



Access Health Connecticut

June 22, 2023, Board of Directors Special Meeting

Board Agenda

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➤ April 20, 2023 Regular Meeting Minutes	
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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 give them the best value.

Vision: Provide Connecticut residents with access to the most equitable, simple and affordable health insurance products to foster healthier communities.

Public Comment

Vote:

Review and Approval of Minutes:

- April 20, 2023 Regular Meeting Minutes

CEO Report James Michel

Finance Update

FY 2024 Operating Budget

Fiscal Year 2024 Proposed Operating Budget

Focused on 3 Strategic Initiatives

IT Investment | Cybersecurity | Health Disparities

To Support our Mission:

To increase the number of insured residents, improve health care quality, lower costs and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health plan and provider that give them the best value.

Fiscal Year 2024 Proposed Operating Budget

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FY 2024 Proposed Operating Budget Summary

	FY2023 Adopted Budget	FY2024 Proposed Budget	YoY Change
AHCT	\$ 34,360,028	\$ 33,625,702	\$ (734,326)
DSS Shared Cost	20,486,273	20,486,273	-
Total	\$ 54,846,301	\$ 54,111,975	\$ (734,326)

FY 2024 Proposed Operating Budget

	FY2023 Adopted Budget	FY2023 Projected Year-End Actuals	FY2024 Proposed Budget	Variance (FY2024 vs FY2023 Adopted)	
Revenue					
Grants	\$ 266,000	\$ 363,592	\$ 100,000	\$ (166,000)	We continue applying for grants
Reserve Funding	1,200,000	\$ 3,900,000	-	(1,200,000)	Not using reserves in FY2024
Interest Income	24,892	803,350	759,445	734,553	
Other Revenue	1,404,347	601,081	26,400	(1,377,947)	In FY2023 amount comprised of reserves & rebate revenue
Marketplace Assessments	31,464,789	31,392,005	30,887,736	(577,053)	Decrease due to Small Businesses moving to self funding
Proposed Assessment Increase	-		1,852,121	1,852,121	Represents 0.2% assessment increase
Total Revenue	\$ 34,360,028	\$ 37,060,028	\$ 33,625,702	\$ (734,326)	
Budgeted Expenses					
Salaries	\$ 8,366,342	\$ 8,215,702	\$ 8,796,244	\$ 429,902	Hired employees instead of contracting & budgeted salary increases
Fringe Benefits	3,469,582	3,309,813	3,935,030	465,448	7.5% increase in medical insurance, retirement plans & other benefit increases
Temporary Staffing	397,855	726,493	453,145	55,290	Increased cost in hiring temporary staff
Contractual	13,028,643	12,606,713	12,639,086	(389,557)	Contractual work converted to staff
Contractual (Medicaid Unwind)		2,700,000		-	
Equipment and Maintenance	4,009,318	4,764,597	4,573,600	564,282	EOM (Enterprise Operating Model) Vendor transition costs & increased maintenance cost
IT Enhancements	3,835,174	3,453,178	1,937,644	(1,897,530)	No large IT Development Projects
Supplies	15,349	15,349	15,163	(186)	
Travel	74,000	74,000	74,000	-	
Other Administrative	1,163,765	1,194,183	1,201,790	38,025	Rent, Insurance and Staff training & development
Total Operating Expenses	\$ 34,360,028	\$ 37,060,028	\$ 33,625,702	\$ (734,326)	
Costs Shared with DSS	\$ 20,486,273	\$ 20,486,273	\$ 20,486,273	-	
AHCT and DSS Total Expenses	\$ 54,846,301	\$ 57,546,301	\$ 54,111,975	\$ (734,326)	

FY 2024 Proposed Operating Budget — Shared Cost with Department of Social Services (DSS)

