



Access Health CT –Board of Directors

January 16, 2020

Board Agenda

- A. Call to Order and Introductions
- B. Public Comment
- C. Vote
 - Review and Approval of Minutes
- D. CEO Report
- E. Finance Update
 - Budget Report (Vote)
 - Capital Improvement Plan Update
- F. 2020 Open Enrollment Update
- G. 2021 Plan Certification Update
- H. Legal Update
- I. Future Agenda Items
 - ACA 10th Anniversary
 - Reinsurance/1332 Waiver
 - OE7 Results
 - Future Board of Directors Meeting Location
 - AHCT Call Center in Bristol
- J. Executive Session
- K. Adjournment

Public Comment

Vote

**Review and Approval of Minutes
(*November 21, 2019 Regular Meeting Minutes)**

CEO Report James Michel

Finance Update

Fiscal Year 2020
2nd Quarter (Q2) Budget Report
(as of December 31, 2019)

Fiscal Year 2020

(as of December 31, 2019)

2nd QUARTER (Q2) BUDGET REPORT

Operating

FY 2020 Budget vs Actuals - Through Dec. 31, 2019

(2nd Quarter Budget Report)

OPERATING BUDGET - 2nd Quarter			
July 1, 2019 through December 31, 2019			
	Budget	Actuals	Variance
Revenues			
Marketplace Assessments	\$ 16,632,854	\$ 16,663,078	\$ 30,224
Interest Income	195,361	253,110	57,749
Total Revenue	\$ 16,828,215	\$ 16,916,188	\$ 87,973
Expenses			
Salaries	\$ 3,795,884	\$ 3,666,946	\$ (128,938)
Fringe Benefits	1,406,069	1,402,737	(3,332)
Temporary Staffing	260,026	305,292	45,266
Contractual	8,134,036	6,929,860	(1,204,176)
Equipment and Maintenance	1,455,804	1,208,288	(247,516)
IT Enhancements	611,204	1,169,103	557,899
Supplies	10,714	14,217	3,503
Travel	62,572	18,624	(43,948)
Other Administrative	376,045	365,420	(10,625)
Total Operating Expenses	\$ 16,112,354	\$ 15,080,487	\$ (1,031,867)
Costs Shared with DSS	10,067,703	8,531,957	(1,535,746)
AHCT and DSS Total Expenses	\$ 26,180,057	\$ 23,612,444	\$ (2,567,613)

- **Revenues:** carrier amendments to marketplace assessments and favorable interest rate environment.
- **Expenses:** variance due to timing of invoices, and improved budget management.

FY 2020 Operating Budget

(2nd Quarter Budget Report)

	FY 2019 Actuals	FY 2020 Adopted Budget	FY2020 Q2 Changes	Cummulative Changes	FY 2020 (Q2) Budget
Revenue					
Investment Income	\$ 407,614	\$ 359,924	\$ 98,386	\$ 98,386	\$ 458,310
Other Income	32,300	-	-	-	-
Marketplace Assessments	32,287,139	33,284,000	704,078	704,078	33,988,078
Total Revenue	\$ 32,727,053	\$ 33,643,924		\$ 802,464	\$ 34,446,388
Budgeted Expenses					
Salaries	\$ 6,935,673	\$7,829,218	\$ (228,481)	\$ (228,481)	\$ 7,600,737
Fringe Benefits	2,440,310	2,866,843	66,624	66,624	2,933,467
Temporary Staffing	658,269	540,211	214,080	214,080	754,291
Contractual	11,615,187	13,163,128	565,273	565,273	13,728,401
Equipment and Maintenance	3,108,581	2,934,268	(40,302)	(40,302)	2,893,966
IT Enhancements	1,827,409	5,133,941	(584,125)	(584,125)	4,549,816
Supplies	24,064	21,482	1,173	1,173	22,655
Travel	62,750	124,383	0	0	124,383
Other Administrative	1,117,653	1,030,450	5,758	5,758	1,036,208
Total Operating Expenses	\$ 27,789,896	\$ 33,643,924	\$ 0	\$ 0	\$ 33,643,924
Net position designated for FY2019 ongoing projects	\$ 2,719,098	\$ -	\$ -	\$ -	\$ -
Total Expenses	\$ 30,508,994	\$ 33,643,924	\$ 0	\$ 0	\$ 33,643,924
Costs Shared with DSS	\$ 18,409,011	\$ 20,344,270	-	-	\$ 20,344,270
AHCT and DSS Total Expenses	\$ 48,918,005	\$ 53,988,194	\$ 0	\$ 0	\$ 53,988,194

- **Investment Income:** favorable interest rate environment.
- **Salaries:** variance due to timing of filling vacancies.
- **Fringe Benefits:** variance due to higher medical insurance increase than anticipated.
- **Temp Staffing:** covering gaps between vacancies.
- **IT Enhancements:** reclassification of IT development project to support SHOP marketing and broker development.

