MINUTES HOUSE HEALTH & WELFARE COMMITTEE

DATE: Tuesday, January 26, 2016

TIME: 9:00 A.M.

PLACE: Room EW20

MEMBERS: Chairman Wood, Vice Chairman Packer, Representatives Hixon, Perry, Romrell, Vander Woude, Beyeler, Redman, Troy, Rusche (Van Tassel), Chew (Wallace)

ABSENT/ None EXCUSED:

GUESTS: Jody Olson, Karla Hawn, Pat Kelly, Meghan McMartin, Betsy Webb, Jeff Agenbroad, and John Livingston, YHI; Alex Adams, Idaho Board of Pharmacy; Sandy Evans, Board of Nursing; Susan Miller, Board of Dentistry; Tana Cory, Occupational Licenses; Lori Wolff and Russ Barron, DHW; Anne Lawler, Board of Medicine; Abram Thietten, OCIO; Carlie Foster, Lobby Idaho.

Chairman Wood called the meeting to order at 9:00 a.m.

- MOTION: Rep. Perry made a motion to approve the minutes of January 20, 21, and 22, 2016. Motion carried by voice vote.
- H 332: Mitch Toryanski, Legal Counsel, Bureau of Occupational Licenses, on behalf of the Board of Examiners of Residential Care Facility Administrators presented H 332. This legislation amends and simplifies the Board's license renewal and reinstatement process through consolidation and referencing the Bureau's statute. With the changes, licensees can reinstate any expired license within five years. The fee change replaces the annual expired fee requirement with a single renewal fee paid upon reinstatement.

For the record, no one indicated their desire to testify.

- MOTION: Rep. Redman made a motion to send H 332 to the floor with a DO PASS recommendation. Motion carried by voice vote. Rep. Perry will sponsor the bill on the floor.
- **H 333: Mitch Toryanski,** Legal Counsel, Bureau of Occupational Licenses, on behalf of the Idaho Board of Optometry, presented **H 333** to consolidate the Board's license renewal and reinstatement process through reference to the Bureau's statute. The renewal fee, fixed in Rule and Statute, has been modified and lowered to \$35.
- MOTION: Vice Chairman Packer made a motion to send H 333 to the floor with a DO PASS recommendation.

For the record, no one indicated their desire to testify.

- VOTE ON Chairman Wood called for a vote on the motion to send H 333 to the floor with a DO PASS recommendation. Motion carried by voice vote. Rep. Redman will sponsor the bill on the floor.
- **H 334:** Mitch Toryanski, Legal Counsel, Bureau of Occupational Licenses, on behalf of the Idaho Physical Therapists Licensure Board, presented **H 334**. The changes consolidate two statutes into one and reference the Bureau's statute.

For the record, no one indicated their desire to testify.

MOTION: Rep. Hixon made a motion to send H 334 to the floor with a DO PASS recommendation. Motion carried by voice vote. Rep. Hixon will sponsor the bill on the floor.

H 341: Maurice Ellsworth, General Council, Bureau of Occupational Licenses, presented H 341. The Patient Freedom of Information Act (IDACARE) established an informational website that has become outdated and duplicates information available on the individual professional board websites. H 341 eliminates the IDACARE website and requires all boards of licensed health care providers to update and maintain their own websites. The elimination of the IDACARE website will save \$1,700 annually for maintenance, \$30,000 for a necessary update, and \$12,000 annually to licensed health care providers.

Responding to committee questions, **Mr. Ellsworth** said most contacts want to know if a practitioner is disciplined and has a current license, which is available on the national practitioner databank and other sites. Not being uniform in makeup and information, the boards are given the freedom, within limitations of the Public Records Act, to select what information they post on their websites.

Anne Lawler, Executive Director, Idaho Board of Medicine, was invited to answer questions. She stated the voluntary information for their website includes licensure status, disciplinary information, professional address, specialty certifications, and type of current practice. Any additional information can be found at the Idaho Medical Association and the various national professional websites. The Centers for Medicare and Medicaid Services (CMS) website would be the location to research a providers participation in those programs.

MOTION: Vice Chairman Packer made a motion to send H 341 to the floor with a DO PASS recommendation.

For the record, no one indicated their desire to testify.

VOTE ON
MOTION:Chairman Wood called for a vote on the motion to send H 341 to the floor with
a DO PASS recommendation. Motion carried by voice vote. Vice Chairman
Packer will sponsor the bill on the floor.

Pat Kelly, Executive Director, Your Health Idaho (YHI), presented their annual update. YHI is meeting their goals to provide an Idaho-controlled marketplace with Idaho-based resources for Idahoans seeking health insurance. 2015 was their second year of operation and first full year of utilizing their own technology. Establishment costs continue to be the lowest among state-based exchanges. Enrollment is solid at 84,000 individuals in 2015, fourth in the nation per capita and the highest of any state-based exchanges.

During 2015, technology has been tested, refined and enhanced. The agent, broker, and enrollment entity partnerships have been improved. The call center staff have received more training, with out-sourced staff transitioned to in-house. Idahoans have saved more than \$10 million in federal assessment fees. Consumer choices have been and continue to expand. Idaho's conservative business model became the focus of a Leavitt Partners case study. The CMS granted YHI an extension to previously awarded grant funds for use in 2016.

Over 1,000 agents and brokers have been certified. YHI staff have traveled around the state to provide additional training, modifying the program based on feedback. The customer experience has been improved with updated user interface, improved agent portal, additional customer service staff, and 211 health and dental plans certified for the 2016 open enrollment.

2015 assessment fees were set at 1.5%, with an increase to 1.99% for 2016. The fees fund operational expenses. YHI has a six-month operating expense cash reserve.

The current enrollment data, as of October 31, 2015, indicates 84,655 Idahoans enrolled, 55% of which are female. 70% of the enrollees selected the silver plan and 89% received tax credits.

Daily operations of YHI are self-sustaining. Costs include \$34.8 M for technology solutions, \$24.2 M for operational expenses, and \$11 M for outreach and education. There is \$19.9 M in remaining federal grant establishment funds available for technology improvements.

Future plans include the maintenance and improvement of technology, cash reserves, fiscal conservativeness, and the consumer experience. The success and knowledge of agents, enrollers, and broker counselors will be utilized. Idaho's state-based exchange insures local control and mitigates federal intervention. Protection of information and improving the customer experience are priorities.

Responding to committee questions, **Mr. Kelly** explained the broker/agent training is specific to YHI technology and policies. The \$10 M savings is the difference between the 3.5% federal fee and Idaho's 1.5% fee. The federal grant was given to only establish technology. No additional grant awards will be given. Idaho has the lowest costs of any state-based exchange with their own fully-functional technology. The remaining grant funds will be used for technology enhancements to improve the customer response time and provide seamless service. The approximate \$5 M cash reserve has no use plans. YHI's technology vendor contract provides general maintenance and operations system upgrades. The annual operating expenses are \$9.5 M and in line with their sustainability plan.

The Department of Health & Welfare (DHW) determined previously available tax credits totaled \$177 M and had a 90% effectuation rate, for \$160 M in tax credits received. Although carrier rates have increased, tax credits have increased more, providing a minimal impact to consumers.

YHI's software and main technology have contractual agreements through 2018, with additional vendor agreements at contract expiration to insure up to date website and base systems. This year the YHI Board will begin review and setting aside funds for future technology enhancements.

The effectuation rate has historically been around 90% for customers who select a plan and then pay for their coverage. Trending is in line with 2015 and rates fluctuate slightly lower in January and higher in February and March.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 10:01 a.m.

Representative Wood Chair

Irene Moore Secretary