



**FINANCE SUBCOMMITTEE
ACCESS HEALTH CT**

**Special Meeting
Legislative Office Building, Room 1B
Hartford, CT
October 16, 2017**

Meeting Minutes

Members Present: Benjamin Barnes (Chair); Victoria Veltri; Robert Scalettar, MD (on the phone); Michael Gilbert on behalf of Commissioner Roderick Bremby, Department of Social Services (DSS)

Access Health CT (AHCT) Staff: James Wadleigh; Susan Rich-Bye; James Michel; Sinisa Crnkovic

The Special Meeting of the Connecticut Health Insurance Exchange Finance Subcommittee was called to order at 2:05 PM

I. Call to Order and Introductions

Chair Benjamin Barnes called the meeting to order at 2:05 PM.

II. Approval of the Minutes

Benjamin Barnes requested a motion to approve the June 12, 2017 Finance Subcommittee Special Meeting Minutes. Motion was made by Victoria Veltri and seconded by Robert Scalettar. ***Motion passed unanimously.***

III. FY 2017 Year End Budget Report

James Michel, Director of Finance, provided an update on the Fiscal Year 2017 Year End Budget Report. Mr. Michel indicated that Access Health CT (AHCT) outstanding balance is due to the unresolved issues with the Department of Social Services (DSS) that are currently being addressed. This amounts to \$2.7 million for the unreimbursed call center expenses. If these funds were received, AHCT would have a \$1.9 million surplus. Mr. Michel stated that AHCT has negotiated a settlement with the previous call center vendor. As a result, AHCT was able to recover \$1.3 million. Twenty percent of this amount was allocated to AHCT, while the remaining 80 percent were transferred to DSS.



Mr. Barnes inquired whether FY 2017 is closed. Mr. Michel confirmed that FY 2017 is closed. Mr. Barnes followed-up whether the \$2.7 million issue needs to be resolved before the audit is finalized. Mr. Michel confirmed that it does need to occur. Michael Gilbert, Chief Financial Officer (CFO) for DSS stated that Office of Policy and Management (OPM) provided DSS with authority to enable payments once the resolution is achieved pertaining to the cost-sharing ratio. Mr. Michel appreciated this approach, but also added that this issue needs to be resolved within the next month.

IV. FY 2018 Budget Update

Mr. Michel provided the FY 2018 Budget Update. Mr. Michel stated that no monetary changes were incorporated. Mr. Michel added that AHCT reallocates resources within the available funds as the organization sees fit to effectively perform its functions. They involve contractual issues. Funds were reallocated from the Information Technology (IT) to Marketing to cover additional costs associated with the Open Enrollment (OE) media outreach.

Mr. Barnes inquired which IT-development initiatives are not being pursued. Mr. Wadleigh indicated that AHCT has some capital improvement funds that would cover the IT projects which would take place later in the year. AHCT continues to renegotiate technology contracts in order to provide additional savings. Mr. Wadleigh added that AHCT is not deferring any technology work. Mr. Michel described the costs that AHCT shares with DSS for all of the work that both organizations perform jointly. Until the resolution is achieved, AHCT still budgets at the 80-20 split between the two organizations. Mr. Barnes inquired if the 80-20 split will change significantly. Mr. Gilbert indicated that based on the current state of events, the 70-30 cost sharing ratio is more adequate from the DSS perspective. Mr. Barnes stated that it amounts to approximately \$1 million in a possible variation. Mr. Michel accentuated that as of September 30, AHCT had close to \$21 million, reflecting both, short-term investments and cash balances. Mr. Wadleigh stated that reclassification of cash into capital improvements will be made in spring. It will consist of redesigning consumer decision support tools and all of the shopping experience screens.

Robert Scalettar, MD., inquired whether the uncertainty in Washington had an impact on the possible system investments at AHCT, and if they are modelled financially on different paths. Mr. Wadleigh stated that each of different pieces of legislation that have been proposed in Washington would have had real implications to the shopping screens, to the plan management functions and other areas as well. Mr. Wadleigh added that he held conversations with other state-based Exchanges to minimize the potential impact of introducing those changes. Customizable solutions would save a lot of money for all of the Exchanges if those changes were introduced.

V. FY 2018 RFP for New Auditors

Mr. Michel stated that the Request for Proposal (RFP) for new auditor will need to be issued to select it by the end of May 2018. Mr. Michel accentuated that AHCT is on budget for the current fiscal year. AHCT is working on a five-year operational plan, which involves financial planning.



VI. Adjournment

Benjamin Barnes requested a motion to adjourn. Motion was made by Victoria Veltri and seconded by Robert Scalettar. *Motion passed unanimously.* Meeting adjourned at 2:26 PM.