FY 2020 Adjusted Budget

Analysis of Shared Costs with DSS (2nd Quarter Budget Report)

	TOTAL EXPENSE			DSS ALLOCATION		
	FY2020 Adopted	Changes	FY 2020 (Q2) Budget	FY2020 Adopted	Changes	FY 2020 (Q2) Budget
BEST Staffing (86%)	\$974,380	(\$117,930)	\$856,450	\$837,967	(\$101,420)	\$736,547
Temporary Staffing	\$974,380	(\$117,930)	\$856,450	\$837,967	(\$101,420)	\$736,547
IT Maintenance (86%)	\$4,344,930	\$3,644	\$4,348,574	\$3,736,640	\$3,134	\$3,739,774
Security (86%)	884,964	41,842	926,806	761,069	35,984	797,053
Testing (86%)	555,000	(162,556)	392,444	477,300	(139,798)	337,502
Development	\$5,784,894	(\$117,070)	\$5,667,824	\$4,975,009	(\$100,680)	\$4,874,328
Call Center (70%)	\$16,490,000	\$0	\$16,490,000	\$11,543,000	\$0	\$11,543,000
Call Center (80%)	112,194	0	112,194	89,755	0	89,755
Operations (86%)	1,989,000	235,000	2,224,000	1,710,540	202,100	1,912,640
Operations	\$18,591,194	\$235,000	\$18,826,194	\$13,343,295	\$202,100	\$13,545,395
Total - State General Fund	\$25,350,468	\$0	\$25,350,468	\$19,156,271	\$0	\$19,156,271
DSS Only Projects (100%)	\$500,000	(\$0)	\$500,000	\$500,000	(\$0)	\$500,000
IT Development (86%)	800,000	0	800,000	688,000	0	688,000
Total - Federally Funded	\$1,300,000	(\$0)	\$1,300,000	\$1,188,000	(\$0)	\$1,188,000
Capital Improvements (86%)	\$3,600,000	\$0	\$3,600,000	\$3,024,000	\$72,000	\$3,096,000

Fiscal Year 2020

(as of December 31, 2019)

2nd QUARTER (Q2) BUDGET REPORT

Capital Improvement Projects Update

FY 2019 On-going (Carry-forward) Projects

(2nd Quarter Budget Report)

- Projects were initiated and funded in FY 2019 and are on-going.
- Carry-forward amounts represent purchase orders encumbered during FY 2019 but not liquidated at June 30, 2019.
- FY 2019 carry-forward to FY 2020 will not exceed aggregate remaining purchase order value of \$2.719 million.

FY 2019 On-going Project Plan Update							
Project Name	Total Project Budget	FY 2019 Actuals	FY 2019 Carry-forward FY 2020	FY 2020 YTD Actuals	Total Project spend through Dec 31, 2019	Remaining Balance	Status
Sytem Enhancements	\$2,784,601	\$ 676,741	\$ 2,107,860	\$ 919,688	\$ 1,596,429	\$1,188,172	In Progress
Redesign and Improvements (EDI, Portal, CDS)	606,335	76,431	529,904	259,053	335,484	270,851	In Progress
SHOP and Subsidiary Research	185,000	103,666	81,334	67,334	171,000	14,000	In Progress
	\$3,575,936	\$ 856,838	\$ 2,719,098	\$ 1,246,075	\$ 2,102,913	\$1,473,023	

FY 2019 Capital Improvement Projects Summary: CIP-R

(2nd Quarter Budget Report)

- CIP-R projects are financed from accumulated equity (Reserves) authorized by project name and amount for expenditure by the Board of Directors (FY 2019 Adopted Budget).

