

MINUTES
SENATE COMMERCE & HUMAN RESOURCES COMMITTEE

DATE: Tuesday, January 27, 2026

TIME: 1:30 P.M.

PLACE: Room WW54

MEMBERS PRESENT: Chairman Foreman, Vice Chairman Lenney, Senators Lakey, Guthrie, Nichols, Zito, Ward-Engelking, and Ruchti

ABSENT/ EXCUSED: Senator Bernt

NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

CONVENED: **Chairman Foreman** called the meeting of the Senate Commerce and Human Resources Committee (Committee) to order at 1:30 p.m.

GUBERNATORIAL APPOINTMENT VOTE: **Committee Vote on the Gubernatorial appointment of Salvador Cruz as the Director, Department of Finance.**

MOTION: **Senator Lakey** moved to send the Gubernatorial appointment of **Salvador Cruz**, Director of Finance (DOF), to the floor with the recommendation that he be confirmed. **Senator Ruchti** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL APPOINTMENT VOTE: **Committee Vote on the Gubernatorial Appointment of Nora Carpenter, to the Idaho Health Insurance Exchange Board (IHIEB).**

MOTION: **Senator Nichols** moved to send the Gubernatorial Appointment of **Nora Carpenter**, to the IHIEB to the floor with the recommendation that she be confirmed. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL REAPPOINTMENT VOTE: **Committee Vote on the Gubernatorial Reappointment of Gregory Donaca, to the Idaho Health Insurance Exchange Board (IHIEB).**

MOTION: **Senator Ruchti** moved to send the Gubernatorial reappointment of **Gregory Donaca**, to the IHIEB to the floor with the recommendation that he be confirmed. **Senator Nichols** seconded the motion. The motion carried by **voice vote**.

PRESENTATION: **Your Health Idaho (YHI). Patrick Kelly**, Executive Director, YHI, highlighted changes and outlined the year for YHI (Attachment 1). He gave an extensive summary of the key accomplishments in 2025 by the numbers, the year in review, open enrollment 2026, the consumer experience, partnerships, and looking ahead. **Mr. Kelly** emphasized savings for Idahoans and increased enrollment. He discussed the financial position of YHI, emphasizing its fiscal conservatism and self-sustainability. He provided a detailed breakdown of the enrollment statistics, including the percentage of enrollees who received tax credits and the demographic distribution of enrollees. In addition, **Mr. Kelly** enumerated their customer experience metrics, including the Net Promoter Score and the number of enrollments handled during open enrollment. **Mr. Kelly** discussed the challenges faced in 2025, such as affordability concerns,

the shift to Bronze Plans, and the strategies employed to address these challenges.

Mr. Kelly outlined the YHI's plans for open enrollment 2026, including the focus on key performance metrics, efficiency gains, and customer experience. He stressed the record-breaking enrollment numbers achieved in 2026 and the strategies employed to maintain high customer satisfaction. He pointed out the ongoing efforts to educate Idahoans about their health insurance options.

DISCUSSION:

Senator Ward-Engelking questioned the impact of rising health insurance premiums and the shift to Bronze Plans. **Mr. Kelly** explained that Bronze Plans were cheaper to carry, but more expensive to use, and that the shift reflected "affordability pressures" during open enrollment of 2026. **Senator Nichols** queried how Idaho's costs compared nationally. **Mr. Kelly** indicated that Idaho had some of the lowest premiums in the country and credited the 1332 Reinsurance Waiver and a competitive carrier market.

PASSED THE GAVEL:

Chairman Foreman passed the gavel to Vice Chairman Lenney.

DOCKET NO. 29-0203-2501

Department of Commerce Grant Program Rules (ZBR Chapter Rewrite) - Pending Rule, p. 4. **Ewa Szewczyk**, Grants and Contracts Manager, Idaho Department of Commerce (IDOC), reported that the rule did not create new programs, did not expand eligibility, and did not increase appropriations. She noted the rewrite removed duplicative statutory language, clarified definitions, and modestly adjusted grant caps for cost inflation without changing total funding.

