

PROCUREMENT POLICY

IDAHO HEALTH INSURANCE EXCHANGE

December 16, 2022

This Procurement Policy (this “Policy”) is adopted as a policy of the Idaho Health Insurance Exchange doing business as Your Health Idaho (YHI) by approval of YHI’s board (“Board”) and in accordance with Idaho Code § 41-6104(10). This Policy replaces the Procurement Policy dated October 30, 2013. This Policy addresses YHI’s procurement process and outlines when Board approval is necessary for contracts procured pursuant to this Policy. The execution of contracts or the authorization of disbursements pursuant to such contracts shall be consistent with: (a) this Policy; (b) Board resolutions authorizing the same; (c) the Delegation of Authority (“DOA”) approved simultaneously herewith and attached hereto as **Exhibit A**; and (d) other policies approved by the Board.

1. IDAHO REQUIREMENTS. Under Idaho law, YHI is specifically exempt from the purchasing statutes and rules of the state of Idaho or any subdivision of the state. Idaho Code § 41-6104(2). YHI is authorized, under Idaho law, to develop, adopt and implement procurement policies and guidelines. Idaho Code § 41-6104(10). Also, YHI is authorized to “enter into contracts to effectuate and implement a health insurance exchange and shall accept requests for proposal to bid on such contracts.” Idaho Code § 41-6105(1)(f).

2. GENERAL AUTHORITY. Subject to the terms of this Policy, YHI, acting through its Executive Director or another duly authorized officer, shall have the authority to purchase equipment, software and other items of personal property or to obtain professional, information technology or other services on any terms necessary or incidental to carrying out the purposes of YHI.

3. PROCUREMENT PROCESS. Contracts for the purchase of equipment, software or other items of personal property or for professional, information technology or other services shall be awarded by YHI as follows: (a) for contracts where the anticipated expenditure during a twelve-month period or for a particular project or service is less than \$25,000, Board approval is not needed as provided in Section 5 below, and the Executive Director may award such contract as the Executive Director determines to be appropriate and in the best interests of YHI under the circumstances; (b) for contracts where the anticipated expenditure during a twelve-month period, or for a particular project or service, exceeds \$25,000, Board approval may be required pursuant to Section 5 below, and such contract shall be awarded on the basis of a competitive process which includes the solicitation of responses to requests for proposals, either by publication or from at least three qualified and interested vendors; and (c) for contracts where the anticipated expenditure during a twelve-month period or for a particular project or service exceeds \$25,000, and when the Board determines that there is only one vendor reasonably available to provide the equipment, software or other items of personal property or the professional, information technology or other services, the Board may authorize the Executive Director to enter into such a contract without the solicitation of responses to requests for proposal.

Once awarded, a contract may be extended and/or amended, including, without limitation, as to term, the services to be performed and the fee for such services, without a new solicitation of responses to requests for proposal; provided however, that any such amendment must be within the original general scope of the applicable project or services procured and is subject to the Board approval thresholds set forth in this Policy. Notwithstanding the foregoing, the Board shall evaluate the need for a new solicitation of responses to requests for proposal for such project or services no less frequently than every seven (7) years following the award of the contract.

4. CONTRACTS WITH GOVERNMENTAL ENTITIES. When it is in the best interest of YHI, YHI may, without competition, enter into an agreement to procure goods or services from an agency or unit of (a) the state of Idaho, (b) a political subdivision of the state of Idaho, (c) the federal government, or (d) another state government, including another state's health insurance exchange. Notwithstanding any other provision of this Agreement, any inter-governmental agreement described in this Section, where the anticipated expenditure during a twelve-month period, or for a particular project or service, exceeds \$25,000, must be approved by the Board. The Executive Director shall have authority to approve any such agreement where the anticipated expenditure during a twelve-month period, or for a particular project or service, is less than \$25,000.

5. BOARD APPROVAL THRESHOLDS. Except as provided in Section 4 above, the Board shall review, and in its discretion approve, any new contract for a budgeted expenditure where the expenditure is expected to exceed \$100,000 in any given fiscal year of the contract term. The Board shall review, and in its discretion approve, any new contract for a non-budgeted expenditure where the expenditure is expected to exceed \$25,000 in any given fiscal year of the contract term. The Executive Director may, in his or her discretion, approve any new contracts where the anticipated expenditure is less than the respective thresholds described in this Section.

Notwithstanding the foregoing, the procurement process set forth in Section 3 above and the Board approval thresholds set forth in this Section 5 shall not apply to contracts and expenditures for YHI employee benefits (e.g., medical and dental plans) provided (i) such expenditures are consistent with the approved budget and (ii) such contracts are approved by the Executive Director and the Board chair.

6. FORM OF REQUEST FOR PROPOSAL. Any request for proposal issued by YHI shall be in substantially the form attached hereto as **Exhibit B**. In evaluating responses to requests for proposals YHI shall consider the vendor's qualifications and experience as well as the cost of the items or services to be purchased.

7. AWARD FINALITY. No contract shall be deemed awarded until actual execution of the contract.

8. STATE CONTRACTS. Any contract entered into by a state agency for the benefit of YHI may be assigned to YHI and subsequently amended and/or funded by YHI.

9. IDAHO PREFERENCE. In accordance with Idaho Code § 41-6108, YHI shall, to the fullest extent practicable and consistent with state and federal law, contract with businesses in Idaho that employ Idaho citizens.

10. OTHER STATE POLICIES. In its sole discretion and as it determines may be in the best interest of YHI, the Board may adopt, in whole or in part, any procurement practice, policy or procedure currently in effect for the state of Idaho or its political subdivisions.

11. CONFLICT OF INTEREST. No contract shall be awarded unless such contract will be in compliance with YHI's conflict of interest policy then in effect.

12. COMPLIANCE WITH FEDERAL POLICIES. To the extent that Federal policies, procedures and/or requirements apply to any contract based on the use of Federal funding for such contract, YHI shall comply with any and all such policies, procedures and/or requirements.¹

13. COOLING-OFF PERIOD. Unless approved by a two-third's majority of the Board, for a period of 12 months from the date of a Board Member's separation from YHI, YHI will not contract with or employ such former Board member. Further, unless approved by a two-thirds majority of the Board, for a period of 12 months from the date of the separation from or the termination of an individual's engagement with YHI, YHI will not enter into a New Contract with such individual or with a company which is owned by, managed by, or employs such (a) individual who is a former member of the Board; (b) individual who has been an employee of YHI; or (c) individual who has been an employee or owner of an Independent Contractor (as defined below) to YHI. For purposes of this Section only, an "Independent Contractor" is a company that receives a majority of its revenue from YHI. "New Contract" shall not include modifications to or renewals of existing contracts.

¹ YHI no longer receives federal grant funding. However, in the event YHI is the recipient such funding in the future, YHI shall comply with the requirements of federal law as to such funds, including, without limitation, the incorporation of required federal contract clauses into any contract or purchase order where federal grant funds will be expended.

EXHIBIT A

Delegation of Authority

(see attached)

EXHIBIT B
Form of Request for Proposal
(see attached)