

Access Health CT



FINANCIAL STATEMENTS

JUNE 30, 2016



Connecticut's Health Insurance Marketplace



WHITTLESEY & HADLEY, P.C.

Certified Public Accountants/Consultants

Access Health CT



I. Audit Overview

II. Financial Statement Highlights

- I. Statement of Net Position
- II. Statement of Revenue, Expenses and Change in Net Position

III. Other Matters

- I. Communication with Those Charged with Governance
- II. Programmatic Audit
- III. Transitional Reinsurance

Access Health CT Audit Overview



- Management Discussion and Analysis – This is an analysis of the financial condition and operating results written by Access Health financial management.
- Conduct an independent audit of Access Health CT's financial statements in accordance with auditing standards generally accepted in the United States of America, and Government Auditing Standards.
- Provide the Audit Committee independent assurance as to whether or not Access Health CT's financial statements as of and for the year ended June 30, 2016 are presented fairly, in all material respects, in accordance with U. S. Generally Accepted Accounting Principles.
- Ensure that the Audit Committee is kept appropriately informed of the Organization's financial reporting matters and compliance with professional standards.
- Report on the financials and the compliance reports related to The Uniform Guidance and Government Auditing Standards.

Access Health CT -FS Highlights

Statement of Net Position



	<u>2016</u>	<u>2015</u>	<u>Change</u>
Cash and cash equivalents	\$ 24,586,547	\$ 22,144,345	\$ 2,442,202
Accounts receivable	16,924,057	34,227,705	(17,303,648)
Property, plant and equipment, net	6,299,426	15,751,223	(9,451,797)
Other assets	195,675	194,063	1,612
Total assets	<u>\$ 48,005,705</u>	<u>\$ 72,317,336</u>	<u>\$ (24,311,631)</u>
Accounts payable and accrued expenses	<u>\$ 16,678,037</u>	<u>\$ 31,139,602</u>	<u>\$ (14,461,565)</u>
Total liabilities	<u>16,678,037</u>	<u>31,139,602</u>	<u>(14,461,565)</u>
Invested in Capital Assets	6,299,426	15,751,223	(9,451,797)
Net position	<u>25,028,242</u>	<u>25,426,511</u>	<u>(398,269)</u>
Net position	<u>31,327,668</u>	<u>41,177,734</u>	<u>(9,850,066)</u>
Total liabilities and net position	<u>\$ 48,005,705</u>	<u>\$ 72,317,336</u>	<u>\$ (24,311,631)</u>

Access Health CT

FS Highlights – Statement of Revenue, Expenses and Change in Net Position



	2016	2015	Change
Government grants and contracts	\$ 9,482,162	\$ 41,921,051	\$ (32,438,889)
Marketplace assessment	30,455,332	26,861,723	3,593,609
Other income	56,995	43,611	13,384
Total income	<u>39,994,489</u>	<u>68,826,385</u>	<u>(28,831,896)</u>
Wages and benefits	9,270,124	9,865,392	(595,268)
Consultants	24,312,816	40,271,647	(15,958,831)
Operations	4,291,886	2,637,964	1,653,922
Depreciation	11,969,729	12,067,967	(98,238)
Total expenses	<u>49,844,555</u>	<u>64,842,970</u>	<u>(14,998,415)</u>
Change in net position	<u>\$ (9,850,066)</u>	<u>\$ 3,983,415</u>	<u>\$ (13,833,481)</u>

Access Health CT Other Matters



- Communication with Those Charged with Governance
- Programmatic Audit
 - Compliance with subparts of 45 CFR Part 155
 - Program effectiveness and results
 - Compliance
 - Analysis
 - Internal Controls

Access Health CT – Other Matters



- Transitional Reinsurance
 - Compliance with subparts of 45 CFR Part 153.260, 153.265 and 153.20(a)(1), including:
 - Standard operating procedures and protocols for receipt and control of reinsurance funds, payment processing, and payments appeals
 - Documentation demonstrating the verification and validation that payments made by the reinsurance entity match EDGE outbound reports (CMS EDGE Server)
 - Records of accounting procedures and financial statements with respect to the transitional reinsurance program