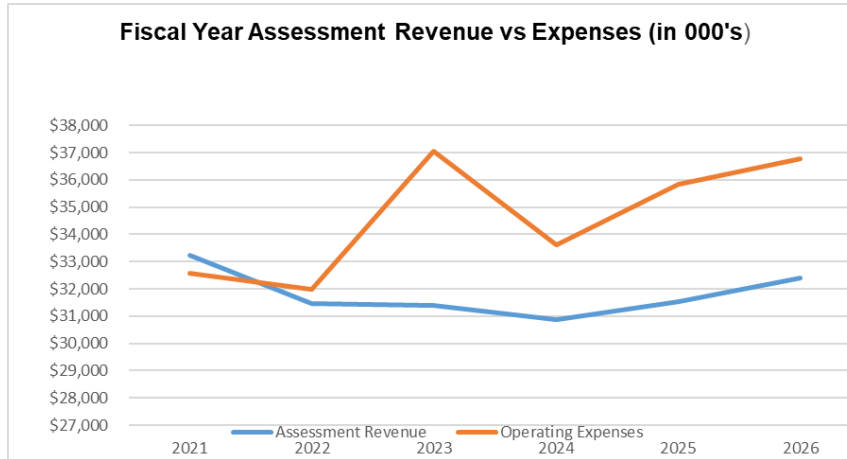
Budget Category	DSS SHARED COST BUDGET		
	FY 2023 Adopted Budget	FY 2024 Proposed Budget	Variance
Temporary Staffing	\$862,645	\$687,974	(174,671)
IT Maintenance & Development	4,297,187	4,471,859	174,671
Operations	15,056,349	15,056,349	-
DSS (100%)	270,091	270,091	-
Total - DSS Shared Budget	\$20,486,273	\$20,486,273	\$ (0)

Assessment

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Assessment Revenue and Operating Cost Outlook

Assessment revenues have declined over the last 4 fiscal years, while operating expenses have increased and are projected to outpace revenues by \$4.3 million in fiscal year 2026.



	Fiscal Year Assessment Revenue vs Expenses (in 000's)					
	Actuals			Projections		
	2021	2022	2023	2024	2025	2026
Assessment Revenue	\$ 33,249	\$ 31,477	\$ 31,392	\$ 30,888	\$ 31,530	\$ 32,405
Operating Expenses	\$ 32,560	\$ 31,975	\$ 37,060	\$ 33,626	\$ 35,838	\$ 36,787
Variance	\$ 689	\$ (498)	\$ (5,668)	\$ (2,622)	\$ (4,308)	\$ (4,382)

Note: Chart and table do not include proposed assessment increase amount.

Addressing Projected Assessment Revenue Shortfall

- For FY 2024 there is a gap of \$2.6M between Assessment Revenue and Expenses.
- This gap will be covered by a combination of projected Grants, Interest Income, Rebate Revenue and proposed Assessment Rate increase of 0.20%.
- Proposed Assessment Rate increase starting on January 1, 2024 will yield \$3.7M additional assessment revenue in Calendar Year 2024 and \$1.85M in Fiscal Year 2024.

Budget Line Description	FY2024	FY2025	FY2026
Assessment Revenue (prior to increase)	\$ 30,887,736	\$ 31,530,000	\$ 32,405,000
Grants	\$ 100,000	\$ 100,000	\$ 100,000
Interest Income	\$ 759,445	\$ 359,445	\$ 327,249
Rebate Revenue	\$ 26,400	\$ 26,400	\$ 26,400
Proposed Assessment Increase (0.20%)	\$ 1,852,121	\$ 3,821,818	\$ 3,927,879
Total Revenues	\$ 33,625,702	\$ 35,837,663	\$ 36,786,528
Total Expenses	\$ 33,625,702	\$ 35,837,663	\$ 36,786,528

Note: In FY25 and FY26 AHCT will invest into our technology to make it easier and faster for consumers to enroll.

Why Revenues Are Declining & Operating Costs Are Increasing

Revenues are declining due to the shrinking of fully insured small group market caused by employers moving to self-funded products.

New costly requirements by the Centers for Medicare & Medicaid Services (CMS), the State and the Internal Revenue Service (IRS).

Examples:

- Meeting security demands in an ever-changing digital environment.
- State of CT Legislative requirement to assess to fund the All-Payer Claims Database (APCD).
- Implementing system changes, operationalizing new State of CT changes (Covered Connecticut and Medicaid Unwind).

How AHCT is Addressing Fiscal Challenges

To meet the declining revenues and additional demands on the budget

- AHCT has lowered operational costs by 10% and created efficiencies to meet the organizational objectives.
- AHCT utilized \$1.2 million in reserves for IT projects and initiatives and \$2.7 million for Medicaid Unwind.
- AHCT received \$122,455 in grant funding for Broker Academy in FY2023

To sustain the level of support and service our customers need and to support our core mission and vision, AHCT recommends additional funding for FY 2024.

Proposed Assessment Recommendation

AHCT recommends increasing the assessment rate from 1.65% to 1.85%

- This will generate an additional \$3.7 million in revenue (calendar year) which includes \$1.85 million for the FY 2024 budget. This will fund the All-Payer Claims Database state mandate, address declining revenues and rising operational costs.
- The proposed assessment rate would be effective Jan 1, 2024.

