Access Health CT

Board of Directors Meeting

May 17, 2018

Today's Agenda

A. Call to Order and Introductions

B. Public Comment

C. Votes
- Review and Approval of Minutes

D. Leadership Update

E. Finance
- Operation Budget Approval (Vote)
- Capital Budget Approval (Vote)

F. Technology
- Update – Enhancements to Customers
- Future

G. Adjournment

Public Comment
(2 Minutes per Commenter)

Vote

- April 19, 2018 Meeting Minutes

Leadership Update

Finance Update

2019 Proposed Fiscal Year Operating Budget
&
Capital Improvements

May 2018

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Budget Summaries

FY19 Proposed Operating Budget			
FY18 Q2 Budget	**FY19 Budget**	**Variance**	**%**
AHCT	$ 32,281,868	$ 32,102,189	$ (179,679)	-0.6%
DSS Shared Cost	$ 21,449,548	$ 22,089,203	$ 639,655	3.0%
Gross Expenses	**$ 53,731,415**	**$ 54,191,392**	**$ 459,977**	**0.9%**

FY19 Proposed Capital Improvement Plan			
FY18 Q2 Budget	**FY19 Budget**	**Variance**	**%**
AHCT	$ -	$ 2,342,503	$ 2,342,503	100.0%
DSS Shared Cost	$ -	$ 4,370,012	$ 4,370,012	100.0%
Gross Expenses	**$ -**	**$ 6,712,515**	**$ 6,712,515**	**100.0%**

In addition:

- Going through Request For Proposal (RFP) for Audit Services. New Audit Firm to be selected by June 18, 2018.

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2019 Proposed Fiscal Year Budget
FY18 Budget vs. FY19 Budget

	FY18 Q2 FINAL BUDGET	PROPOSED CHANGES	FY19 PROPOSED BUDGET
Revenue			
Marketplace Assessments	$ 30,909,440	$ 1,023,774	$ 31,933,214
Interest Income	$ 107,418	$ 61,557	$ 168,975
Total Revenue	**$ 31,016,858**	**$ 1,085,331**	**$ 32,102,189**
Budgeted Expenses			
Salaries	$ 7,212,836	$ 296,476	$ 7,509,312
Fringe Benefits	$ 2,528,057	$ 119,357	$ 2,647,414
Temporary Staffing	$ 628,677	$ 933	$ 629,610
Contractual	$ 16,047,362	$ (93,571)	$ 15,953,791
Equipment and Maintenance	$ 3,661,169	$ (426,285)	$ 3,234,885
IT Development	$ 809,900	$ 37,470	$ 847,370
Supplies	$ 25,472	$ (7,554)	$ 17,918
Travel	$ 128,689	$ (27,949)	$ 100,740
Other Administrative	$ 1,239,707	$ (78,557)	$ 1,161,150
Total Operating Expenses	**$ 32,281,868**	**$ (179,679)**	**$ 32,102,189**
Costs Shared with DSS	$ 21,449,548	$ 639,655	$ 22,089,203
AHCT and DSS Total Expenses	**$ 53,731,416**	**$ 459,976**	**$ 54,191,392**

Variances
- **Salaries: 3% proposed increase**
- **Fringe Benefits: increase in health and dental cost insurance**
- **Contractual: Allocation adjustment with DSS**
- **Equipment and Maintenance: $0.2M APCD savings, $0.2M allocation adjustment with DSS**
- **Supplies: Reduction in supplies/paper purchases**
- **Travel: Less travel due to outsourcing of outreach**
- **Other Admin: Printing and copying moved to contractual**

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2019 Proposed Fiscal Year Budget
Analysis of Shared Costs with DSS

	GROSS EXPENSE			DSS ALLOCABLE		
	FY18 Q2 Final BUDGET	CHANGES	FY19 BUDGET	FY18 Q2 Final BUDGET	CHANGES	FY19 BUDGET
BEST Staffing	$ 1,485,871	$ 26,805	$ 1,512,676	$ 1,188,697	$ 201,528	$ 1,390,224
Temporary Staffing	**$ 1,485,871**	**$ 26,805**	**$ 1,512,676**	**$ 1,188,697**	**$ 201,528**	**$ 1,390,224**
IT Development (84%)	$ 769,963	$ (43,113)	$ 726,850	$ 646,769	$ (36,215)	$ 610,554
Hosting & Enhancements	$ 397,013	$ (397,013)	$ -	$ 317,610	$ (317,610)	$ -
Security	$ 854,366	$ 228,462	$ 1,082,829	$ 683,493	$ 247,740	$ 931,233
Testing	$ 1,068,800	$ 15,992	$ 1,084,792	$ 855,040	$ (11,442)	$ 843,598
DSS Only Projects (100%)	$ 781,217	$ 18,783	$ 800,000	$ 781,217	$ 18,783	$ 800,000
IT Maintenance	$ 3,768,558	$ (91,039)	$ 3,677,519	$ 3,014,846	$ 147,820	$ 3,162,666
Development	**$ 7,639,916**	**$ (267,927)**	**$ 7,371,989**	**$ 6,298,975**	**$ 49,076**	**$ 6,348,051**
Call Center (70%)	$ 16,238,366	$ 247,540	$ 16,485,906	$ 11,366,856	$ 173,278	$ 11,540,134
Call Center (80%)	$ 448,775	$ 0	$ 448,775	$ 359,020	$ 0	$ 359,020
Operations	$ 2,795,000	$ 55,900	$ 2,850,900	$ 2,236,000	$ 215,774	$ 2,451,774
Maintenance & Operations	**$ 19,482,141**	**$ 303,440**	**$ 19,785,581**	**$ 13,961,876**	**$ 389,052**	**$ 14,350,928**
GRAND TOTAL	**$ 28,607,928**	**$ 62,318**	**$ 28,670,246**	**$ 21,449,548**	**$ 639,655**	**$ 22,089,203**
CIP Projects (80%)	**$ -**	**$ -**	**$ 5,462,515**	**$ -**	**$ 4,370,012**	**$ 4,370,012**