DISCUSSION:

Senator Lakey asked if a grant cap increase from \$50,000 to \$100,000 was driven by a projected cost growth and not by Code change. **Ms. Szewczyk** stated the intent of the increase was to fund and complete the project. In response to a question from **Senator Lakey**, **Ms. Szewczyk** stated there was not any limitation in Idaho Code as to the amount.

MOTION:

Chairman Foreman moved to approve **Docket No. 29-0203-2501**. **Senator Ruchti** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 18-0405-2501

Self-Funded Health Care Plans Rule (ZBR Chapter Rewrite) - Pending Rule, p. 5. **Dean Cameron**, Director, Idaho Department of Insurance (IDOI), introduced his support staff and stated the dockets were part of a scheduled five-year cleanup, removing redundancy with statute, and reducing burdens, all with negotiated rulemaking and stakeholder input. He introduced **Wes Trexler**, Deputy Director, IDOI, who would present the dockets.

Mr. Trexler remarked the purpose of this docket was to implement Idaho Code, Title 41, Chapter 40 provisions on Self-Funded Health Care Plans (registration, bonding, reserves, record-keeping, and reporting).

MOTION:

Senator Lakey moved to approve **Docket No. 18-0405-2501**. **Chairman Foreman** seconded the motion. The motion carried by **voice vote**.

DOCKET NO. 18-0406-2501

Governmental Self-Funded Employee Health Care Plans Rule (ZBR Chapter Rewrite) - Pending Rule, p. 9. **Wes Trexler**, Deputy Director, Idaho Department of Insurance (IDOI), reported this docket was similar to the prior one, but was for governmental joint public agency plans. He noted changes included streamlined certifications and removal of statutory duplication.

DISCUSSION:

Senator Lakey stated that he had a potential conflict of interest pursuant to Senate Rule 39 (H), but intended to vote.

MOTION:

Chairman Foreman moved to approve **Docket No. 18-0406-2501**. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

**DOCKET NO.
18-0411-2501**

Long-Term Care Insurance Minimum Standards (ZBR Chapter Rewrite) - Pending Rule, p. 14. **Wes Trexler**, Deputy Director, Idaho Department of Insurance (IDOI), stated the purpose of the changes was to protect consumers by setting minimum standards, curb unfair sales practices, and improve comparability of long-term care policies. Also addressed were outdated transition provisions and time-limited sections that had long since expired, plus minor clarifications.

MOTION:

Senator Guthrie moved to approve **Docket No. 18-0411-2501**. **Senator Nichols** seconded the motion. The motion carried by **voice vote**.

**DOCKET NO.
18-0412-2501**

The Small Employer Health Insurance Fund and Availability Act (ZBR Chapter Rewrite) - Pending Rule, p. 52. **Wes Trexler**, Deputy Director, Idaho Department of Insurance (IDOI), indicated the purpose of these changes was to ensure broad risk-spreading and orderly operation of the small-group market. He outlined some of the changes that included removing a duplicate statute on pre-existing condition protections. Language was deleted on assessments, mandated plans, and filing requirements tied to the Small Employer Carrier Reinsurance Program of 2025 repealed by H 116. **Mr. Trexler** remarked rating manual/methodology language was removed in favor of statutory standards, and the new rule eliminated a mandated toll-free line requirement.

MOTION:

Senator Nichols moved to approve **Docket No. 18-0412-2501**. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

**DOCKET NO.
18-0413-2501**

The Individual Health Insurance Availability Act (ZBR Chapter Rewrite) - Pending Rule, p. 70. **Wes Trexler**, Deputy Director, Idaho Department of Insurance (IDOI), stated the purpose was to address the Individual Market Risk-Spreading Framework. He noted the changes were a similar cleanup that removed duplicative pre-existing condition provisions, assessments, reinsurance-program test, rating manual details, and the toll-free line requirement.

