



Access Health Connecticut

November 10, 2022, Finance Committee Meeting

Agenda

A. Call to Order and Introductions

B. Public Comment

C. Vote: Review and Approval of Minutes

D. FY 2022 Year End Budget Report

E. FY 2023 Q1 Budget Report (Vote)

F. Adjournment

Public Comment

Vote:

- **Review and Approval of Minutes**

Fiscal Year 2022 Budget Report

Fiscal Year 2022 Budget Report

| | |
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| FY 2022 Budget vs. Actuals Summary..... | 6-7 |
| FY 2022 FY 2023 Carry-Forward Projects..... | 8 |

Fiscal Year 2023 Adjusted Budget

| | |
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| FY 2023 Proposed Adjusted Budget..... | 12-13 |
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FY 2022 Budget vs. Actuals Summary

| Operating Budget - FY 2022 Actuals | | | |
|---|---------------------|---------------------|---------------------|
| | Budget | Actuals | Variance |
| AHCT | \$33,121,511 | \$31,974,764 | \$ 1,146,747 |
| DSS Shared Cost | 21,174,273 | 19,195,243 | 1,979,030 |
| Total | \$54,295,784 | \$51,170,007 | \$ 3,125,776 |

FY 2022 Budget vs. Actuals

| OPERATING BUDGET - July 1, 2021 to June 30, 2022 | | | | | | |
|--|----------------------|----------------------|-------------------|----------------------|---------------------|--|
| | Budget | Actuals | Encumbered | Total Actuals | Variance | |
| Revenues | | | | | | |
| Grants | \$ 630,060 | \$ 891,255 | | \$ 891,255 | \$ 261,195 | |
| Interest Income | 17,745 | \$ 64,671 | \$ - | \$ 64,671 | 46,926 | |
| Marketplace Assessments | 31,464,791 | 31,464,792 | - | 31,464,792 | 1 | |
| Total Revenue | \$ 32,112,596 | \$ 32,420,718 | \$ - | \$ 32,420,718 | \$ 308,122 | |
| Expenses | | | | | | |
| Salaries | \$ 7,893,046 | \$ 7,891,066 | \$ - | \$ 7,891,066 | \$ 1,980 | |
| Fringe Benefits | 3,114,160 | 3,074,934 | - | 3,074,934 | 39,226 | |
| Temporary Staffing | 475,260 | 566,237 | - | 566,237 | (90,977) | Hired temporary staffing to augment contractual work |
| Contractual | 13,744,087 | 12,281,943 | 7,000 | 12,288,943 | 1,455,144 | Process improvements reduced # of notices mailed, Call Center Vendor having challenges in hiring enrollment staffing |
| Equipment and Maintenance | 3,863,582 | 3,646,329 | 10,746 | 3,657,075 | 206,507 | Savings on System Maintenance |
| IT Enhancements | 2,845,045 | 3,157,554 | 409,238 | 3,566,792 | (721,747) | Additional IT Development projects including Dental Integration |
| Supplies | 12,153 | 5,598 | - | 5,598 | 6,555 | |
| Travel | 36,949 | 42,218 | - | 42,218 | (5,269) | |
| Other Administrative | 1,137,229 | 881,901 | - | 881,901 | 255,328 | Savings due to remote work and timing of insurance renewals |
| Total Operating Expenses | \$ 33,121,511 | \$ 31,547,780 | \$ 426,984 | \$ 31,974,764 | \$ 1,146,747 | |
| Operating Budget | \$ 33,121,511 | \$ 31,547,780 | | | \$ 1,573,731 | |
| Costs Shared with DSS | 21,174,273 | 19,195,243 | - | 19,195,243 | 1,979,030 | |
| AHCT and DSS Total Expenses | \$ 54,295,784 | \$ 50,743,023 | \$ 426,984 | \$ 51,170,007 | \$ 3,125,776 | |

Projects Funded from Operating Budget*

Carry-forward projects from FY 2022 to FY 2023

- Projects were initiated and funded in FY 2022 but not completed by the end of the fiscal year.

| FY 2022 On-going Project Plan Update | | | | | | | |
|--------------------------------------|----------------|----------------------|---------------------|-------------------------------|---------------------|-------------------|--|
| Project Name | DSS Allocation | Total Project Budget | FY 2022 Actuals | FY 2022 Carry-forward FY 2023 | FY 2023 YTD Actuals | Remaining Balance | Status |
| Sytem Enhancements | None | \$ 1,495,790 | \$ 1,086,552 | \$ 409,234 | \$ 129,579 | 279,655 | Completed - Waiting for final invoices |
| Accounts Payable Automation | None | 17,746 | - | 17,746 | 17,746 | - | Completed - Final Testing |
| | | \$ 1,513,536 | \$ 1,086,552 | \$ 426,980 | \$ 147,325 | \$ 279,655 | |

*Update

FY 2023 Proposed Adjusted Budget

Focused on 3 Strategic Initiatives

IT Investment | Cybersecurity | Health Disparities

To Support our Mission:

To decrease the number of uninsured residents, improve the quality of healthcare, and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health coverage that gives them the best value.