How AHCT Assessment Compares to Other Exchanges

AHCT has not raised the assessment rate over the last eight years.

Raising the assessment rate from 1.65% to 1.85% will still result in the lowest rate in the country.

State	Current Assessment Fee Structure
CT	1.65%
MD	2.00%
WA	2.00%
ID	2.29%
FFE	2.75%
NV	3.05%
CA	3.25%
CO	3.50%
MN	3.50%
MA	2.5-3%

FFE – Federally Facilitated Exchange

Assessment Impact on Premiums

- The average premium cost (before subsidies) will increase by \$1.44 per month for each individual consumer who buys individual, small group, and dental plans.
- Connecticut consumers receiving Advance Premium Tax Credits (APTC) will see an average reduction of 4 cents per month.
- Currently 86% of QHP enrollees receive APTC to reduce monthly premiums.

FY 2024 Projected Reserve Fund Balance

AHCT fiscal 2024 reserve is projected at \$19.2 million

<u>Reserve As of June 30, 2022 (Audited)</u>	\$ 23,512,285
Subtract: FY2022 Carryover	(426,980)
Subtract: FY2023 CIP	(1,200,000)
Subtract: Marketing & Outreach for Medicaid Unwind	(2,700,000)
Projection at June 30, 2024 (Unaudited)	<u>\$ 19,185,305</u>

**Months of
Operating
Funding**

8.4

6.8

Reserve Research and Recommendation

- Below Research shows that of the organizations that have reserve maintain a minimum of 6 months of operating reserve.
- Based on our experience and research Access Health recommends to maintain an operating reserve of 9-12 months.

State-Based Exchange Reviewed	Reserve Months
California	12 Months
Colorado	6 Months
District of Columbia	12-15 Months
Idaho	N/A
Maryland	N/A
Massachusetts	N/A
Minnesota	N/A
New York	N/A
Rhode Island	N/A
Washington	N/A

Agency Reviewed	Reserve Months
Capital Region Development Authority	N/A
Connecticut Airport Authority	N/A
CT Health and Educational Facilities Authority (CHEFA, CHESLA & CSLF)	25 Months
Connecticut Housing Finance Authority	N/A
Connecticut Innovations, Inc.	N/A
Connecticut Lottery Corporation	N/A
CT Paid Leave Authority	N/A
Connecticut Port Authority	N/A
Connecticut Student Loan Foundation	N/A
Materials Innovation and Recycling Authority	N/A
State Education Resource Center	N/A

Vote:

FY 2024 Proposed Operating Budget

Vote:

Marketplace Assessment

Medicaid Unwinding Marketing Update

Medicaid Unwinding Ad Campaign

Framing the campaign message and approach:

Everyone should have the protection of health coverage. And as Medicaid unwinds, we want to help ensure they don't lose it.

- So, let's make sure people who have Medicaid don't suddenly find themselves without it.
- Clearly and directly – ***and calmly, without causing panic or fear*** – we remind them that they may need to take action to ensure they can continue to have health coverage.

