Insure Montana Program
Board Meeting Agenda
August 7, 2012 – 1:00 to 3:00 p.m.
Red Lion Colonial Hotel – Bitterroot Room
2301 Colonial Drive - Helena

I.	Call to Order	Erin	5
II.	New Board Member and Staff Introductions	Jill	5
III.	Approval of Minutes*	Erin	5
IV.	Election of Officers*	Erin	5
V.	Financial Report A. Current Budget B. Experience Projection C. Enrollment Report	Jill	10
VI.	Database Report	Ecko	10
VII.	Vision Exam Contract Update	Jill	5
VIII.	Case Management	Ginger	20
IX.	Audit Findings	James/Helena	10
X.	Insure MT Legislation	Jill	10
X.	Employee Assistance Calculation*	Jill	30
XII.	Next Year's Meeting Schedule	Erin	5
XIII.	Adjourn	Erin	

**Board vote required.*

NOTE: Public comment is permitted after discussion of each agenda item. If a Board vote is required, public comment is permitted prior to the vote.

Insure Montana Board of Directors DRAFT Meeting 5-1-2012

Voting Board Present: Jim Edwards (phone), John Thomas, Amanda Harrow, Katherine Buckley-Patton, David Kendall (via phone), and Erin McGowan Fincham

Non-Voting Board members present: None

Insure Montana Staff: Jill Sark, David Dachs, James Oster, Nancy Lightner, and Renee Little

Interested Parties: Ginger Lindsey (BCBS), Kim Weiser (MCC), Christina Goe, Christa McClure

I. **Call to Order:** The meeting was called to order by Erin McGowan Fincham at 1:04 p. m.

II. **Insure Montana Staff Introductions:** Jill Sark introduced Helena Breidenbach as the Program's newest auditor. Jill also announced to the board that David Dachs has accepted another position and his last day with Insure Montana will be May 4, 2012.

III. **Approval of Minutes** – Minutes from the March 14 minutes were approved without any changes. David Kendall made the motion, John Thomas seconded the motion, the board voted unanimously in favor. No public comment was made.

IV. **Plan of Operation** - Three points were discussed

   a. Revising the RFP language to remove the verbiage "a minimum of every three years" to "will follow the State of Montana procurement services process in procuring services", this will give the board and the staff of Insure Montana more flexibility when it comes to the RFP process for the program. The board would then be able to approve the RFP process as needed, but also give approval for extending the contact according to the State guidelines, which is up to seven years. John Thomas made the motion to change the language in the Plan of Operation to the suggested language, and Amanda Harrow seconded the motion, the board members voted unanimously in favor of the change. No public comment was made.
   b. Grammatical changes were made by Jill to several pages of the Plan of Operation. Amanda Harrow made a motion to accept the updated language, John Thomas seconded the motion, the board voted unanimously in favor of the grammar changes. No public comment was made.
   c. Jill discussed the idea bringing subsidies to 2012 premium rates, as they are currently subject to the 2010 premium caps. Amanda Harrow asked Jill to bring more information regarding the cost of removing such caps to the board meeting in August. Jill accepted and will bring the information.

V. **Financial Report**

   a. **Current Budget** – The current budget was discussed by Jill Sark in which she explained that she is projecting that 95% of the operating expense budget will be spent, and that we are currently projected to spend 98.21% of the benefits budget. Due to the fact that only 95% of all budgets can be spent, she will be reviewing options for bringing that 98% down to 95% by the end of June 2012. David Kendall asked what the consequences would be if Insure Montana went over budget and what can be done to be in compliance, Jill responded by saying that we would have to remove people from the program. Insure Montana is currently conducting audits and may hit the 95% spending mark through savings brought about by the current audits. Further information will be provided at the next board meeting. Jill did indicate that the projected budget for Fiscal Year 13 looks good, and that we should be within the 95% spending limits.

