

**MINUTES OF THE
UTAH COMPREHENSIVE HEALTH INSURANCE POOL
BOARD OF DIRECTOR'S MEETING
ANNUAL LUNCHEON**

**May 14, 2009
SelectHealth
4646 West Lake Park Boulevard
Auditorium B
12:00 p.m.**

Directors Present: Douglas Hasbrouck, M.D., Chair; Michael Bahr; Andy Galano; Victor Gibb; Neal Gooch; Libby Hunter; Irene Link ; D. Kent Michie; Byron Okutsu ; Rob Perry; Randy Smart; Norman Thurston.

Directors Absent: Matthew Minkevitch.

Present by Invitation: Tomi Ossana; Perri Ann Babalis; Troy Pritchett.

SelectHealth Staff Present: Jim Murray; Maren Donaldson ; Fran Gard; Jesse Liddell; Annette Meier; Judy Wolf.

HIPUTAH ANNUAL BOARD MEETING

The meeting was called to order at 12:20 p.m. by Douglas Hasbrouck, M.D., Chair.

ELECTION OF OFFICERS—Doug Hasbrouck, M.D.

1. Elect Chairman and officers (Committee Structure).
 - a. Executive Officers.

Chairperson	Elizabeth Hunter
Vice Chairperson	Doug Hasbrouck
Secretary/Treasurer	Neal Gooch

It was moved all three names presented as Executive Officers be elected as nominated. Moved—Rob Perry; seconded—Victor Gibb. Motion Approved.
 - b. Board Members Expiring Terms.

The terms for five members of the current board are scheduled to expire 6/30/09. All expressed an interest in continuing on the board. Ms. Ossana spoke with the State Commissioner and received approval for the extensions. These board members will need to e-mail a new application to Ms. Ossana by 05/27/09. Mr. Perry decided to extend his term for at least another year but requested a letter from the board stating he can continue his service without a conflict of interest.
 - c. Committee Structure/Members.

Executive Committee—Victor Gibb will remain as the At Large representative.
Benefit Committee—No change.
Finance Committee—No change.
Appeals Committee—Rob Perry as Substitute Member.
Legislative Ad Hoc Committee—No change.
Outreach Committee—No change.
2. Review Articles, Bylaws & Plan of Operations.

The board discussed updates and changes presented for the Plan of Operation, July 2009. Ms. Ossana will proceed with the minor clean up, updating and new officers. **It was moved that following the updates discussed the Plan of Operations dated July 2009 be accepted.** Moved—Libby Hunter; seconded—Rob Perry. Motion Approved.
3. Review of FY 2010 Strategic Plan.

- a. Develop plans which assure access, financial resources and public support to grow the HIPUtah program. Since budget was reduced by 21% HIPUtah will continue to develop relationships with legislature to increase support and revenue. Outreach will be expanded to both enrollees and producers through portal involvement, newspapers, meetings with carriers and pursuit of grant programs.
- b. Implementation of the FY 2010 Legislative Changes and prepare for FY 2011 Changes. The Board will review and approve changes to the Articles & Bylaw Plan of Operation. SB81 on Illegal Immigration will be monitored and implemented. Participation in the Health Care Reform Task Force will continue as needed.
- c. Continue an external evaluation on the scope of work in the administrator's contract. Scheduled time line: Release RFP is 07/01/09, Award Contract is 01/01/10, Execute Contract 07/01/10.
- d. Improve enrollee health cost and life quality through disease management, injectable utilization reports and continue with ongoing and new programs.
- e. Increase access to affordable insurance through research of the Utilization of the HDHP and Carriers Index reports. Projected funding for the current PAS program is short. Applications for additional grant funding will be ongoing.
- f. Assessment of the Executive Director Role and responsibilities will be evaluated. This position's contract renews 12/01/09.

HIPUTAH BOARD MEETING-MAY 14, 2009

The meeting was called to order at 1:10 p.m. by Douglas Hasbrouck, M.D., Chair.

APPROVAL OF MINUTES—Doug Hasbrouck, M.D.

The HIPUtah minutes of March 5, 2009 were presented. **HIPUtah Board members had no changes or corrections.**

ADMINISTRATIVE REPORT—Jesse Liddell

1. The highest percentage of new enrollment is in the \$5,000 deductible. We are receiving questions as to why people cannot change to a lower deductible.
2. The percentage of employers dropping insurance continues to increase.
3. Discussion ensued about when HIPUtah should expect an increase in enrollment due to the economy. Though no one knows the future, COBRA might take people out another 6 to 10 months.

HIPUTAH 3rd QUARTER FINANCIAL STATEMENTS—Tomi Ossana

The only new item showing up this quarter shows up under Non-Operating revenue (Expenses). Since Interest on Investments reported was high, the Insurance Department had HIPUtah make an adjustment which shows under Fair Value Adjustment.

ACTUARIAL REPORT & FINANCIAL PROJECTIONS—Troy Pritchett

1. Experience through March 2009 shows a projected net asset balance of \$30.1 million. With base funding of \$8.5 million for fiscal year 2009-10 the June 30, 2010 projected fund balance is \$26.8 million. The projected asset balances decrease quickly for future years. If funding is not increased substantially the pool will no longer be viable as it is currently operated.
2. HIPUtah has experienced a generally increasing enrollment from March 2007 through October 2008. Enrollment decreased slightly for November 2008 to January 2009. There was again an increase in February and March 2009.

