policies have been reviewed, both internally and by an external auditor. There were no changes to 19 of the 24 policies, and five policies were updated as follows.
The Identity and Access Management Policy was updated to reflect the changes to the overall password requirements and temporary accounts timeline for MARS-E v2.2 that were implemented August 2022. The Incident Response Policy was updated to reflect the changes to training of incident response personnel timeline and timeframe required to notify incident response personnel of personnel changes for MARS-E v2.2 that were implemented August 2022. The Remote Access Policy was updated to reflect IRS Security and Privacy Alert around Internet of Things devices from October 2022. The Risk Assessment Policy and Vulnerability Management and Vulnerability Management Policy were updated to reflect the changes to vulnerability scanning period for MARS-E v2.2 that were implemented August 2022, and incorporated suggestion from auditors to add remediation timelines from MARS-E v2.2.

**Motion:** Mr. Erstad moved that the Board, as recommended by the Governance Committee, approve the revisions to the Privacy and Security policies, as presented today. **Second:** Mr. Settles. **The motion carried.**

20. **Contract Addendums**

a. **Risch Pisca SOW**

Risch Pisca is our legislative and regulatory affairs vendor. YHI would like to continue to work with them as the education liaison for state and federal regulation and legislation. Deliverables will include state legislative and regulatory updates and issues tracking, interpretation, and strategic counsel on policy reform. SOW #7 remains consistent with the prior year at a not-to-exceed amount of $48,000, which is included in the approved FY24 budget.

Senator Ruchti commented that he holds Risch Pisca in high regard, both on legal and legislative matters.

**Motion:** Ms. Fulkerson moved that the Board, as recommended by the Marketplace Committee, approve the Risch Pisca SOW #7 in an amount not to exceed $48,000. This amount is included in the FY24 Budget. **Second:** Dr. Fairfax. **The motion carried.**

b. **Drake Cooper SOW**

Drake Cooper will continue working with YHI as the provider of Creative Services. In alignment with strategic goals, the scope of work has been expanded to include the remaining 2023 Always Present campaign (July through September), the annual OE campaign, and the 2024 Always Present campaign. Deliverables include both OE and Always Present campaign strategy, asset design and production, media services, and campaign performance reporting. SOW #12 is at a not-to-exceed amount of $1,006,000, which is included in the approved FY24 budget.
**Motion**: Ms. Fulkerson moved that the Board, as recommended by the Marketplace Committee, approve the Drake Cooper SOW #12 in an amount not to exceed $1,006,000. This amount is included in the approved FY24 budget.  
**Second**: Dr. Fairfax. The motion carried.

c. **DHW MOU**

The Idaho Department of Health and Welfare provides services centered on Health Care Assistance and support and this memorandum has been in place since 2013. Services include referrals for potential APTC customers, with YHI determining eligibility. The amendment would extend the current term to August 31, 2024, and costs are included in the approved FY24 budget.

**Motion**: Ms. Fulkerson moved that the Board, as recommended by the Marketplace Committee, approve the DHW MOU in an amount consistent with the FY24 Budget as presented today.  
**Second**: Dr. Fairfax. The motion carried.

d. **Enrollment Entity RFA**

YHI sends out this RFA annually to engage with enrollment entities across the state. They provide enrollment counselors who assist Idahoans in understanding their eligibility and the application process but recommend agents and brokers for plan selection. Entities reach out to underserved populations who may have limited English skills or limited access to computers. They report on the monthly total of people served, their demographic information, and their geographic information. The annual RFA will be issued in July for a total amount not to exceed $309,000, which is included in the approved FY24 budget.

Chair Weeg asked who the enrollment entities are this year.

Mr. Kelly said currently we are engaged with Idaho Community Health Center Association (formerly known as IPCA). Any entity is welcome to apply, and we always evaluate all applications. With the activities around Medicaid unwinding, we have seen a renewed interest, which may or may not result in more applications.

**Motion**: Ms. Fulkerson moved that the Board, as recommended by the Marketplace Committee, approve the release of the Enrollment Entity RFA, authorize the RFA Review Team to select the enrollment entities, and authorize the Executive Director and the Marketplace Committee Chair to execute the Enrollment Entity contracts at an amount not to exceed $309,000 collectively. This amount is included in the approved FY24 budget.  
**Second**: Dr. Fairfax. The motion carried. Ms. Hart abstained.
21. Executive Session

**Motion:** Chair Weeg moved that the Board, pursuant to Idaho Code Section 74-206(1), convene in Executive Session to consider the evaluation of an employee pursuant to Idaho Code Section 74-206(1)(b).

**Executive Session Roll Call:** Ms. Malek took a roll call vote and determined Chair Weeg, Ms. Fulkerson, Mr. Settles, Mr. Erstad, Dr. Fairfax, Ms. Hart, Senator Wright Hartgen, Ms. Henbest, Ms. Lodge, and Senator Ruchti were present and agreeable, resulting in a quorum.

The Board entered into executive session at 11:05 a.m. and reconvened at 11:43 a.m. No final actions nor decisions were made while in executive session.

**Motion:** Ms. Henbest moved that the Board delegate to the Chair of the Governance Committee and the chair of the YHI Board completion of the Executive Director performance review. **Second:** Mr. Erstad. **The motion carried.**

**Motion:** Mr. Erstad moved that the Board, as recommended by the Governance Committee, approve the Compensation Policy as presented to the Board. **Second:** Dr. Fairfax. **The motion carried.**

**Motion:** Mr. Erstad moved that the Board, as recommended by the Governance Committee, approve the FY24 Executive Director Annual Variable Pay Weighting. That weighting is Flawless Customer Experience at 20% percent, Enrollment at 20% percent, Low-Cost Promise at 20% percent, Risk Management at 20% percent, and Corporate Leadership and Culture at 20% percent. **Second:** Dr. Fairfax. **The motion carried.**

**Motion:** Mr. Erstad moved that the Board, as recommended by the Governance Committee, approve the FY24 Executive Director Long Term Incentive Variable Pay Weighting. That weighting is Flawless Customer Experience at 20% percent, Enrollment at 20% percent, Low-Cost Promise at 20% percent, Risk Management at 20% percent, and Corporate Leadership and Culture at 20% percent. **Second:** Dr. Fairfax. **The motion carried.**

22. Next Meeting

The next board meeting will be Friday, September 15, 2023.

23. Adjourn

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

[Signature]

Janice Fulkerson, Board Chair