

# Audit Committee

*June 11, 2019*

# Agenda

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- A. Review and Approval of Minutes
- B. November 13, 2018 Special Meeting Minutes
- C. State-Based Marketplace Annual Reporting Tool - Update
- D. FY2019 - Financial and Programmatic Audits - Blum Shapiro
- E. Adjournment

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## Review and Approval of Minutes - Vote

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## State-Based Marketplace Annual Reporting Tool - Update

# SMART

## State-based Marketplace Annual Reporting Tool

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- ACA requires exchanges to keep accurate accounting of all activities, receipts and expenditures and to monitor and report to HHS on Exchange-related activities, complete an annual report and engage an independent auditor to perform annual independent financial and programmatic audit to ensure compliance with regulations and standards.
- CMS developed online annual reporting tool for Exchanges with all SBM requirements

# SMART

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SMART streamlined since introduction in 2015

Includes 4 sections:

- Eligibility and Enrollment
- Financial and Programmatic Audit
- Program Integrity
- Attestation of Completion

# CMS Timelines

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- 2018 Financial and Programmatic Audits filed with CMS by April 1, 2019
  - Access Health CT filed audits with CMS in March 2019
- 2018 SMART filed with CMS by June 1, 2019
  - Access Health CT filed SMART on May 31, 2019
- Post SMART filing: CMS follow up with Access Health CT with any questions/open areas

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# FY2019 - Financial and Programmatic Audits - Blum Shapiro





# **Access Health CT** *Required Audit Communication Discussion*

For the fiscal year ended June 30, 2019 audit

**blum**  
shapiro

step forward →

# Agenda

- » Engagement Scope
- » Responsibilities and Independence
- » Other Communications
- » Engagement Timing
- » Engagement Team

# Engagement Scope

## » Financial Statements

- Opinion on financial statements under auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in Government Auditing Standards issued by the comptroller general of the United States.

## » Programmatic Audit

- Audit of the Connecticut Health Insurance Exchange's compliance with 45 CFR Part 155 as prescribed by the Department of Health and Human Services, Centers for Medicare and Medicaid Services

# Responsibilities and Independence



## » Responsibilities - Management

- Preparation and fair presentation of the Financial Statements in accordance with US GAAP,
- Design, implementation and maintenance of internal control so that financial statements that are free from material misstatement whether due to error or fraud.

## » Responsibilities - Auditor

- Express opinions on the Financial Statements based on our audit,
- Plan and perform our audit to provide reasonable assurance about whether the Financial Statements are free of material misstatement.

## » Independence

- There are no relationships between any of our representatives and the Connecticut Health Insurance Exchange that in our professional judgment impairs our independence.

# Other Communications

## » Audit Conclusion Communications

- At the completion of our audit we will communicate the following:
  - Management judgments and sensitive accounting estimates
  - Significant accounting policies
  - Adoption of new or changes in accounting principles
  - Significant audit adjustments (recorded and unrecorded)
  - Disagreements with management
  - Difficulties encountered in performing the audit
  - Irregularities and illegal acts
  - Consultation by management with other auditors
  - Matters affecting independence of auditors
  - Material weaknesses, significant deficiencies and control deficiencies

# Engagement Timing

- » Trial Balance Files to blumshapiro 9/3/19
- » Commencement of Fieldwork 9/9/19
- » End of Fieldwork 9/13/19
- » Issuance of Draft Financial Statements 10/14/19
- » MD&A Finalized 10/14/19
- » Client Approval of Draft Statements 10/21/19
- » Issuance of Financial Statements 10/29/19
- » Issuance of Management Letter (if applicable) 10/29/19

# Engagement Team

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# Adjournment