

MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Thursday, January 23, 2014
TIME: 9:00 A.M.
PLACE: Lincoln Auditorium
MEMBERS: Chairman Wood(27), Vice Chairman Perry, Representatives Hancey, Henderson (Chambers), Hixon, Malek, Morse, Romrell, Vander Woude, Rusche, Chew
**ABSENT/
EXCUSED:** None
GUESTS: Woody Richards, AHIP; Elizabeth Criner, ISDA; Elli Brown, ACS CAN; Hollie Taylor, Blue Cross

Chairman Wood(27) called the meeting to order at 9:01 a.m.

Chairman Wood(27) commented that the Insurance Exchange is a state requirement, whether federal government or state owned and operated. In 2013 Idaho chose to have an Idaho-based Exchange that would eventually be state owned and operated. This report by the State Insurance Exchange Board fulfills the statutory reporting requirement and provides a look at its future and security issues.

Steven Weeg, Chairman, State Insurance Exchange Board, discussed the charge to create a market place designed by Idahoans and done the Idaho way. When the company started they had the charge to have a marketplace available in five months. This in an environment without staff, funding, policy, procedures, organizational structure, office, or telephones. Mr. Weeg stated that they have maintained a maximum control of Idaho's health insurance marketplace at a minimal cost to its citizens. There are 20,000 enrollees thus far, with growth continuing. Today the Idaho-based marketplace, now called Your Health Idaho (YHI), has a small staff, low grant funding, and recognition as a state-run marketplace.

They have established a website to act, for this first year, as a portal to the federal exchange. They have built a network of over 700 Agents and Brokers and 300 In-Person Assisters (IPA). In comparison to federally managed states, Idaho is benefiting from managing and regulating health plans. The initial fee has been set at 1.5%.

The Board consists of 19 volunteer Idaho members, including three legislators. **Mr. Weeg** stated that they have adopted bylaws, governance policies, and an organizational structure to ensure oversight of many aspects of the Exchange. He explained one misstep that led to a contract withdrawal and the review and improvement of initial policies, based on a third party report. Mr. Weeg explained that the personnel nature of the report led to withholding its release, contrary to their policy of public transparency.

The YHI Board has pursued all available means of assessing security of the Federal Facilitated Exchange (FFE) and Federal Data Hub. All live functions of the website have passed the same security testing as the Medicare system. The remaining tests are for functions of the website that are not yet live. A federal cyber security specialist has reported that all concerns with the FFE have been secured, small breaches managed, and no indications of serious security breaches.

Amy Dowd, Executive Director, YHI, Idaho's Health Insurance Exchange, said that they have met the majority of the legislative requirements and are proud of the work they have done. They are implementing a Health Insurance Exchange, staffed by Idahoans and designed to be the right size for the needs of Idaho's citizens. She said they are working toward an Idaho technology based platform to insure they can open doors this fall with a fully working and tested state system.

From October 1 to December 28, 2013, there have been 25,828 completed applications by 48,082 Idahoans, with 26,665 individuals eligible for tax credit. 19,922 Idahoans have selected a plan. Of that 19,922 enrollees, 24% were in the young target group aged 18-34 years. 66% percent have selected the Silver Plan. Our success is attributed to the use of certified Agents and Brokers. At 1.24% percentage of per capita enrolled, we are fourth in the nation, behind Vermont (a state exchange), California (an FFE) and Montana (a state exchange).

When discussing enrollment, one area that stands out is the success of the IPAs, who work to educate and walk individuals through the process. They are hand picked from established agencies with existing privacy and security standards, go through rigorous training, and pass FBI background checks.

Outreach efforts include enrollment events, community events, radio, local weekly newspapers, and facebook. The neighbor-to-neighbor method is the best way to reach Idahoans.

The current plan top priorities are information security and the 2016 self sustaining goal. There are currently two vendors helping set up the marketplace, with four additional vendors to be added in the coming months. Once the marketplace is established, their roles will be reduced or eliminated.

The Call Center must maintain information confidentiality. In building the plan for the technology solution, a vendor that would be the most efficient and sustainable in the long run is needed. An independent expert will review and audit the security. A technology vendor will supply on-site security experts.

Mr. Weeg addressed the committee's questions by stating they are driven to make this cost effective and have looked at several strategies. He also stated that one big difference in controlling security is that they require every IPA to undergo a background check, which is not required of federal navigators. Regarding the rumor that there will be firearms questions, Mr. Weeg explained that the State Code explicitly declares such a question cannot be asked and will not be asked. He also explained that Idaho Code has a ban against insurer abortion coverage, so insurance companies must not cover abortifacients. Contraceptives have to be made available, per the ACA, but no individual is forced to use them.

Additionally, **Mr. Weeg** stated that every plan must meet federally-defined essential health benefits. Any plan can be sold off the Exchange; however, purchasers may not be eligible for tax credits.

MOTION: **Rep. Rusche** made a motion to accept the Your Health Idaho State Insurance Exchange Board annual report as presented. **Motion carried by voice vote.**

ADJOURN: There being no further business to come the committee, the meeting was adjourned at 10:22 a.m.

Representative Wood(27)

Chair

Irene Moore

Secretary