

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

**May 8, 2008
LDS Hospital
8th Avenue and C Street
Salt Lake City, UT**

Directors

Present: Douglas Hasbrouck, M.D., Chair; Andy Galano; Victor Gibb; Neil Gooch; Libby Hunter; Irene Link; Kent Michie; Matthew Minkevitch; Byron Okutsu ; Rob Perry (by phone); Randy Smart, Norman Thurston

Directors

Absent: Michael Bahr

Present by

Invitation: Tomi Ossana; Perri Ann Babalis; Michelle Rigby (in for 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 | Douglas Hasbrouck, M.D. |
| Vice-Chairperson | Elizabeth Hunter |
| Secretary/Treasurer | Neal Gooch |

It was moved all three names presented as Executive Officers be elected as nominated. Moved—Norman Thurston; seconded—Irene Link. Motion Approved.

b. New Committee Members.

| | |
|---------------------|---|
| Executive Committee | Elizabeth Hunter will replace Randall Smart |
| Appeals Committee | Andy Galano |

It was moved the Committee appointment changes be accepted as presented. Moved—Randall Smart; seconded—Kent Michie. Motion approved.

c. RFP Committee.

| | |
|-----------------------------------|-------------------------|
| Executive Director, RFP Committee | Douglas Hasbrouck, M.D. |
| Administrator, RFP Committee | Neal Gooch |
| UW Auditor, RFP Committee | Rob Perry |

It was moved the appointments to the RFP Committee be accepted as presented.

Moved—Matthew Minkevitch; seconded—Elizabeth Hunter. Motion approved.

d. To prevent having a large number terming in the same year, Ms. Ossana suggested the terms for committee appointments be staggered. Ms. Ossana will use a random selection for committee member terms at the next board meeting to determine how to stagger. A final proposal will then be presented to the Governor for final approval.

e. Final Conflict of Interest Policy. This policy was provided to board members for their information. It was approved at a previous HIPUtah Board meeting.

2. Review Articles, Bylaws & Plan of Operation—Tomi Ossana & Perri Babalis.
After review, Ms. Babalis presented final copies of these articles to the board. She had no big changes, just some clean-up prior to the final copies. **It was moved the Articles, Bylaws & Plan of Operation be accepted as presented.** Moved—Kent Mitchie; seconded—Byron Okutsu. Motion approved.

3. Review of FY 2009 Strategic Plan—Douglas Hasbrouck, M.D. & Tomi Ossana.
Item #6 was added by Dr. Hasbrouck.

The meeting was adjourned at 12:45 p.m.

HIPUTAH BOARD MEETING

The meeting was called to order at 12:45 p.m. by Douglas Hasbrouck, M.D., Chair.

APPROVAL OF MINUTES

The HIPUtah minutes of March 13, 2008 were presented. **HIPUtah board members had no changes or corrections.**

ACTUARIAL REPORT & FINANCIAL PROJECTIONS—Troy Pritchett by Michelle Rigby

1. Projected Revenue and Expense. Experience incurred and paid through March, 2008 show a projected balance at June 30, 2008 of \$31.8 million. With the base funding of \$10.8 million for fiscal 2008-09, projected fund balance at June 30, 2009 is \$34.4 Million.
2. Enrollment. HIPUtah has shown an increase in enrollment from December 2004 through October 2006. Slight decreases were shown from December 2006 through February 2007. The period from March 2007 through March 2008 shows increases in enrollment. There was a slight decrease in January 2008.
3. IBNR. As of March 31, 2008 the IBNR is projected to be \$2.3 million.
4. Assumption Changes. The 2008-09 PMPM premium increase is 6.0%. The premium increases of 8.5% are projected for later years.

3rd QUARTER FINANCIAL STATEMENTS & FY 08-09 BUDGET REVIEW—Tomi Ossana

1. HIPUtah is at 75% of the budget year.
2. Dr. Hasbrouck summarized that HIPUtah is staying on budget, having an increase in enrollment, and is maintaining a good cushion. HIPUtah is staying steady and we remain with the current projections.
3. Mr. Minkevitch added his comment that HIPUtah is doing so well. Can we do more for the people of the state? Several suggestions were discussed. Ms. Ossana proposed this be a future discussion item for the board's consideration. By the next board meeting Ms. Ossana will offer further information on the sub-set of the uninsurable and the income levels.

ADMINISTRATIVE REPORT—Jesse Liddell

1. The \$500 deductible was losing in numbers until September 2008. This option is now increasing again. The \$2,500 deductible is the only option still decreasing. The other deductibles are increasing..
2. HIPUtah receives around 115 applications each month.

UNDERWRITING CRITERIA REVIEW—Troy Pritchett & Tomi Ossana

1. Due to legislative changes the debit points will be changed from 200% (44 points) to 325% (points to be determined by Milliman).
2. However, Milliman is in the process of updating their underwriting manuals. Mr. Pritchett suggests HIPUtah hold off changing to the new guidelines until Milliman is able to complete updating their books. The new Milliman book will change points and be complete in June or July. This change may cause a difference in debit points.
3. Carriers don't have to follow the guidelines until it is passed as a rule. Ms. Ossana will meet with Mr. Pritchett and Neal Gooch regarding the draft of the rule. The HIPUtah board will be informed of changes.