MOTION:

Senator Lakey moved to approve **Docket No. 18-0413-2501**. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

**DOCKET NO.
18-0414-2501**

Coordination of Benefits (ZBR Chapter Rewrite) - Pending Rule, p. 87. **Wes Trexler**, Deputy Director, Idaho Department of Insurance (IDOI), noted the purpose was to establish uniform order of benefit determination when insured customers had multiple health/disability plans, which reduced claim delays and duplication. The changes included that plans could no longer reduce benefits merely because a person could have enrolled in Medicare Part B, but chose not to. The change prevented coverage gaps for older workers who delayed Part B while still covered under employer plans.

MOTION:

Senator Nichols moved to approve **Docket No. 18-0414-2501**. **Chairman Foreman** seconded the motion. The motion carried by **voice vote**.

**DOCKET NO.
18-0415-2501**

Rules Governing Short-Term Health Insurance Coverage - Adoption of Pending Rule, p. 98. **Wes Trexler**, Deputy Director, Idaho Department of Insurance (IDOI), remarked the purpose of this docket was to regulate non-renewable short-term and enhanced short-term health plans under Idaho Code Title 41. He reported that federal agencies had announced they would enforce a more restrictive federal short-term definition (maximum of three months), which sharply limited these products. The IDOI had issued a temporary rule, effective October 15, 2025, to protect access and adapt State rules. The new definition redefined non-renewable short-term coverage not to exceed 12 months, and not beyond the calendar year. This would avoid double deductibles for coverage straddling year-end and eased transition into Affordable Care Act (ACA) plans during open enrollment. The changes allowed year-round enrollment in short-term products, not just during open enrollment. Benefit design flexibility was simplified and broadened for enhanced short-term plans, including typing generic prescription drug coverage to the benchmark plan formulary standard so major therapeutic categories could not be excluded. **Mr. Trexler** stated that the IDOI requested an earlier effective date to avoid a regulatory gap after the temporary rule expired at adjournment. This change allowed an extension effective upon sine die.

DISCUSSION: **Senator Lakey** asked whether there was a definition of short-term coverage. **Mr. Trexler** pointed out there was a definition. **Senator Lakey** and **Mr. Trexler** discussed the changes from prescription drugs versus generic. **Mr. Trexler** explained the prescription drug formulary was for at least two drug types to cover a benchmark plan to avoid major gaps in drug plans.

MOTION: **Chairman Foreman** moved to approve **Docket No. 18-0415-2501**. **Senator Nichols** seconded the motion.

DISCUSSION: After a brief discussion among Committee members about the effective date, an amended motion was done.

AMENDED MOTION: **Chairman Foreman** moved to approve **Docket No. 18-0415-2501** effective upon sine die. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

**DOCKET NO.
18-0605-2501**

Managing General Agents (ZBR Chapter Rewrite) - Pending Rule, p. 106. **Wes Trexler**, Deputy Director, Idaho Department of Insurance (IDOI), noted the purpose of this docket was to implement the 2025 Managing General Agents Act. He outlined the changes and clarified that the broker's annual premium tax filing satisfied the rule's annual reporting requirement, thus reducing the administrative burden.

MOTION: **Senator Guthrie** moved to approve **Docket No. 18-0605-2501**. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

**PASSED THE
GAVEL:**

Vice Chairman Lenney passed the gavel back to Chairman Foreman.

DISCUSSION:

Dean Cameron, Director, Idaho Department of Insurance (IDOI), briefly responded to questions about premium trends. He stated Idaho had avoided the large rate spikes seen elsewhere, largely due to the Legislature's support of the 1331 Reinsurance Waiver, which had held average premiums essentially flat for approximately five years. He noted Idaho experienced approximately a 10 percent average individual market increase in the last year, which already incorporated an 18 percent reduction effect from the waiver. **Mr. Cameron** stated Idaho enjoyed a robust carrier market (eight carriers) compared to one or two in many states, making Idaho the envy of other insurance commissioners.

Chairman Foreman thanked Director Cameron and staff for their work overseeing Idaho's insurance markets and reaffirmed appreciation for their consumer protection role.

ADJOURNED:

There being no further business at this time, **Chairman Foreman** adjourned the meeting at 2:43 p.m.

Senator Foreman
Chair

Linda Kambeitz
Secretary