FY 2023 Budget vs. Actuals Summary

| | Operating Budget - Q1 Fiscal Year-to-Date | | |
|-----------------|--|---------------------|---------------------|
| | Budget | Actuals | Variance |
| AHCT | \$ 7,147,474 | \$ 6,033,513 | \$(1,113,961) |
| DSS Shared Cost | 4,527,475 | 4,787,114 | 259,639 |
| Total | \$11,674,949 | \$10,820,627 | \$ (854,322) |

FY 2023 Budget vs. Actuals

OPERATING BUDGET - July 1, 2022 to Sept 30, 2022

| Budget | Actuals | Variance |
|--------|---------|----------|
|--------|---------|----------|

Revenues

| | | | | |
|-------------------------|---------------------|---------------------|-------------------|--|
| Grants | \$ 266,000 | \$ 282,365 | \$ 16,365 | Timing of grant reimbursement |
| Interest Income | 6,232 | 121,072 | 114,840 | Interest Rate increased in last 3 months |
| Marketplace Assessments | 7,892,135 | 7,892,135 | - | |
| Total Revenue | \$ 8,164,367 | \$ 8,295,572 | \$ 131,205 | |

Expenses

| | | | | |
|------------------------------------|----------------------|----------------------|-----------------------|------------------------------|
| Salaries | \$ 1,991,201 | \$ 1,973,749 | \$ (17,452) | Variances due to timing ↓ |
| Fringe Benefits | 865,161 | 788,121 | (77,040) | |
| Temporary Staffing | 77,908 | 109,529 | 31,621 | |
| Contractual | 2,716,250 | 2,214,105 | (502,145) | |
| Equipment and Maintenance | 737,801 | 694,568 | (43,233) | |
| IT Enhancements | 589,635 | 83,046 | (506,589) | |
| Supplies | 1,568 | 2,218 | 650 | |
| Travel | 3,000 | 8,410 | 5,410 | |
| Other Administrative | 164,950 | 159,767 | (5,183) | |
| Total Operating Expenses | \$ 7,147,474 | \$ 6,033,513 | \$ (1,113,961) | |
| Costs Shared with DSS | 4,527,475 | 4,787,114 | 259,639 | |
| AHCT and DSS Total Expenses | \$ 11,674,949 | \$ 10,820,627 | \$ (854,322) | |

FY 2023 Proposed Adjusted Budget Summary

Operating Budget - FY 2023 Proposed Adjusted Budget

| | Adopted Budget | Adjusted Budget | Variance |
|-----------------|----------------------|----------------------|-------------|
| AHCT | \$ 34,360,028 | \$ 34,360,028 | \$ - |
| DSS Shared Cost | 20,486,273 | 20,486,273 | - |
| Total | \$ 54,846,301 | \$ 54,846,301 | \$ - |

FY 2023 Proposed Adjusted Budget

| | Adopted Budget | Adjusted Budget | Variance | |
|---------------------------------|----------------------|----------------------|-------------|--|
| Revenue | | | | |
| Grants | \$ 266,000 | \$ 343,593 | \$ 77,593 | |
| Reserve Funding | 1,200,000 | 1,200,000 | - | |
| Investment Income | 24,892 | 490,072 | 465,180 | |
| Other Revenue | 1,404,347 | 861,574 | (542,773) | Reserve Funding if needed |
| Marketplace Assessments | 31,464,789 | 31,464,789 | - | Assessment revenue kept at same rate as FY2022 |
| Total Revenue | \$ 34,360,028 | \$ 34,360,028 | \$ - | |
| Budgeted Expenses | | | | |
| Salaries | \$ 8,366,342 | \$ 8,366,342 | \$ - | |
| Fringe Benefits | 3,469,582 | 3,469,582 | - | |
| Temporary Staffing | 397,855 | 397,855 | - | |
| Contractual | 13,028,643 | 13,028,643 | - | |
| Equipment and Maintenance | 4,009,318 | 4,009,318 | - | EOM (Enterprise Operating Model) Vendor transition may increase this line item |
| IT Enhancements | 3,835,174 | 3,835,174 | - | |
| Supplies | 15,349 | 15,349 | - | |
| Travel | 74,000 | 74,000 | - | |
| Other Administrative | 1,163,765 | 1,163,765 | - | |
| Total Operating Expenses | \$ 34,360,028 | \$ 34,360,028 | \$ - | |
| Costs Shared with DSS | \$ 20,486,273 | \$ 20,486,273 | - | |
| Change in Net Position | \$ 54,846,301 | \$ 54,846,301 | \$ - | |

FY 2023 Proposed Budget—Shared Cost with Department of Social Services (DSS)

| Budget Category | DSS SHARED COST BUDGET | | |
|----------------------------------|------------------------|-------------------------|-------------|
| | FY 2023 Adopted Budget | FY 2023 Adjusted Budget | Variance |
| Temporary Staffing | \$862,645 | \$862,645 | - |
| IT Maintenance & Development | 4,306,606 | 4,306,606 | 0 |
| Operations | 15,056,349 | 15,056,349 | 0 |
| DSS (100%) | 260,672 | 260,672 | - |
| Total - DSS Shared Budget | \$20,486,273 | \$20,486,273 | \$ 0 |

| | | | |
|-----------------------------------|--------------------|--------------------|-------------|
| Capital Improvements (86%) | \$1,376,000 | \$1,376,000 | \$ - |
|-----------------------------------|--------------------|--------------------|-------------|

FY 2023 Projected Reserve Fund Balance

AHCT fiscal 2023 year-end reserve is projected at \$21.8 million

| | |
|--|-----------------------------|
| <u>Reserve As of June 30, 2022</u> | \$ 23,512,285 |
| Subtract: Reserve Funded Projects (approved in FY2019) | (504,000) |
| Subtract: FY2023 CIP | (1,200,000) |
| Projection at June 30, 2023 | <u>\$ 21,808,285</u> |

**Months of
Operating
Funding**

8.2

7.6

Adjournment