

Access Health CT

Finance Subcommittee Special Meeting

June 12, 2017





Today's Agenda

- I. Call to Order and Introductions
- II. Meeting Minutes – April 26, 2017
(Discussion and Vote)
- III. 2017 Fiscal Year Third Quarter
Reforecast (Discussion and Vote)
- IV. Meeting Adjournment



Votes

- April 26, 2017
Special Meeting Minutes



➤ 2017 Fiscal Year Third Quarter Reforecast

Q3, 2017 Fiscal Year Reforecast

- The AHCT Q3 Reforecast of \$35.9M is same as the Q2 Reforecast. On a gross expense basis, the Q3 Reforecast is \$64.2M , which is \$24k more than the Q2 Reforecast of \$64.2M.
- The gross increase is in shared Maintenance and Operations expenses, net of Non-Federal Grant expense reimbursement.
- The annual Marketplace assessment expected to be collected for 2017 is now \$30.9M and \$11.4M has been received; \$2M ahead of schedule.
- The Reforecast is presented as a component of the projected financial statements of AHCT, including a statement of revenues, expenses and changes in net position; a statement of net position; and a statement of cash flows.

Q3, 2017 Fiscal Year Reforecast

Q2 FY17 vs. Q3 FY17 Reforecast - AHCT

PROJECTED STATEMENTS OF REVENUES, EXPENSES AND CHANGE IN NET POSITION				
	Q2, FY17 RFCST	Q3, FY17 RFCST	VARIANCE	
Grants	\$ 1,465,829	\$ 1,465,829	\$	-
Marketplace Assessments	\$ 32,150,000	\$ 32,149,039	\$	(961)
Interest Income	\$ 48,473	\$ 56,046	\$	7,573
Revenue	\$ 33,664,302	\$ 33,670,914	\$	6,611
			\$	-
Salaries	\$ 8,065,818	\$ 7,913,691	\$	(152,126)
Fringe Benefits	\$ 2,419,745	\$ 2,648,871	\$	229,126
Temporary Staffing	\$ 908,653	\$ 796,279	\$	(112,375)
Contractual	\$ 16,386,620	\$ 16,615,234	\$	228,614
Equipment and Maintenance	\$ 4,010,263	\$ 3,903,988	\$	(106,275)
Supplies	\$ 18,055	\$ 18,792	\$	737
Travel	\$ 128,816	\$ 126,581	\$	(2,235)
Other Administrative	\$ 1,234,405	\$ 1,250,097	\$	15,692
Operating Expenses	\$ 33,172,375	\$ 33,273,534	\$	101,159
			\$	-
Depreciation	\$ 1,067,240	\$ 1,854,080	\$	786,841
Total Expenses	\$ 34,239,615	\$ 35,127,615	\$	888,000
			\$	-
Change in Net Position	\$ (575,312)	\$ (1,456,701)	\$	(881,388)

RECONCILIATION OF OPERATING EXPENSES TO OPERATING BUDGET				
	Q2, FY17 RFCST	Q3, FY17 RFCST	VARIANCE	
Operating Expenses	\$ 33,172,375	\$ 33,273,534	\$	101,159
IT Development	\$ 2,737,805	\$ 2,646,718	\$	(91,087)
Pre-Paid Expenses	\$ (36,643)	\$ (46,715)	\$	(10,072)
Operating Budget	\$ 35,873,537	\$ 35,873,537	\$	(0)
Costs Shared with DSS	\$ 26,780,518	\$ 26,854,886	\$	74,368
AHCT Grants	\$ 1,566,781	\$ 1,516,781	\$	(50,000)
Gross Expenses	\$ 64,220,836	\$ 64,245,204	\$	24,368

Variations

- No change in AHCT Operating Budget. \$24k increase in Gross Expenses is a result of higher M&O expenses, net Non-Federal Grant expense reimbursement.