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2019 Proposed Capital Improvement Plan

Capital Improvement Plan						
Project Number	**Project Name**	**Funding Source**	**DSS Allocation**	**AHCT FY19**	**DSS FY19**	**TOTAL**
2019.001	Technology refresh, move to open source from IBM products (WAS AND DB2)	Reserves	M&O New (80%)	$ 320,000	$1,280,000	$1,600,000
2019.002	Technology Refresh move to user friendly Notices Engine and convert exisiting Notices to new technology	Reserves	M&O New (80%)	$ 400,000	$1,600,000	$2,000,000
2019.003	Verify Lawful Presence (VLP) Steps 2 and 3	Reserves	M&O New (80%)	$ 372,503	$1,490,012	$1,862,515
2019.004	Deliver new Policy Based Payment (PBP) and reconciliation solution	Reserves	None	$ 750,000	$ -	$ 750,000
2019.005	Implement general improvements to existing EDI process	Reserves	None	$ 500,000	$ -	$ 500,000
Total Reserves Used				**$2,342,503**	**$4,370,012**	**$6,712,515**

<u>**Notes**</u>
- **$2.3M of Capital Improvements will be funded using reserves.**

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5 Year Proposed Capital Improvement Plan

Project Number	Project Name	FY19	FY20	FY21	FY22	FY23
**Capital Improvement 5 Year Plan**					
2019.001	Technology refresh, move to open source from IBM products (WAS AND DB2)	$ 1,600,000		$ -	$ -	$ -
2019.002	Technology Refresh move to user friendly Notices Engine and convert exisiting Notices to new technology	$ 2,000,000		$ -	$ -	$ -
2019.003	Verify Lawful Presence (VLP) Steps 2 and 3	$ 1,862,515		$ -	$ -	$ -
2019.004	Deliver new Policy Based Payment (PBP) and reconciliation solution	$ 750,000	$ -	$ -	$ -	$ -
2019.005	Implement general improvements to existing EDI process	$ 500,000	$ -	$ -	$ -	$ -
2020.001	Improve awareness of plan benefits and perceived value (SHOP)		$ 330,000	$ 330,000	$ 330,000	$ 330,000
2020.002	Brand awareness and loyalty: promote new product offerings		$ 500,000	$ 500,000	$ 500,000	$ 500,000
2021.001	System enhancements/technology upgrades		$1,000,000	$1,000,000	$1,000,000	$1,000,000
2021.002	Expansion of year round in-person help			$ 200,000	$ 250,000	$ 300,000
2021.003	Provide certified tax advisors to consumers			$ 100,000	$ 100,000	$ 100,000
2022.002	Provide concierge service such as making appointments and transportation arrangements for appointments				$ 100,000	$ 100,000
Total		**$6,712,515**	**$1,830,000**	**$2,130,000**	**$2,280,000**	**$2,330,000**

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2019 Fiscal Year Projected Cash Flow

PROJECTED FY19 CASH FLOWS STATEMENT	
PROJECTED THROUGH JUNE 2019	
Beginning Cash Balance	$ 20,503,190
Assessment	$ 31,933,214
DSS Shared Cost Recovery	$ 22,076,810
Other	$ 174,962
Total Cash Receipts	**$ 54,184,986**
Total Cash Payments	$ 56,302,333
Cash Flow Surplus/Deficit (-)	**$ (2,117,347)**
Ending Cash Balance	**$ 18,385,843**

Variances
- **$2.3M of cash reserves utilized for capital improvements**

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New Budget Report Format

PRIOR YEAR ACTUALS	FY19 ORIGINAL BUDGET	FY 19 Q1 CHANGES	CUMMULATIVE CHANGES	FY19 FINAL ADJUSTED BUDGET

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Technology Update

Enhancing Customer Experience

Primary focus: Enhance Customer experience while providing costs savings for the organization.

Some examples include:
- Simplify website interaction and information finding.
- Ease the shopping and plan selection experience.
- Increase level of educational tools.
- Streamline the Consumer Decision Support Tool.
- Optimize the utilization of the federal data services hub.
- Enhance compliance with CMS regulations to verify lawful presence at enrollment.
- Improve data integrity between systems at AHCT and participating carriers.
- Upgrade and refresh technology solutions implemented at inception of the exchange.

Timing: Some enhancements will be ready for the upcoming Open Enrollment Period (November 1, 2018).

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Adjournment