



Audit Sub-Committee Meeting MEETING MINUTES

Location: Legislative Office Building
Date: Monday, February 23, 2015
Time: 3:00 p.m.

Members Present: Lt. Governor Nancy Wyman; Grant Ritter; Cecelia Woods;

Other Participants: James Wadleigh (AHCT); Virginia Lamb (AHCT); Steven Sigal (AHCT); Jean Callan (Whittlesey & Hadley, PC); Edward Sullivan (Whittlesey & Hadley, PC)

Members Absent: Secretary Benjamin Barnes (Office of Policy & Management)

A. Call to Order and Introductions

Lt. Governor Wyman called the meeting to order at 3:04 p.m.

B. Review and Approval of Minutes

Lt. Governor Wyman requested a motion to approve the minutes from the December 12, 2014 Special Meeting. Motion was made by Cecelia Woods and seconded by Grant Ritter. ***Motion passed unanimously.***

C. Annual Programmatic Audit

Virginia Lamb introduced Whittlesey & Hadley, PC who provided the results of the programmatic audit. Ed Sullivan provided a review of the programmatic audit process required of AHCT. A financial audit is done simultaneously. Guidance from CMS was minimal, and the audit will be presented in draft form to fit CMS requirements. Jean Callan provided a summary of the process for this engagement. CMS requires all state-based marketplaces (SBMs) to conduct an independent financial and programmatic audit. The financial audit was issued without findings. The due date of the Programmatic Audit is April 1, 2015.

Connecticut's Health Insurance Marketplace
As approved by the Audit Committee
on December 2, 2015

Steve Sigal added that Connecticut appears to be the only SBM which has completed the programmatic audit, and that this is a new requirement. CMS is trying to be fair and build a process that is repeatable every year.

The programmatic audit will be sent to CMS as a draft for their review.

D. Update of Audit Activities

Ms. Lamb moved the discussion to the state audit. A few items remain outstanding. The whistleblower notice requirement is now satisfied as well.

Ms. Lamb then discussed the CMS site review. Overall, the site review was positive, with four recommendations but no corrective actions. The recommendations were summarized by Ms. Lamb. In terms of oversight and monitoring, CMS recommended conducting a programmatic audit, as well as starting to plan for the SMART audit. Another recommendation was the compilation of AHCT policies and procedures from various departments, along with defined roles and responsibilities. Further, CMS recommended conducting an internal audit, which AHCT has already done in various areas. Hiring an outside audit consultant was recommended. AHCT communicated that another overall internal audit would not be done. For outsourced contracts, AHCT staff will provide a site visit summary, and have requested CMS provide a template. Mr. Sigal added that this site review and the SMART audit are requirements for AHCT to move from conditional approval to final approval as an SBM.

Ms. Lamb discussed the SMART audit. This appears to be a process which involves uploading of existing documents, and explaining significant changes from AHCT's initial blueprint. An example of such a change is transitioning SHOP operations from an outside vendor to an in-house team, which resulted in significant savings with good results. If there has been a deviation from the blueprint, AHCT will be required to provide reasons for such decisions.

E. Adjournment

Lt. Governor Wyman requested a motion to adjourn the meeting. Grant Ritter made the motion and Cecelia Woods seconded. **Motion passed unanimously.** Meeting adjourned at 3:49 p.m.