Q3, 2017 Fiscal Year Reforecast Analysis of Shared Costs with DSS

	GROSS EXPENSE			DSS ALLOCABLE			AHCT	GRANT
	Q2, FY17 RFCST	Q3, FY17 RFCST	Variance	Q2, FY17 RFCST	Q3, FY17 RFCST	Variance	Q3, FY17 RFCST	Q3, FY17 RFCST
BEST Staffing Dev (84%)	\$ 677,165	\$ 677,165	\$ -	\$ 568,818	\$ 568,818	\$ (0)	\$ 107,098	\$ 1,248
BEST Staffing (80%)	\$ 960,692	\$ 892,242	\$ 68,450	\$ 768,553	\$ 713,794	\$ 54,760	\$ 178,448	\$ -
BEST Staffing via DSS	\$ 40,000	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -
AHCT Staffing (80%)	\$ 66,393	\$ (59,575)	\$ 125,969	\$ 53,115	\$ (47,660)	\$ 100,775	\$ (11,915)	\$ -
AHCT Staffing	\$ 556,138	\$ 522,647	\$ 33,491	\$ -	\$ -	\$ -	\$ 522,647	\$ -
Temporary Staffing	\$ 2,300,388	\$ 2,032,478	\$ 267,909	\$ 1,390,486	\$ 1,234,952	\$ 155,535	\$ 796,279	\$ 1,248
IT Development (84%)	\$ 158,500	\$ 158,500	\$ -	\$ 133,140	\$ 133,140	\$ -	\$ -	\$ 25,360
Hosting (80%)	\$ 1,521,156	\$ 1,521,337	\$ (181)	\$ 1,216,925	\$ 1,217,070	\$ (145)	\$ 304,267	\$ -
Security (80%)	\$ 729,800	\$ 712,411	\$ 17,389	\$ 583,840	\$ 569,929	\$ 13,911	\$ 142,482	\$ -
Testing (84%)	\$ 386,090	\$ 357,408	\$ 28,682	\$ 324,315	\$ 300,223	\$ 24,093	\$ 14,348	\$ 42,837
Testing (80%)	\$ 314,080	\$ 431,080	\$ (117,000)	\$ 251,264	\$ 344,864	\$ (93,600)	\$ 86,216	\$ -
DSS Only Projects (100%)	\$ 660,160	\$ 531,720	\$ 128,440	\$ 660,160	\$ 531,720	\$ 128,440	\$ -	\$ -
IT Allocable	\$ 3,769,786	\$ 3,712,456	\$ 57,330	\$ 3,169,644	\$ 3,096,945	\$ 72,699	\$ 547,314	\$ 68,197
Call Center (80%)	\$ 21,029,265	\$ 20,975,676	\$ 53,589	\$ 16,823,412	\$ 16,780,541	\$ 42,871	\$ 4,195,135	\$ -
Operations (80%)	\$ 2,994,269	\$ 3,110,268	\$ (115,999)	\$ 2,395,415	\$ 2,488,215	\$ (92,799)	\$ 622,054	\$ -
Non-IT Allocable	\$ 24,023,534	\$ 24,085,945	\$ (62,410)	\$ 19,218,827	\$ 19,268,756	\$ (49,928)	\$ 4,817,189	\$ -
Accounting	\$ 88,125	\$ 83,125	\$ 5,000	\$ -	\$ -	\$ -	\$ 83,125	\$ -
APCD	\$ 1,405,813	\$ 1,410,063	\$ (4,250)	\$ -	\$ -	\$ -	\$ 1,410,063	\$ -
Call Center (Brokers)	\$ 716,781	\$ 716,781	\$ -	\$ -	\$ -	\$ -	\$ 716,781	\$ -
Legal	\$ 635,800	\$ 300,481	\$ 335,319	\$ -	\$ -	\$ -	\$ 300,481	\$ -
Marketing	\$ 4,176,278	\$ 4,176,138	\$ 140	\$ -	\$ -	\$ -	\$ 4,176,138	\$ -
SHOP	\$ 502,342	\$ 480,342	\$ 22,000	\$ -	\$ -	\$ -	\$ 480,342	\$ -
Plan Management	\$ 340,000	\$ 340,000	\$ (0)	\$ -	\$ -	\$ -	\$ 340,000	\$ -
Verifications	\$ 2,032,976	\$ 2,032,976	\$ -	\$ -	\$ -	\$ -	\$ 2,032,976	\$ -
IT Development	\$ 1,058,831	\$ 1,621,563	\$ (562,732)	\$ -	\$ -	\$ -	\$ 1,608,063	\$ 13,500
1095 Projects	\$ 35,028	\$ 35,028	\$ -	\$ -	\$ -	\$ -	\$ 35,028	\$ -
Other	\$ 164,995	\$ 161,234	\$ 3,761	\$ -	\$ -	\$ -	\$ 117,734	\$ 43,500
Non-Allocable	\$ 11,156,969	\$ 11,357,731	\$ (200,762)	\$ -	\$ -	\$ -	\$ 11,300,731	\$ 57,000
Contractual	\$ 38,950,290	\$ 39,156,132	\$ (205,842)	\$ 22,388,472	\$ 22,365,701	\$ 22,771	\$ 16,665,234	\$ 125,197
M&O (80%)	\$ 3,751,950	\$ 4,067,792	\$ (315,841)	\$ 3,001,560	\$ 3,254,233	\$ (252,673)	\$ 813,558	\$ -
M&O	\$ 3,306,393	\$ 3,090,429	\$ 215,964	\$ -	\$ -	\$ -	\$ 3,090,429	\$ -
Equipment & Maintenance	\$ 7,058,344	\$ 7,158,221	\$ (99,877)	\$ 3,001,560	\$ 3,254,233	\$ (252,673)	\$ 3,903,988	\$ -
IT Development (84%)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
IT Development	\$ 4,081,620	\$ 4,037,054	\$ 44,567	\$ -	\$ -	\$ -	\$ 2,646,718	\$ 1,390,336
IT Development	\$ 4,081,620	\$ 4,037,054	\$ 44,567	\$ -	\$ -	\$ -	\$ 2,646,718	\$ 1,390,336
GRAND TOTAL	\$ 52,390,641	\$ 52,383,885	\$ 6,756	\$ 26,780,518	\$ 26,854,886	\$ (74,367)	\$ 24,012,218	\$ 1,516,781

