

Washington State Health Insurance Pool
FINAL Board Meeting Minutes (Approved 3-11-20)
Wednesday, January 8, 2020, 9:00 a.m. to 11:30 a.m.
Hilton Seattle Airport & Conference Center, Seattle, Orcas Room

Board Members Present:

Kristen Walter Wright, Chair	Kristy Hogue	Alison Mondri
Cary Ancheta	Rick Hourigan MD	Molly Nollette
Bill Ely	Hiu-Wan Ko	Mark Rose

Board Members Absent: Andi Bailey, Roger Bairstow

Also Present:

Sharon Becker, WSHIP Executive Director
Anita Wuellner, WSHIP Executive Assistant

Guests:

BML: Shannon Wolf; Greg Woodyard, Carey LeMaster and Neil Ochs (by phone)
Express Scripts: Amy Williams (by phone)
First Choice Health: George Harper and Allaire Rosenthal
Leif Associates: Liz Leif (by phone)
Perkins Coie: Anne Redman
Zvara Consulting: Sydney Smith Zvara (by phone)

Audience Members:

None

The meeting was called to order by Chair Kristen Walter Wright at 8:58 a.m.

1. **Introductions, Review Agenda.** Board members, staff and guests introduced themselves. No changes were made to the Agenda.
2. **Consent Agenda (ACTION):**
 - A. **Minutes of November 13, 2019**
 - B. **2019 Board Schedule and Work Plan**

MOTION: It was moved and seconded to approve the Consent Agenda. The motion carried.

3. **Executive Director's Report:** Sharon Becker reviewed her Executive Director's Report included in the meeting materials.
4. **Administrator's Report**
 - A. **WSHIP Dashboard – November 2019:** Shannon Wolf reviewed the WSHIP Dashboard for November 2019 included in the meeting materials. Discussion ensued.
5. **Treasurer's Report**
 - A. **WSHIP Financials – November 2019 (ACTION):** Greg Woodyard presented the WSHIP Financials for

November 2019 included in the meeting materials, noting that medical claim expense for November is higher than usual due to the five high-dollar claims that came in.

MOTION: It was moved and seconded to accept the November 2019 WSHIP Financials as presented. The motion carried.

B. 2020 Forecast: Mr. Woodyard reviewed the 2020 Forecast included in the meeting materials. Ms. Leif provided an update on the calculation of projections after having received the EHIP update on enrollment and having captured the actual numbers from October and November 2019. Discussion ensued.

- 6. Proposed Amendment to Bylaws – Quorum Definition (ACTION):** Ms. Becker and Anne Redman presented and reviewed the Proposed Amendment to Bylaws – Quorum Definition included in the meeting materials. Molly Nollette provided input from the OIC regarding the language of the proposed Amendment. Ms. Redman distributed a second version of the quorum provision based on the OIC's input. After additional discussion and suggestions by the Board, amendments to the quorum requirements in the Bylaws were unanimously adopted by the Board. Ms. Redman noted the Board next needs to obtain the approval of the OIC to these amendments.

MOTION: It was moved and seconded to approve the amendments to Bylaws as discussed at the meeting and set forth on the attachment to these minutes. The motion carried.

- 7. 2020 Board Schedule and Work Plan (ACTION):** Ms. Becker reviewed the 2020 Board Schedule and Work Plan included in the meeting materials. Discussion ensued.

- 8. MOTION: It was moved and seconded to approve the 2020 Board Schedule and Work Plan as presented with the addition of a third project to evaluate the impact to WSHIP's Medicare program of the 21st Century Cures Act provision which will allow individuals with ESRD to enroll in Medicare Advantage Plans beginning in 2021. The motion carried.**

- 9. 2020 Administrative Budget (ACTION):** Ms. Becker reviewed the 2020 Administrative Budget included in the meeting materials. Suggestion was made to seek a reduction in bank fees and Mr. Woodyard will hold discussions with Key Bank in that effort. Discussion ensued.

