

**MINUTES OF BOARD MEETING  
OF  
IOWA COMPREHENSIVE HEALTH ASSOCIATION  
(Health Insurance Plan of Iowa)**

**August 14, 2018**

A telephonic meeting of the Board of Directors of the Iowa Comprehensive Health Association (“Association”) was held on Tuesday, August 14, 2018, at 3:03 p.m. Notice of the meeting was posted on the Association’s website. Due to the geographic dispersion of the Members of the Board of Directors, the meeting was held by telephone. Those participating were:

Board Members

Joseph E. Day, President	Angela Burke Boston
Ellen Corwin	Stephen Custis
Frank D’Antonio	Representative Timothy Kacena
Kyle Lattina	Pat Ryan
Joe Teeling	Carol Trocinski
Kevin Van Dyke	

Board Members Absent

Representative Brian Best	Senator Michael Breitbach
Senator Matt McCoy	Debra Sears

Other Participants

Bill Boyd	Derek Bridges
Cecil Bykerk	Bernie Jamieson
Allison Kellogg	Katie Sells
Shannon Wolff	

A quorum having been declared, President Joe Day called the meeting to order at 10:04 a.m. and the following business was conducted:

1. Minutes. After discussion, the following motion was made by Ellen Corwin and seconded by Angela Burke Boston and unanimously carried:

**RESOLVED**, that the minutes of the Board meeting of April 20, 2018 be approved as revised.

2. Executive Director’s Report. Cecil Bykerk reported on the change in management in Benefit Management, LLC (“BML”). He introduced Derek Bridges, the new President of BML. Mr. Bridges provided background on himself and told the Board he looked forward to working with the Association.

3. Financial Report of Association. Bernie Jamieson of BML reviewed the Association's July 2018 financial statements, which included an unaudited balance sheet, a statement of operations, and cash flow analysis through July 31, 2018, which were handouts for the meeting.

Mr. Jamieson reviewed a statement of cash flow through July 31, 2018. He also reviewed the cash flow analysis through July 31, 2018. Mr. Jamieson noted that due to a higher level of claims than anticipated, it was necessary to proceed earlier than originally projected with an assessment of the Association.

Cecil Bykerk reviewed with the Board the \$11,000,000 assessment that was approved by written consent of the voting directors. Mr. Bykerk noted that it was necessary for the Board to take action by unanimous written consent prior to the Board meeting in order to allow the Association to access the line of credit with Wells Fargo (if necessary). Mr. Bykerk reported that the voting directors unanimously approve the \$11,000,000 assessment by written consent.

Mr. Jamieson reported that invoices for the assessment were sent out on August 3, 2018 and that BML was starting to receive assessment payments. At this point, it is not clear whether the Association will need to use the line of credit.

There was discussion about the reason for the claims being higher than anticipated. Mr. Bykerk reported that he had spoken with Scott Bentley with regard to the matter. It was noted that with a small number of members, the Association is subject to higher volatility. It does not appear that the higher claims are due to newer members in the Association.

4. Administrator's Report of Association. Shannon Wolff of BML reviewed the Association's operations report for July 2018, which was a Board handout. At the end of July, the levels of services (measured by enrollment, billing and claims standards) were not met due to questions from individuals with regard to the impact of health care reform in Iowa and available coverage from the Association. Ms. Wolff also reported that customer service standards were not met.

It was reported that as of the end of July, there were 280 individuals enrolled in HIPIowa plans. It was reported that the \$5,000 deductible plan was the most popular HIPIowa plan being offered with 81 insureds in such product as of the end of July. The enrollment of the Medicare Carveout Plans was reviewed. At the end of July, there were three members enrolled in the original Medicare Carveout I Plan and 19 members in the newer Medicare Carveout II Plan. A plan and age distribution summary, which was reviewed, showed that the largest concentration of enrollees for the year was the age group of 60-64 with PPO plan policies with a \$5,000 deductible (31).

A review was provided covering (1) applications received in July and (2) applications approved in July, which showed there were no new enrollments. Ms. Wolff reviewed the "eligibility designation" for HIPIowa members and reported that the majority of members were eligible for coverage due to medical eligibility (56%) and being federally eligible individuals (41%).

Ms. Wolff reviewed the net changes in enrollment activity for July. There was a net loss of one member for February. She also reviewed the qualifying event reasons and the termination reasons for the change in coverage.

Ms. Wolff reviewed claims received during the month of July. She said that claims inventory showed approximately 55 pre-registered claims and 10 pended claims. The cost share PMPM claim costs for July 2018, were reviewed. BML's data showed approximately \$1,314 PMPM member costs and approximately \$4,050 PMPM plan costs for July 2018. They reviewed a High Dollar Paid Claims Report for August 2017 through July 2018, which showed no high dollar claim paid by the Association.

5. PBM Report. Alan Kellogg of HealthLinx presented a report on the Association's pharmacy benefit manager ("PBM"). Mr. Kellogg reported that he has been in discussions with the PBM, MedTrak, about renegotiation of the agreement between MedTrak and the Association. He stated that MedTrak had indicated to him that it was unable to offer better pricing given the low number of individuals enrolled in HIPIowa products. Mr. Kellogg reported that in light of the situation, he discussed with MedTrak implementing different arrangements to reduce the cost of drug coverage for the HIPIowa plans. These involved:

- (1) Adjusting the formulary;
- (2) Implementing a DAW penalty;
- (3) Implementing a diabetes program; and
- (4) Implementing a care track pain program

The Board requested further information on proposed formulary changes. The Board approved the Association's participation in the MedTrak CareTrakRx Diabetes Program and Medtrak's CareTrakRx Pain Program, effective January 1, 2019. The Board rejected implementation of a DAW penalty.

There also was discussion about a population analysis that would identify urban and rural member count and drug spend. Mr. Kellogg was requested to provide such analysis.

6. Iowa Individual Health Benefit Reinsurance Association. Bill Boyd reported that the Calendar Year 2016 assessment would be in the process of being calculated this fall and he expects an assessment later this year.

Joe Day and Cecil Bykerk will work to establish a meeting date for the next Board meeting.

The meeting adjourned at 4:15 p.m.

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Kevin Van Dyke, Secretary