

Insure Montana Program
Conference Call Meeting Minutes

March 26, 2010

I. Call to order

Erin called the meeting to order at 1:07 p.m.

II. Roll call

Board Members Present: Erin McGowan Fincham, Betty Beverly, Katherine Buckley-Patton, Connie Welsh (NOTE: David Kendall called in his votes on 03/25/2010 to Jill Sark)

Non-Voting Members Present: Eve Franklin

Insure MT Staff Present: Jill Sark

III. Summary of Purpose for Meeting

Erin asked Jill to explain the purpose of the meeting. Jill explained that the current contract with BCBS of MT expires on December 31, 2010. If the Board chooses to pursue an RFP for a contract beginning January 1, 2011, that process would need to begin now. Jill stated that she had met with the Chief Legal Counsel and verified that the contract as well as state law allows one-year extensions up to seven years.

Secondly, Jill would like to pursue an RFP for a company to assist the new businesses with the paperwork to allow them to deduct employees' premiums pre-tax (125 Plans).

Last, Jill is asking the Board for permission to remove the caps on the subsidy payments (2007 premium amounts, age 54 and rate tier 6) beginning July 1, 2010. Jill has provided the Board with the estimated 2011 budget that will allow 864 businesses on the program with the caps lifted and remain within 95% of the allocated budget. Currently there are 808 businesses participating in the program with the payment caps in place.

IV. Open issues

- a) **Extend BCBS of MT Contract or Pursue an RFP:** Jill provided David's comments. He feels that with the uncertainty of healthcare reform and with the need to request continued funding (all Insure MT funding sunsets June 30, 2011), it would be wise to pursue an RFP to minimize or eliminate any negativity with the program. Erin said she originally concurred with David's thoughts but feels that with healthcare reform it would make sense to extend the contract for one year. Connie agreed with Erin's comment. Betty

motioned to extend the BCBS of MT contract for one year. Erin seconded. No public comment. All voted in favor except David Kendall. Motion passed.

- b) Pursue an RFP for 125 Plans:** Jill provided David's comments. He is in favor of pursuing an RFP for a company to assist the new businesses with 125 plans. Erin said she agreed with David. Betty agreed as well adding that the paperwork is complicated for the small businesses and the program should assist if at all possible. Betty motioned to pursue an RFP for a company to assist participating businesses with enrolling in a 125 plan. Katherine seconded. No public comment. All voted in favor. Motion passed.
- c) Lift Payment Caps:** Jill provided David's comments. He is in favor of removing the caps to increase the payment amounts to businesses and employees. Connie is not in favor of removing the caps due to the uncertainty of healthcare reform and the possible affect on underwriting. Erin would prefer to study the issue further. She requested that Jill provide the Board with the amount of increase to payments and the budget for each individual cap. Betty noted that from the consumer standpoint insurance is at the bottom of their budget priorities. She stated that the purpose of the program should be to keep the uninsured insured. Erin asked Jill what the timeline is for needing an answer. Jill stated that she would need to have time to fully inform business owners of a change if the caps are removed. Preferably she would want to begin the notification process mid-April. She stated that the small businesses participating in the program do not have HR departments, so it is important to clearly and timely provide information of an upcoming change in the payment amounts. Erin moved that the issue be tabled until mid-April when further information can be provided to the Board. Betty seconded. No public comment. All voted in favor except David Kendall (he cast a vote to lift all caps). Motion passed.

V. Next Meeting

Jill will schedule a telephone conference call for mid-April with one agenda item: Lift Payment Caps.

VI. Adjournment

Erin adjourned the meeting at 1:39 p.m.

Minutes submitted by: Jill Sark