MOTION: It was moved and seconded to approve the 2020 Administrative Budget as presented. The motion carried.

Public Comment: No public comment.

(A break was taken from 10:00 a.m. to 10:14 a.m.)

10. Planning Committee Report:

A. First Choice Health Network Report: George Harper and Allaire Rosenthal distributed and presented a report covering the 2015 through 2019 PPO network performance and designated dialysis network performance for WSHIP. Discussion ensued.

- 11. Legislative Update:** Sydney Smith Zvara provided a legislative update and reviewed the report included in the meeting materials.

12. Executive Committee Report: Ms. Walter Wright updated the Board on the December 9, 2019 recent Executive Committee meeting.

(Guests and staff exited the meeting at 10:51 a.m.)

13. Executive Session – Human Resources Matter.

(Guests and staff entered the meeting at 10:55 a.m.)

(The meeting reconvened at 10:55 a.m.)

Adjournment: The meeting adjourned at 10:56 a.m.

Next Meeting: Wednesday, March 13, 2020, from 9:00 a.m. – 12:00 p.m. at the Hilton Seattle Airport & Conference Center, Seattle, WA.

Proposed Amendment to Bylaws – Quorum Definition

Adopted by Supermajority at the WSHIP Board of Directors' meeting January 8, 2020

Background:

- The current WSHIP bylaw quorum requirement is seven (7) of the ten (10) directors required by the WSHIP statute regardless whether the positions are filled. The quorum must include four (4) of the six (6) governor appointed directors and three (3) of the four (4) directors elected by members. The board is not permitted to fill vacancies.
- Currently two (2) of the six (6) governor appointed director positions are vacant, and filling the positions is going slowly. This means all four (4) of the governor appointed directors must attend a meeting for a quorum to be present.
- The amendments below reduce the quorum to six directors who must include at least three directors appointed by the governor and eliminate the supermajority voting requirements but only when there are two vacancies in the governor appointed positions.

Proposed Amendment – Redline:

Section 3.8 Quorum for Meetings of Directors. The presence of seven directors, at least four of whom are directors appointed by the governor and three of whom are directors elected by the members, shall constitute a quorum for the transaction of any business at any meeting of directors.

In the event there are two or more governor appointed director positions vacant, the presence of six directors at least three of whom are directors appointed by the governor shall constitute a quorum.

Section 3.9 Manner of Acting by Directors. If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board of Directors, unless the question is one upon which a different vote is required by express provision of law, the articles of organization or these bylaws.

Section 3.10 Items Requiring Approval by Supermajority Vote of the Board. Unless there are two or more governor appointed director positions vacant, ~~the~~ affirmative vote of seven directors is required to: (a) approve a contract with the administrator in conformance with RCW 48.41.080 or approve any other contract with an entity or organization to perform administrative activities and duties on behalf of WSHIP if the aggregate payment under the contract is reasonably expected to exceed \$50,000, or such greater amount as may be established in WSHIP's annual budget, or the term of the contract will exceed 12 months; (b) levy assessments; (c) remove an officer from office; (d) alter, amend, or repeal WSHIP's articles of organization, bylaws or operating rules, or adopt new articles of organization, bylaws or operating rules; (e) initiate any legal proceeding; or (f) pledge the assets of WSHIP as security for purposes of borrowing funds.

Article IV. Amendments to Bylaws.

These bylaws may be altered, amended or repealed, and new bylaws may be adopted, by an affirmative vote of seven directors present at any annual, regular or special meeting, unless there are two or more governor appointed positions vacant, in which case the affirmative vote of a majority of directors present at any annual, regular or special meeting at which a quorum of six directors including at least three governor appointed directors shall be required. ~~provided that~~ ~~so long as~~ a minimum of ten days' written notice is given to each director of the intention to alter,

amend, repeal or adopt new bylaws. No such alteration, amendment, repeal or adoption of new bylaws shall be effective until they have been submitted to the Washington State Office of Insurance Commissioner and approved in compliance with the requirements of RCW 48.41.040.