b. **Experience Projection** -Jill Sark gave a brief description of the most current experience data. According to reports provided by Blue Cross Blue Shield, the Purchasing Pool utilization is down compared to where it was last year at this time. Ginger Lindsey from Blue Cross also reviewed some of the Purchasing Pool statistics giving the board an overview of what the claims experience is for the Purchasing Pool. Based on the information trending, the Purchasing Pool is on track for a possible 9% increase for 2013. Some stats given were that 83% of the covered individuals with claims had less than $500 in claims, 1 claimant is accounting for 7% of the claims with claims above $100,000. 30% of the population covered has had no claims for 2012.

c. **Enrollment Report** – Jill explained that the Purchasing Pool currently has 805 businesses; the experience report showed as of 3/2012 that there were 1,885 subscribers and 3,494 covered members.

VI. **Database Report** – David Dachs explained that Insure Montana has recently been working on a CEP which is a contract for IT services. He explained that this would be posted to the Procurement website most likely May 2, 2012 or May 3, 2012. More information on the CEP will be discussed at the August meeting. He also gave the board members an overview of IT issues that were occurring with the Insure Montana (IM) database. Wait list renewals are now being completed online, and IM is hoping to be able to accept new applications online in the future. IM is also working on some testing of data exchange between IM and Department of Revenue and that a Memorandum of Understanding or an MOU has been signed and data exchange will begin, as required by MCA.

VII. **Exchange Presentation** – Christina Goe, General Counsel, and Christa McClure, Grant Project Manager for the Commissioner of Securities and Insurance gave the board a presentation regarding updated information on the Health Insurance Exchange. For more information and to view the slide presentation, please refer to the CSI website at www.csi.mt.gov . Christina Goe mentioned that there are three items that the board might want to be reviewing due to items that might impact the IM program. They are as follows:

a. How do we integrate Insure Montana subsidies into the Exchange? Insure MT tax credits and subsidies could be offered to small employers who purchase coverage through the SHOP exchange.

b. Business size: Feds don't count owners or relatives as employees, so a family business would NOT be considered a small employer group under federal law and therefore not eligible for SHOP (small group) in the federal Exchange - how do we address this? Board might consider whether or not to increase the maximum size of businesses that are eligible to participate in IM? It is possible that a certain number of small family businesses will move to the individual market exchange.

c. Pooling mechanisms - do we need Insure MT's pooling mechanisms in a market that will be community rated? Each insurer will have only one community rated risk pool in the small employer and individual market. Therefore, every small employer insurer will be "pooled." The board should discuss whether or not the pooling mechanisms built in to the law are still necessary, in light of 2014 changes.

VIII. **Vision Exam Contract Update –** Jill gave a brief overview that she projects that IM will use 78% of the budget allocated for the Vision Exam and gift cards if the current trends of utilization continue. So far in 2012, 264 members have utilized the Vision Exam benefit.

IX. **Case Management –** Due to lack of time, this item will be postponed until the August 2012 Board meeting.

X. **Audit Findings –** James Oster gave a brief overview of the Targeted Audit findings and explained that the Auditors are currently performing household income tier audits. As a result of these audits of the household's that have reported with in Tier 1, 2, and 3 of the Insure Montana income tier guidelines, that as of May 1, 2012 $224,424.18 has been found in annual savings by putting employees into the correct income tiers based on the information that they have submitted. Audits on all tier levels will be done and further reporting will be provided at the August 2012 board meeting. Katherine Buckley-Patton inquired if employees have left the Program as a result of the changes in subsidy. James Oster answered no, to date he was not aware of employees leaving the Program for this reason. He made the point that the audits are placing the employees in the correct income tiers regardless if that means a loss of subsidy or a gain of subsidy.

XI. **Next Meeting –** August 7, 2012

XII. **Adjourn –** Erin McGowan Fincham asked for any public comment, seeing and noting none, the meeting was adjourned at 3:11 p.m.