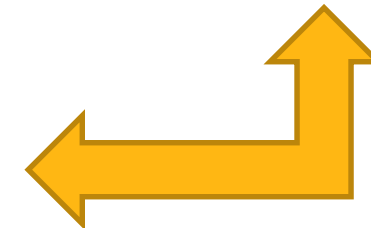
Q3, 2017 Fiscal Year Reforecast Projected Cash Flows

PROJECTED STATEMENTS OF CASH FLOWS				
	Q2, FY17 RFCST	Q3, FY17 RFCST	Q3, FY17 VARIANCE	
Beginning Cash Balance	\$ 24,008,231	\$ 24,008,232	\$ 0	
Assessment	\$ 33,000,676	\$ 36,411,276	\$ 3,410,599	
Medicaid Recovery	\$ 30,638,994	\$ 24,936,542	\$ (5,702,452)	
Other	\$ 89,331	\$ 146,904	\$ 57,573	
Grant - Federal	\$ 3,588,599	\$ 3,588,599	\$ -	
Total Cash Receipts	\$ 67,317,600	\$ 65,083,321	\$ (2,234,280)	
Total Cash Payments	\$ 76,430,014	\$ 76,814,918	\$ 384,904	
Cash Flow Surplus/Deficit (-)	\$ (9,112,414)	\$ (11,731,598)	\$ (2,619,184)	
Ending Cash Balance	\$ 14,895,818	\$ 12,276,634	\$ (2,619,184)	