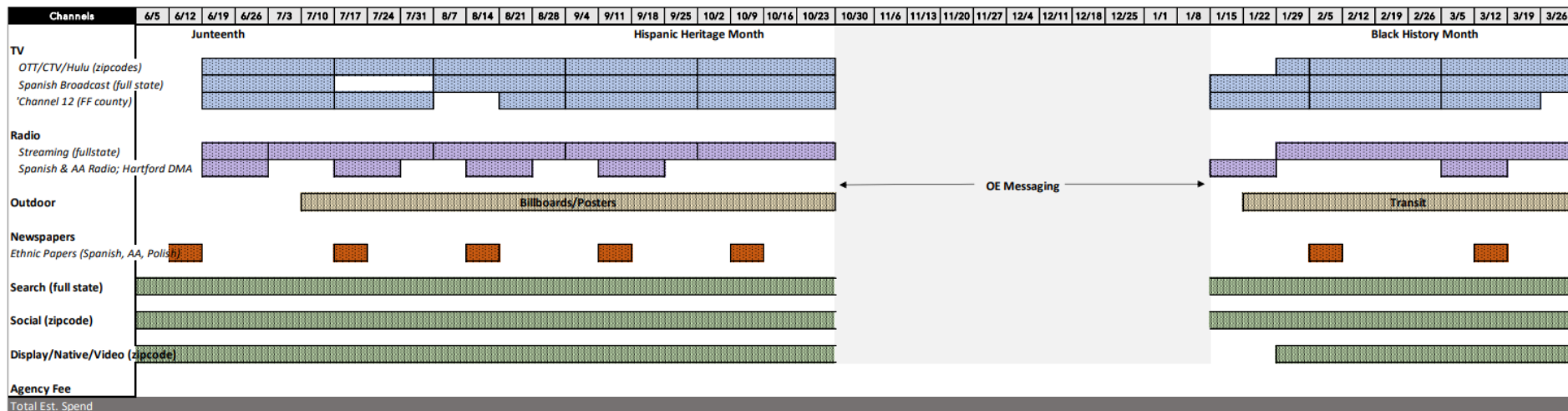
Medicaid Unwinding Ad Campaign

Key facts:

- **Languages:** English and Spanish campaign
- **Placements:** TV, radio, print, billboards, transit, digital, social media and Search Engine Marketing (SEM)
- **Feedback sources:** Department of Social Services (DSS), Health Equity Outreach Consumer Experience committee and previous focus group feedback
- **Print, TV, Transit:** Cobranded with DSS
- **Other materials:** DSS campaign, homepage website updates, blog, Knowledgebase article, call center, live chat, in-person help/events, direct-to-consumer marketing (direct mail, email and SMS/text messaging)
- **Policy update:** 120-day Special Enrollment Period for those impacted by the unwinding

Media Schedule

Medicaid Unwinding Flowchart



TV Ad/Video/Radio

.30 TV English

ACCOMPLICE

TV Ad/Video/Radio

.30 TV Spanish

ACCOMPLICE

Print Ad



Do you still qualify for HUSKY Health? Complete your renewal to find out.

At Access Health CT, we're here to help you renew your HUSKY Health insurance. To get started, visit AccessHealthCT.com or call 1-855-805-4325 to update your address, phone number, email, and other information. You will be notified when your HUSKY renewal is due.

When it's your time for renewal, we will use your information to see if you still qualify for HUSKY. If you qualify, you may be automatically re-enrolled.

If you do not qualify, you can choose new coverage through Access Health CT. You will have up to 120 days from the date your HUSKY ends to enroll in new coverage.

But don't wait until your HUSKY ends. Shop during your renewal period to be sure you have coverage when you need it. We're here to help and can even see if you qualify for financial help. [Start at AccessHealthCT.com](https://AccessHealthCT.com)

Take action today to stay covered tomorrow.



Call Center Hours:
Monday-Friday 8am-6pm
Saturday 9am-1pm
Scan to get started.



access
health CT



¿Todavía califica para HUSKY Health? Complete su renovación para saberlo.

Access Health CT está aquí para ayudarle a renovar su seguro de HUSKY Health. Para comenzar, visite AccessHealthCT.com o llame al 1-855-805-4325 para actualizar su dirección, número de teléfono, correo electrónico u otra información. Se le notificará cuando tenga que renovar su cobertura HUSKY.

Cuando sea el momento de renovar, usaremos su información para ver si todavía califica para HUSKY. Si califica, su cobertura se renovará automáticamente.

Si no califica, podrá elegir un nuevo plan a través de Access Health CT. Tendrá hasta 120 días a partir de la fecha de finalización de su plan HUSKY para inscribirse en un plan.

Pero no espere hasta que su HUSKY termine. Compre durante su período de renovación para asegurarse de tener cobertura cuando la necesite. Estamos aquí para ayudarle y podemos decirle si califica para recibir ayuda financiera. [Comience en AccessHealthCT.com](https://AccessHealthCT.com)

Actúe hoy para tener cobertura mañana.



Horario del centro de llamadas:
De lunes a viernes, de 8:00 a. m. a 6:00 p. m.
Sábado de 9:00 a. m. a 1:00 p. m.

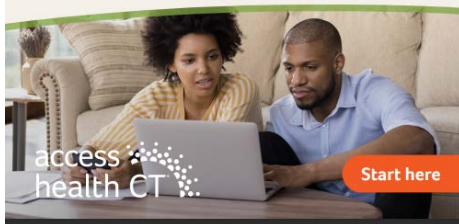
Escanee para empezar.




access
health CT

Online Ads

Are you still eligible for Medicaid/HUSKY?
Update your information to find out.




access health CT  [Start here](#)

Don't lose health coverage.
Update your Medicaid/HUSKY information.




access health CT  [Start here](#)

Are you still eligible for Medicaid/HUSKY?
Update your information to find out.

