

Minutes of the Operations Committee

Idaho Health Insurance Exchange

May 6, 2013

The following are the minutes of the regular meeting of the Operations Subcommittee as part of the Board of Directors of the Idaho Health Insurance Exchange, held on May 3, 2013.

Date and Time of Meeting: May 3, 2013, 9:00 a.m.

Location of Meeting: Governor's Office conference room, Idaho State Capital

Committee Members Present: John Livingston, M.D., Committee Chair; Scott Kreiling; Jim Rice; Hyatt Erstad (phone); John Rusche (phone);

Committee Members Absent: Frank Chan

Other Exchange Board Members Present: Stephen Weeg, Board Chair.

Others present on behalf of Exchange: Michael Stoddard (counsel) and Tom Mortell (counsel); Amy Wernsing (Governor's Office).

Several Members of the public were also present.

Meeting Agenda: See attached.

Meeting Items.

1. The meeting was convened by the Chair at 9:00 a.m.
2. The first item of business was a motion made by Senator Rice to amend the Agenda to include a discussion of progress on human resource issues, and a legal update. The motion was seconded by Scott. Kreiling. The motion passed unanimously.
3. The Committee did not approve the minutes for their prior meeting, as those minutes are not yet available.
4. Dr. Livingston introduced the Agenda which includes a discussion and update on the status of the bylaws, the Exchange's plan of operation and the procurement policy.
5. Bylaws. The Committee discussed the relationship between the plan of operation and the bylaws. The Committee decided to keep the bylaws and the plan of operations as separate documents. The plan of operation will be more comprehensive than the bylaws and will need flexibility as it is implemented. The plan of operation will not be drafted in time for the May 9 Board meeting. The Committee will not have a separate subcommittee to draft the plan of operation. The plan of operation will include initial and long term items. Senator Rice indicated

that a working draft of bylaws is complete and have been discussed by the Governance Committee. That working draft has been provided to counsel. At the Board's May 9 meeting, Senator Rice will make a presentation on the Committee's recommendations regarding the bylaws. The Conflict of Interest Policy will be referenced in the bylaws, but will be a separate policy.

6. The Committee discussed the creation of a procurement policy. Mr. Mortell presented a draft Interim Procurement Policy and a draft form Request for Proposal to the Committee. Mr. Mortell discussed with the committee the basis for these documents, the federal grant requirements for procurement, and the procurement requirements of the Idaho Exchange statute. Mr. Mortell indicated that the RFP process described in the form RFP was patterned after the process used by Idaho's public entities to procure professional architectural and engineering services. Mr. Mortell also indicated that he had reviewed draft procurement policy prepared by Shad Priest and had incorporated parts of that policy into the draft policy. The Committee also discussed grant management issues generally and discussed possibly retaining a consultant that specializes in federal grant issues. Senator Rice made a motion, seconded by Scott Kreiling, to instruct Mr. Mortell to circulate the draft policy and form RFP to each of the Committee members by email on Friday and to ask each Committee member to provide input to counsel by noon on Monday, May 6. Mr. Mortell will then make the changes requested by the Committee and then the revised policy and form RFP can be circulated to the entire Board on Tuesday in advance of the Thursday, May 9 Board meeting. The vote on the motion was unanimous. The Committee discussed updating the IT Committee regarding the progress made by the Committee on the procurement issues.

7. The Board Chair provided an update to the Committee on a number of issues as follows. The Exchange has procured a tax identification number, as well as temporary office space from the Hawley Troxell firm. The Exchange now has a P.O. Box and a physical address. The Finance Committee will soon address proposal from three financial institutes for the Exchange's banking services. Work is moving forward on human resource issues and speaking with agencies that provide temporary employees. The Idaho Health Data Exchange has provided their HR policies and procedures manual. The Committee discussed audit/accounting services for the Exchange, as well as Director's and Officer's liability insurance coverage and the efforts being made to get that insurance in place. The Board Chair also let the Committee know that Amy Dowd will be starting on Friday, May 17.

8. Mr. Stoddard also provided the Committee with a legal update. Hawley Troxell will be providing the Board with a number of memos which will outline what needs to be done and will serve as a checklist to coordinate the work being done by the Board members and counsel; those memos will likely comprise part of the plan of operation. Mr. Stoddard also said that he would send an email to the Board members outlining email protocols for communicating with counsel, as discussed with the Board Chair.

9. Mr. Kreiling made a motion, which was seconded by Senator Rice, to conclude the meeting. The vote on the motion was unanimous. The meeting ended at 10:00 a.m.