

## Minutes

### Idaho Health Insurance Exchange Board Committee meeting

**Date:** Monday, April 22, 2013

**Time:** 8:30am

**Place:** Idaho State Capitol Building, Lincoln Auditorium

**Members Present:** Interim Chair Stephen Weeg, Mark Estess, Karen Vauk, Dave Self, Scott Kreiling, Zelda Geyer-Sylvia, Hyatt Erstad, Tom Shores, Frank Chan, Jeff Agenbroad, Kevin Settles, Dr. John Livingston, Margaret Henbest, Senator Jim Rice, Representative Kelley Packer, and Representative John Rusche

**Member Non-Present:** Fernando Veloz

**Non-voting & ex-officio members:** Director William Deal, Director of Insurance for the State of Idaho and Richard Armstrong, Director of Health & Welfare for the State of Idaho

**Convened:** Interim Chair Stephen Weeg called the meeting to order at 8:30am. He welcomed guests and board members. The board members each introduced themselves. Request by Interim Chair Weeg to fill out Affidavit to serve on board. He introduced Mr. David Hensley, Chief of Staff for Governor Otter.

#### Presentation by David Hensley.

On behalf of Governor Otter Mr. Hensley thanked the board members for their service and briefly reviewed the enabling legislation and responsibilities of the Health Insurance Exchange board of directors, and requirements of the Idaho Health Insurance Exchange. (See attached presentation)

Key items include:

- The board shall conduct its business in accordance with Idaho's Open Meeting Laws, and with accountability and transparency.
- The Idaho Health Insurance Exchange shall be a self-sufficient, voluntary market place for the sale of health insurance.
- No state funds shall be used for the creation and operation of the exchange, nor can the board create a tax or encumber state assets.
- The board shall certify the security of personal information of those enrolling through the exchange to the office of governor and the director of the Department of Insurance.
- The exchange is prohibited from inquiring as to gun ownership, **(see the deck for language on storage, ammo, etc.)** of those enrolling for coverage through the exchange.

- The board is prohibited from changing the structure of the Idaho Health Insurance Exchange.
- The board is empowered to create by-laws and plan(s) of operation, hire an executive director, assess and collect fees from exchange users, appoint advisory committees, and contract for services using an accepted procurement process.
- The board must report, as prescribed in legislation, to the Idaho State legislature; and, must retain a qualified third party firm to provide annual audits.
- The board must also pay special attention to conflict of interest requirements of the legislation.

Senator Jim Rice stated that retaining legal counsel should be a priority to assist in creating by-laws.

Interim Chair Weeg announced that Brian Kane, Deputy Attorney General for the State of Idaho, will have a presentation on Open Meeting Law Requirements.

Presentation by Mr. Brian Kane.

Mr. Kane distributed a copy of Idaho's Open Meeting Law manual to each board member. He then reviewed key items for the board of directors: (See attached presentation material)

- All meetings will be conducted in accordance with the Open Meeting Laws and every effort will be made to provide a live streaming web broadcast of general board meetings;
- An agenda is required for all meetings;
- The difference between regular and special meetings, and public notice requirements for each;
- Public policy is public business and shall be conducted accordingly;
- Minutes of meetings must be recorded and made available to the public, all votes must be represented in the minutes;
- Requirements of calling an executive session (roll call vote and two thirds affirmative vote of the governing body).

Interim Chair Weeg announced that Richard Armstrong, Director of Health & Welfare for the State of Idaho, will have a presentation regarding the State Exchange Scope and Requirements.

Presentation by Director Armstrong.

Director Armstrong reviewed his presentation and provided background on the work underway by Idaho Health and Welfare to assure Idaho Medicaid is prepared for the health insurance exchange environment . (See attached presentation)

- Of key importance is the application, verification, and eligibility determination of individuals.
- How shared services are vital to the smooth operation of both the health insurance exchange and Idaho Medicaid.
- Key changes in eligibility for those accessing coverage through Medicaid and through the commercial health insurance exchange.

- The need for multiple pathway of access for consumers: via telephone, traditional mail, in-person, and a web portal. And despite the multiple pathways, an accurate and consistent manner of determining whether an individual is eligible for Medicaid or the commercial health insurance exchange.

Director Armstrong was joined by Ms. Lori Wolfe, State of Idaho Deputy Administrator for Medicaid Operations and Policy. Ms. Wolfe discussed the eligibility and determination for Medicaid being a gateway for determination of Advance Premium Tax Credit (APTC) in the health insurance exchange.

Interim Chair Stephen Weeg announced that William Deal, Director of Department of Insurance for the State of Idaho, will have a presentation on the DOI's role and actions.

#### Presentation by Director Deal.

Director Deal delineated the difference between a federally facilitated exchange (FFE) and a state based exchange (SBE).

- An SBE preserves the ability of the department of insurance to exercise regulatory authority over the insurance carriers doing business in Idaho, assure the market is responsive to the needs of Idahoans, and protect the rights of consumers in the Idaho market.
- Other states have developed processes, systems, and technology which Idaho may be able to leverage in creation of its SBE.

Director Deal introduced Mr. Tom Donovan, Deputy Director of the Department of Insurance for the State of Idaho, and Mr. Wes Trexler, Bureau Chief, Actuary Department of the Department of Insurance for the State of Idaho. (See attached presentation)

Mr. Donovan reviewed critical changes in the health insurance market required by the Affordable Care Act (ACA). Included in his presentation were essential health benefits, minimum essential coverage, guaranteed issuance of coverage, deductible maximums, out of pocket eligible expenses and maximums, and review of insurance carrier rate and plan filings. Mr. Donovan also discussed the Idaho Benchmark Plan (Blue Cross of Idaho's Preferred Blue PPO), and the role of navigators and assistors.