Reserves*

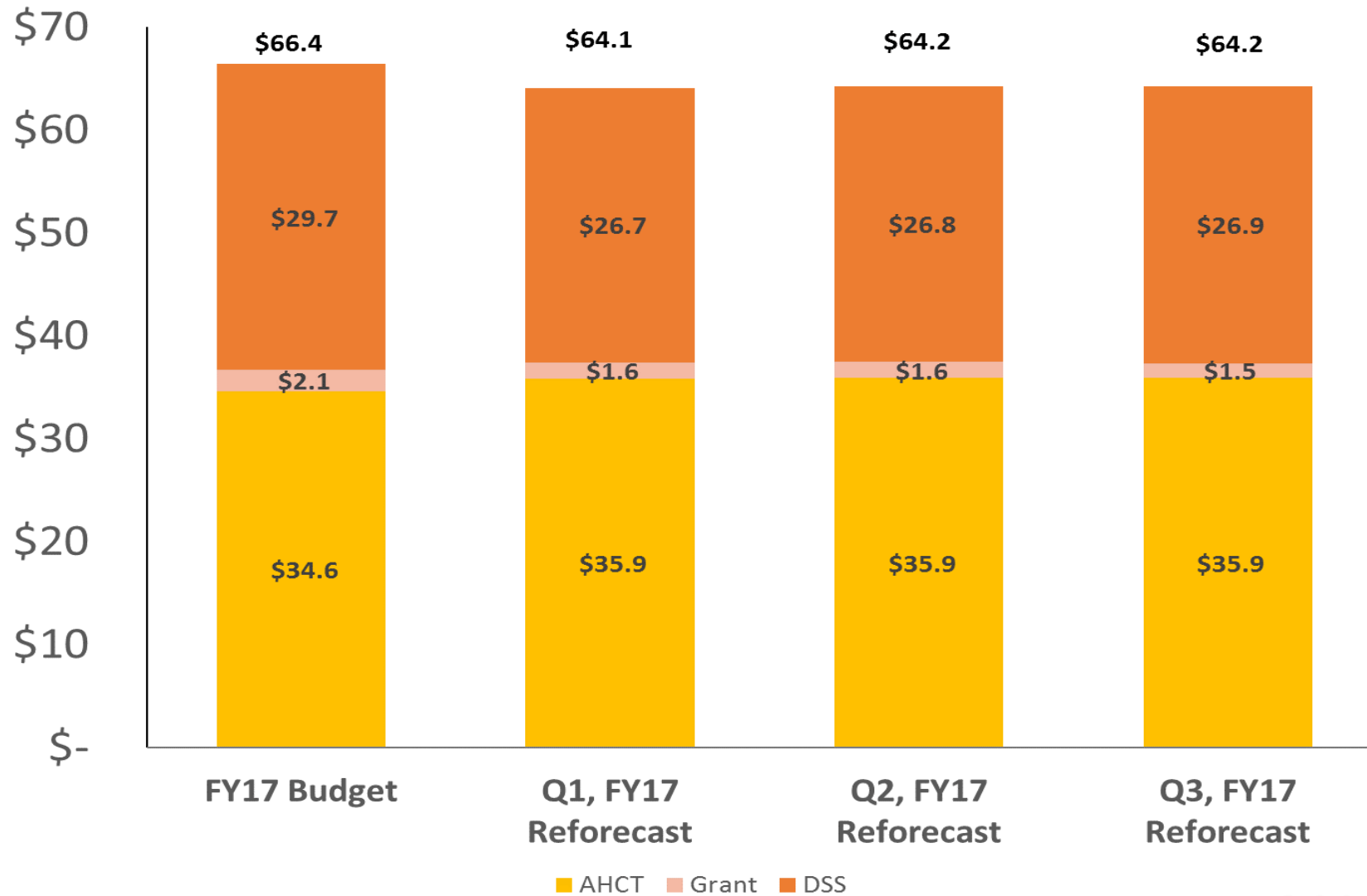
- Q2, FY17 Reforecast: 5 months
- Q3, FY17 Reforecast: 4 months

**Based on Ending Cash Balance over Fiscal Year Operating Budget.*



Q3, 2017 Fiscal Year Reforecast Historical Budget and Reforecasts

in \$ Millions



Q3, 2017 Fiscal Year Forecast vs. Actuals - AHCT

Through 11 Months

Category	Q3 Reforecast May YTD	Actuals May YTD	Variance May YTD
Salaries	\$7,144,886	\$7,095,652	\$49,234
Fringe Benefits	\$2,457,024	\$2,460,789	(\$3,765)
Temporary Staffing	\$765,780	\$740,883	\$24,897
Contractual	\$14,798,900	\$14,303,349	\$495,551
Equipment and Maintenance	\$5,058,479	\$4,959,222	\$99,258
Supplies	\$15,369	\$10,591	\$4,778
Travel	\$108,133	\$82,783	\$25,350
Other Administrative	\$1,125,748	\$1,063,473	\$62,275
Total Expense	\$31,474,318	\$30,716,740	\$757,578

Gross YTD Q3, FY17 Reforecast is \$57.3M vs. Actuals \$55.6M and the variance is \$1.6M. The favorable variance in net and gross is primarily due to timing differences relating to information technology development expenses.



➤ Meeting Adjournment