3. The IBNR is projected to be \$2.9 million as of March 31, 2009.

It was observed that HIPUtah hasn't seen much effect of the dropping economy at this point. As benefits are dropped by employers, people are unable to afford insurance premiums and are going to the uninsured list. If the people took advantage of the COBRA option available there is a potential of a large increase in HIPUtah enrollment in coming months.

FY 09-10 BUDGET REVIEW—Tomi Ossana

1. HIPUtah is now at 83% of budget. Producer Fees are currently 310% over budget. This item will be increased in the 2010 budget.
2. Reserves show the following amounts: 2010 -- \$9,538,000, 2011 -- \$453,000, 2012 -- \$12,300,000, 2013 -- \$29,000,000. The HIPUtah Board will need to watch these reserves in the future.

SB81 LEGISLATION—Perri Babalis & Tomi Ossana

1. SB81 LEGISLATION—Perri Babalis & Tomi Ossana discussed this legislation. The major provisions in this law are that people 18 or older must be a United States citizen, a qualified alien or lawfully present in the United States to receive State Benefits. It also mandates that agencies verify residency. Ms. Ossana and Ms. Babalis have a list of different records acceptable for verification.
2. As the administrator, SelectHealth will do the verification on applicants effective after July 1, 2009. Since this is scheduled to go into effect July 1, 2009 we are now down to 45 days to comply. One glitch is the Attorney General must issue a statement on how to comply with this bill or how to proceed.
3. The HIPUtah board felt they can not wait until the final hour to proceed with making plans for implementation. **It was moved the Executive Director and Administration take the necessary steps to initiate the implementation process of verification to be in compliance with SB81 by July 1 2009.** Moved Victor Gibb; seconded Norman Thurston. Motion approved.

ACTION ITEM LIST—Tomi Ossana

1. NASCHIP. Ms. Ossana attended the Mid Year ED meeting in St. Louis. Items discussed:
 - a. The major concern around Health Care Reform and the role of High Risk Pools
 - b. Outreach Discussion
 - c. Administrative or Legislative help.The next NASCHIP conference will be September 16th through 18th in Washington D.C.
2. Notification to High Risk Pools (HRP) by Carriers. The Board discussed developing a rule allowing HIPUtah to receive the name and address of individuals denied coverage by carriers. Maryland Heal Insurance Plan is currently using such a plan and Utah can try to put such in place. Ms. Ossana will check what would be necessary to implement the program and will report to the next board meeting.
3. External Audit.
The Insurance Department has completed the final report. There were no major findings.
4. Cigna Withdrawal
Whenever a carrier withdraws from the market HIPUtah receives \$50,000. Cigna recently withdrew some of their products. Members felt the board could do a statement of intent for the use of those funds. e.g. outreach, administration of the new Federal Law SB81, etc.
5. Electronic Storage.
SelectHealth is in the process of storing all HIPUtah applications electronically. The process should be complete in a couple weeks. When the State Insurance Department develops their method for electronic storage we will be ready. Ms. Ossana requested Mr. Liddell and Mr. Murray send a summary of the process to her.
6. Medical Underwriting Audit.

Once all applications are scanned, it would be possible for the auditor to do the monthly medical underwriting from the auditor's home. There was some discussion about whether the current Business Associate Agreement would need to be changed to allow the auditor electronic access to the applications.

7. Producer Fee Discussion.

Letters were sent to all producers concerning submitted applications must be complete in order to receive the \$50 finders fee. The letter indicates that after the administrator receives 2 incomplete applications this fee will not be presented. The budget for producer fees has exceeded the budgeted amount. Ms. Ossana will increase this budget in upcoming years.

8. Administrative RFP.

At least one year prior to the expiration of the Administrative contract an RFP must be submitted. The process has begun. A selection of the administrator must be made at least 6 months prior to the contract renewal date of July 1, 2010. An administrator serves for three year terms with two one-year extensions. Committee: Randy Smart, Byron Okutsu and Neal Gooch.

PREMIUM ASSISTANCE SUBSIDY PROGRAM UPDATE—Tomi Ossana

1. HIPUtah currently has 915 members on the PAS program.
2. \$138,000 is being awarded per month by the Premium Subsidy Program. With current grant money, funding will be exhausted November 2009.
3. SelectHealth is in the process of re-verifying participants for the Subsidy Program. To prevent any loss of subsidies the renewal deadline was May 22, 2009.

FEDERAL GRANTS—Norman Thurston & Tomi Ossana

Currently there are three Federal Grants available:

1. High Risk Pool Federal Grant – CMS. Due date 6/30/09.
2. State HealthAccess Program (SHARP) – Health Resource and Services Administration (HRSA). Due date 6/15/09.
 - a. Target grants (2 to 4 million annually per state for five years) to target particular populations.
 - b. Comprehensive grants (7 to 10 million annually per state for five years) for states planning extensive coverage initiatives.
3. American Recovery and Reinvestment Act of 2009 (ARRA) Grant – Sec. 3013 State Grants to Promote Health Information Technology. No current deadline. Ms. Ossana will check to see who is running this grant. It is a complicated grant. Perhaps HIPUtah could use for electronic enrollee files for the state.

NEXT MEETING

The next Board meeting has been scheduled for **Thursday, July 09, 2009, 1:00 p.m.** at SelectHealth Auditorium B.

There being no further business, the meeting adjourned at 4:00 p.m.

Dated _____ of _____

Neal Gooch, secretary

Utah Comprehensive Health Insurance Pool