FY 2019 Capital Improvement Projects Update - Reserves								
Project Number	Project Name	Funding Source	DSS Allocation	DSS Amount	AHCT Amount	Total Budget	Status	Comments
2019.001	Technology refresh, move to open source from IBM products (WAS AND DB2)	Reserves	DDI (86%)	\$ 1,376,000	\$ 224,000	\$1,600,000	On-Hold	Pending Assessment
2019.002	Technology Refresh move to user friendly Notices Engine and convert exisiting Notices to new technology	Reserves	DDI (86%)	1,720,000	280,000	2,000,000	On-Hold	Pending Assessment
Total				\$ 3,096,000	\$ 504,000	\$3,600,000		

FY 2020 Capital Improvement Project Summary: CIP-R

(2nd Quarter Budget Report)

- Engage contractor to perform actuarial and economic report to support State of Connecticut Section 1332 Waiver Application to U.S. Department of Health & Human Services for a State Reinsurance Program.
- Estimated completion February 2020.

FY 2020 Capital Improvement Project - Reserves						
Project Number	Project Name	Funding Source	DSS Allocation	Budget	Status	Comments
2020.001	Economic Waiver Report for State Reinsurance Program	Reserves	None	\$ 100,000	Initiated	Developing Scope of Work
Total				\$ 100,000		

2020 Open Enrollment (OE) Update

2020 Key Open Enrollment Metrics



Customer Interactions:

- 223k unique AccessHealthCT.com visitors (Down 32%)
- 244k calls handled through call center (Down 10.5%)
- 1.9k visitors attended Enrollment Fairs (Up 26%)
- 2.5k visitors at enrollment locations (Down 34%)



Enrollment/Eligibility Activity:

- Started OE 7 with 94,526 enrollees (Down 1,444)
- 106,376 enrolled into a qualified health plan (Down 2.7%)
- 69% eligible for APTC (Down 1.8%), 43% eligible for CSR (Down 1.7%)
- 50,717 determined eligible and completed application for Medicaid (Up 7%)

2020 Key Open Enrollment Metrics



Demographics:

- Average age of enrollees is 44 years old (Up .2 Years)
- 54% of enrollees are female (Up .2%)
- Average number of covered enrollees per household is 1.9 (Unchanged)



Plan Selections and Premiums:

- 46% of enrollees associated with a broker (Up 3%)
- 46% 2020 enrollees selected a silver plan (Down 2.4%)
- Median monthly gross premium \$713 (+\$65) / Median monthly net premium \$127 (-\$2.18)
- 92% retention rate into 2020 policies (Up .8%)

Upcoming Dates and Deadlines

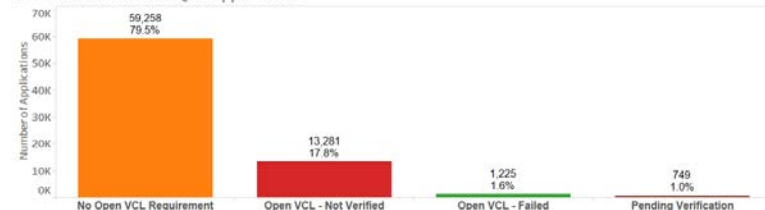
- **Post Enrollment Verifications Deadlines**

- Highest volume of verification deadlines occurring between February 23 and March 7
- Outstanding verification activity remaining for 14k households
- Dedicated website to guide customers available on learn.accesshealthct.com/verification-help/

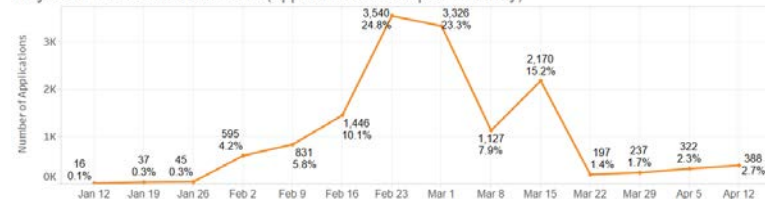
- **Outstanding Premium Payments Due**

- January policy invoices delivered in December
- 20% of 2020 policies currently pending effectuation

VCL Status for Active QHP Applications



Projected VCL Termination Dates (Applications With Open VCL Only)



Upcoming Activities and Events

- **1095A Preparation**
 - 93k 1095As to be mailed out by Jan 24th
 - Electronic 1095 download available through Access Health CT website
 - Dedicated outreach and resolution staff available
- **Customer Support Centers**
 - In-person customer assistance for post-enrollment help available
 - 4 locations and dates established
- **Year-Round Communications & Outreach**
 - Educational content focused on post-enrollment requirements and plan utilization
- **2020 Open Enrollment Summary Report to be Released in February 2020**

Customer Support Center Dates and Locations

Saturday, 1/18

Government Center
- Cafeteria
888 Washington
Blvd
Stamford, CT 06901
10:30 AM-1:30 PM