Mr. Trexler stated that only Qualified Health Plans (QHP's) may sell insurance through the health insurance exchange. The DOI's role is to accept, review and approve/reject submissions from QHP's including forms, premium rates, and benefit plans. QHP management includes assuring insurance carriers meet criteria:

- Benefit design (essential health benefits, conformance with metal tiers, reduced cost share options)
- Network adequacy (essential community providers)
- Good standing and accreditation
- Rating requirements
- Non-discrimination

DOI timelines:

4/1-5/31/13 – Carriers to file QHPs

5/1 – 7/31/13 – DOI to review filings, certify QHPs

8/1 – 9/30/13 – QHP data transfer to exchange, issuers verify plan presentation, other testing

10/1/13 – 3/31/2014 – Open enrollment

1/1/2014 – Coverage begins

After 4/1/2014 – Submission & review of modifications to QHPs for the 2015 plan year

Interim Chair Weeg adjourned the board for lunch at 12:30pm.

The board reconvened at 1:15pm.

Interim Chair Weeg introduced Ms. Susan Johnson, Regional Director Region 10, United States Department of Health & Human Services (HHS).

Presentation by Ms. Susan Johnson.

Ms. Johnson stated there are three key areas for the board to immediately focus on in order to meet HHS requirements, and that representatives of the Center for Consumer Information and Insurance Oversight (CCIIO) are standing by to assist:

- The ability to accept consumer enrollment by 10/1/13
- Consumer education, outreach, and assistance
- The ability to offer exchange services to small business (Small Business Health Options Program, or SHOP)

A conference call has been scheduled for 5/10/13 to allow representatives of the Idaho Health Insurance Exchange to discuss progress and receive guidance from CCIIO.

Key deadlines must be met in order for the Idaho exchange:

- 5/20/13 – Provide an updated blueprint for the plan to create and implement a qualified health insurance exchange (e.g. “this is what is right for Idaho”).
- 5/31/13 – Provide blueprints for the SHOP exchange and for consumer outreach.

Ms. Johnson also informed the board of a seminar the week of 5/20/13, in Colorado, where states can learn the federal governments plan for consumer education and outreach. The details will be provided in communication from CCIIO. Ms. Johnson encouraged the board, or the executive director when available, to create two teams: one to focus on the technical aspects of the exchange and the other to focus on the federal grants available for start-up and first year operation of the exchange. She also indicated that the exchange may want to consider a unique brand to assist in consumer marketing.

Several questions from the board were asked regarding the ability of Idaho to ask the federal government to operate the SHOP exchange, how grant funds can be transferred to the exchange from Idaho Health and Welfare, and the role of navigators.

Interim Chair Weeg then led a discussion of the need to create by-laws, rules for procurement of legal and accounting services, and a procurement process for technical and IT services. Director Armstrong encouraged the board to move swiftly to appoint the IT subcommittee in order to begin working with the H&W team on application, verification, and eligibility systems; and, choosing (a) vendor(s) as soon as possible.

Director William Deal stated that H&W and the DOI cannot move forward until key decisions are made by the board, and the clock is ticking to hit key milestones and deadlines.

Ms. Geyer-Sylvia suggested beginning subcommittee appointments immediately and Dr. Livingston concurred. Senator Rice moved to amend the agenda to appoint subcommittees that day, Ms. Henbest provided a second. The motion passed unanimously.

The board discussed what subcommittees are required and the role and function of each:

Information Technology Committee: Eligibility, enrollment, system integrator function, scope of functions inside exchange, keeping exchange to a minimum to meet timeframes.

Finance Committee: Establish financial systems. Cash needed, set up accounts, payroll, audit, financial controls, grant management and fees (how generated and what they will be).

Operations Committee: Staffing, office space and website.

Governance Committee: Hire legal counsel (possibly with ERISA experience), bylaws established, committees formalized and conflict of interest disclosure.

Senator Jim Rice volunteered to begin work on the by-laws so those will be in place to move forward.

Outreach/Marketing Committee: Marketing to consumers, individual to work with Native Americans and statewide communication to all stakeholders.

Margaret Henbest suggested having a SHOP committee. Representative John Rusche made the first motion. Dave Self made the second motion. Motion carried.

SHOP Committee: Review federal requirements and where there is flexibility and options.

Committees were formed:

Information Technology Committee – Frank Chan (Chair), Fernando Veloz, Mark Estess, Scott Kreiling, Zelda Geyer-Sylvia.

Finance Committee – Jeff Agenbroad (Chair), Fernando Veloz, Kevin Settles, Representative Kelley Packer.

Operations Committee: Dr. John Livingston (Chair), Representative John Rusche, Senator Jim Rice, Scott Kreiling, Hyatt Erstad, Frank Chan.

Governance Committee: Senator Jim Rice (Chair), Kevin Settles, Dr. John Livingston, Representative John Rusche, Margaret Henbest.

Outreach/Marketing Committee: Mark Estess (Chair), Dave Self, Tom Shores, Karen Vauk, Representative Kelley Packer.

SHOP Committee: Margaret Henbest (Chair), Karen Vauk, Kevin Settles, Dave Self, Tom Shores, Zelda Geyer-Sylvia.

Discussion on support for committees and that DOI and H&W would assist and possibly staffing from various board members' offices.

Tomorrow's agenda (4/23) needs to be amended to add committee meetings. First motion by Senator Jim Rice. Second motion by Representative John Rusche. Motion carried.

Meeting was adjourned by Interim Chair Weeg at 4:12pm.