

State of Idaho
Small Employer Health Reinsurance Program &
Individual High-Risk Reinsurance Pool

Board of Directors Minutes

Department of Insurance

June 4, 2025

Board Members Present

Hyatt Erstad, Chair, Erstad & Company
Dean Cameron, Director Idaho Department of Insurance
Norm Varin, Vice Chair, PacificSource
Janice Fulkerson, Board Secretary, Consumer Representative
Trent Nate, SelectHealth
Mike Reynoldson, BlueCross of Idaho
Ann Ibrahim, Regence BlueShield of Idaho

Board Members Not Present

Senator Jim Guthrie, Idaho State Senate

Others In Attendance

Laren Walker, River 9
James Winfield, River 9
Diane Kopecky, River 9
Shannon Hohl, Department of Insurance
Will Coom, Department of Insurance
Wes Trexler, Department of Insurance
Robert Schmidt, Milliman
Kevin Reddish, YHI
Pat Kelly, YHI
Daniel Boeder, Regence BlueShield of Idaho
Alan Vandagriff, St Luke Health Plan
Jake Vandermeer, PacificSource
Michael Witry, Idaho Attorney General's Office

- 1. Hyatt called the meeting to order at 12:30 pm.**
- 2. A roll call was conducted, a quorum established.**
- 3. The meeting agenda was reviewed.**

Norm requested the board add a discussion, with no action, on the status of the efforts to wrap up the small employer reinsurance program.

4. Minutes of the Previous Meeting

Waived for this special meeting

5. Milliman Contract

Norm Varin took a moment to discuss the history of the Cost-Sharing Reduction (CSR) program and how it relates to the Pool. In 2017 when the federal government did not fund the CSR program, the carriers increased the premium for the silver plans to cover the shortfall. This was referred to as silver loading. For 2026 the board has set the impact of the program to be 18% decrease to market rates assuming the federal government does not fund the CSR program, silver loading by the carriers remains in place, and the program would spend \$27M of the program assets.

It appears the federal government is contemplating funding the CSR program for 2026 in the new reconciliation process. This change may have an impact on how the program assets are spent. The Department has been working with Milliman to determine if additional modeling can be completed in time for the board to reconsider, if necessary, the 18% decrease to market rates. If a change is necessary, then the carriers would need time to adjust the filed rates. To meet federal and state (marketplace) deadlines, the rates would need to be finalized by the middle of July.

The main purpose of this meeting is regarding the work that Milliman would need to do including a potential increase to the original amount budgeted and approved. Robert shared that the current modeling efforts before the CSR changes have come in under the \$45k budget. To properly model the CSR changes the Milliman budget would need to be increased to \$55k (an increase of \$10k in the overall scope of work).

Motion to approve up to an additional \$10,000 in fees for Milliman to do this additional analysis. He will provide this within the next two weeks. Motion was made, seconded and carried.

6. Update on Small Employer Program

River 9 is ready to disburse the funds from the Small Employer Program at the beginning of next week.

Next Meeting:

The next Board meeting is scheduled for July 2, 2025, at 12:00pm, at the Department of Insurance Conference Room A.

There being no further business, on motion duly made, seconded, and carried, the meeting was adjourned at 2:36 PM MDT.

Respectfully Submitted,
River 9 Consulting, Inc.