Saturday, 2/1

New Britain Public
Library
20 High St.
New Britain, CT
06051
10:30 AM-1:30 PM

Saturday, 2/8

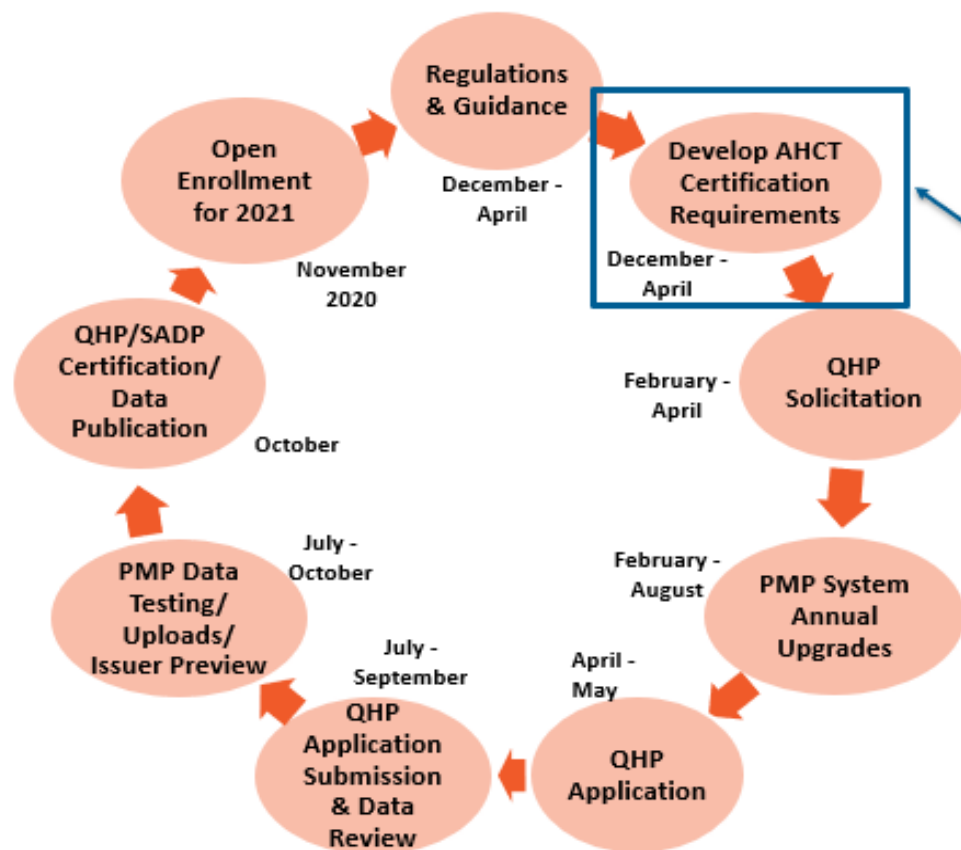
East Hartford Public
Library
840 Main St.
East Hartford, CT
06108
10:30 AM-1:30 PM

Saturday, 2/15

New Haven Free
Public Library - Ives
(Main)
133 Elm St.
New Haven, CT
06510
10:30 AM-1:30 PM

2021 Plan Certification Update

Plan Management Certification Life Cycle



Each plan year, the cycle begins with the release of regulations and guidance, including the Actuarial Value Calculator (AVC) tool used to develop standardized plans, and ends once Open Enrollment commences

The Health Plan Benefits and Qualifications Advisory Committee (HPBQ AC) is influential with the development of certification requirements each year

Note: timeframes subject to change

Legal Update

LEGAL UPDATE

- **Final Rule on Program Integrity**
- **Federal Spending Bills and ACA Provisions**
- ***Texas v. Azar* Update**

Final Rule on Program Integrity

- **Oversight of State Exchanges**
- **Periodic Data Matching**
- **Separate Billing for non-Hyde Amendment Abortion Services**

Spending Bills and ACA

- **Permanently repealed Health Insurer, Cadillac and Medical Devices Taxes**
- **Preserves Silver Loading for 2021**
- **Maintaining Automatic Reenrollment in FFM for 2021**

***Texas v. Azar* 5th Circuit Court Decision**

- **Mandate with \$0 penalty is unconstitutional**
- **Remanded back to trial court to review provisions of post-2017 ACA and determine whether each provision is severable from Mandate**
- **Coalition of 21 Democratic Attorneys General and Governors, including Connecticut and the House of Representatives appeal to the Supreme Court of the United States**

Future Agenda Items

Executive Session

Adjournment