ACTION ITEM LIST—Tomi Ossana

1. HIPUtah Risk Management Coverage Update. Ms. Babalis spoke with Neal and Steve Walkenhorst on the Litigation Division of Attorney General's Office and the reason risk management is only providing coverage to HIPUtah in federal court. "...if a matter is filed against HIPUtah in state court, the lawsuit will be based in contract, which is not covered. If a lawsuit is filed in federal court, it could encompass more than a contract claim and coverage would be extended to HIPUtah." This is now being removed from the action item list.
2. External Audit Update. The audit is now complete and there were no findings. Auditors were requested to check on applications containing the LIPW and Ryan White. It was a clean audit. SelectHealth is doing an excellent job administering the HIPUtah program.
3. Actuary RFP. The HIPUtah board feels Milliman has done a great job. The RFP will be released 5/13/08. Written questions are expected by 5/27/08 and the response to those questions by 6/5/08. Proposals are due 6/18/08. Approximate contract notification is 7/14/08. The contract will take effect as of August 1, 2008 or as soon as possible after that date. Due to input from Milliman and the time necessary to achieve the scope of services, the time commitment has been adjusted from not to exceed 120 hours to not to exceed 200 hours per year.
4. The September board meeting will be changed to 9/3/08 at 1:00 p.m. at SelectHealth, Auditorium A. Ms. Ossana will be out of the country from September 9-October 8, 2008.

LOW INCOME PREMIUM WAIVER UPDATE/FEDERAL GRANT APPLICATION—Tomi Ossana

1. HIPUtah is in the process of submitting an application to HHS-CMS for a continuation of the Federal Grant for Operations of High Risk Pools. The grant will continue to be used for the Low Income Premium Waiver program with some revisions. The application is due June 9, 2008. The grant is scheduled to be awarded by 7/1/08.
2. Revision in the Low Income Premium Waiver. In the past, the LIPW waived premiums from 1-6 months according to an enrollee's income. With the proposed change the tiers will be collapsed into two groups. Tiers A & B will become a reduction of premiums by 50%. Tiers C, D, and E will become a reduction of premiums by 25%. Tier F will be deleted. This change will increase the waiver for some as it decreases the waiver for others. The proposed change will make administration of the program much easier as well as cause less confusion for enrollees. This update will allow a decrease in all monthly premiums rather than waiving some months. The new Premium Waiver will supply a monthly billing showing the total premium due, the Premium waiver percent deducted and the amount enrollees owe. Enrollees will pay the administration fee of \$5.00 if they choose a monthly billing.
3. It was discussed that there be a way to offer a discount for those currently in Tier F rather than just deleting that group. The board felt that going with an 8% decrease for those in Tier F would be more acceptable. **It was moved that the Low Income Premium Waiver program be changed to a monthly percent discount as long as a third tier is added so an 8% discount be**

offered to a third tier (tier F) in addition to the two other discounts. Moved—Matt Minkevitch; seconded—Victor Gibb. Opposed—Norman Thurston. Motion approved.

UPDATE ON HEALTH CARE REFORM TASK FORCE—Tomi Ossana & Norman Thurston

1. The task force currently meets monthly. They currently plan to submit their plan during the summer of 2008.
2. The hope of the task force is to assist working families by modernizing the way health benefits work. If this comes to pass more policies will be awarded through the employer. The ownership of the policies would change from employer to employees. The UPP would be available to people who are currently uninsured. When employees are accepted to the UPP program it will be a special qualifying event so they will be eligible for employers insurance at the time they qualify.
3. The UPP is currently in place and can be purchased only through the employer. At this time it is available only to people (family members) with no prior insurance.

NEXT MEETING

The next Board meeting has been scheduled for **Thursday, July 10, 2008** at SelectHealth, Auditorium B.

Due to a conflict, the scheduled meeting for September will be changed to Wednesday September 3, 2008 from 1:00 P.M.-4:00 P.M. at SelectHealth Offices auditorium A.

The General Session adjourned at 2:30 p.m. to allow an Executive Session.

Doug Hasbrouck requested the Board go into Executive Session for the purpose of discussing the renewal extension of the SelectHealth Administrative Contract for July 1, 2009 through June 30, 2010. Rob Perry seconded the request. Motion approved.

EXECUTIVE SESSION

Brought to order at 2:30 p.m.
Executive Session ended 2:50 p.m..

GENERAL SESSION

The General Session was re-convened at 2:55 p.m. by Douglas Hasbrouck M.D., Chair. Dr. Hasbrouck explained the board had discussed offering SelectHealth a second one-year extension of the contract to administer HIPUtah. **It was moved that the HIPUtah contract with SelectHealth be extended one year from 7/1/09 to 6/30/10.** Moved—Rob Perry; seconded—Irene Link. Motion approved.

The meeting adjourned at 3:00 p.m..

Dated _____ of _____