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Don't lose health coverage.
Update your Medicaid/HUSKY information.

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Transit/Out of Home (OHH)



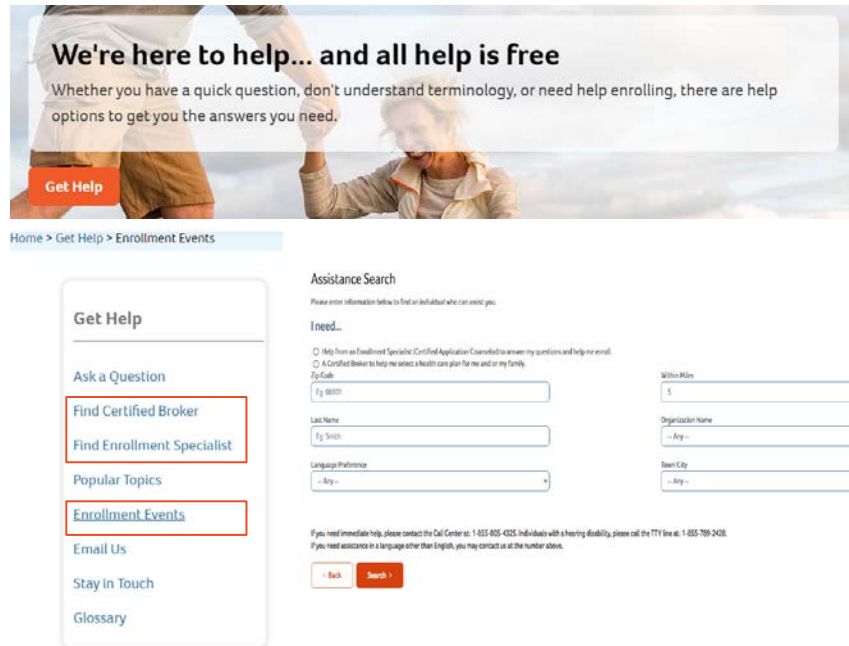
Don't lose health coverage.
Update your Medicaid/HUSKY information.
Start at AccessHealthCT.com



No pierda su cobertura.
Actualice su información de Medicaid/HUSKY.
Comience en AccessHealthCT.com

Outreach Update

- **Community Partner Monthly Zoom**
 - Discuss topics such as Medicaid Unwind, Call Center, Enrollment options and other timely issues
 - Encourage referrals to Healthy Chats
- **Healthy Chats for consumers**
- **Outreach enrollment specialists**
- **Enrollment fairs**
 - 6/14 New Opportunities Inc, Waterbury 5-8pm
 - 6/15 Otis Library, Norwich 10am-1pm
 - 6/24 Augusta Curtis Center, Meriden 10am-1pm



We're here to help... and all help is free

Whether you have a quick question, don't understand terminology, or need help enrolling, there are help options to get you the answers you need.

[Get Help](#)

Home > [Get Help](#) > [Enrollment Events](#)

Get Help

Ask a Question

[Find Certified Broker](#)

[Find Enrollment Specialist](#)

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Glossary

Assistance Search

Please enter information below to find an individual who can assist you.

I need...

☐ Help from an Enrollment Specialist
☐ A Certified Broker to help me select a health care plan for me and/or my family.

Zip Code
Eg 06101

Last Name
Eg Smith

Language Preference
Any

Within Miles
5

Organization Name
Any

Team City
Any

If you need immediate help, please contact the Call Center at: 1-855-855-4325. Individuals with a hearing disability, please call the TTY line at: 1-855-789-2428.
If you need assistance in a language other than English, you may contact us at the number above.

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Broker Academy Update

Broker Academy

- **Phase 1: Recruitment**
 - 53 Students accepted
 - 4 Program readiness meetings
 - Learning about Access Health, what to expect in class, navigating the portal and speaking with Brokers.
- **Phase 2: Training**
 - 40 students attended class
 - Kaplan Training
 - Gateway and Capital Community College

All students passed the class exam!





Presented by:

access
health CT
small business

 METRO ★ HARTFORD
ALLIANCE





ROCKY HILL, Conn. (WTNH) — A few hundred small business owners are spending the day at a

Rocky Hill hotel, finding out

Summit is the chance for

"That's why we came to the

the healthcare, the grant

Thomas and his wife rece

"Right now, it's a slow an

getting out in the town, b

He said he sees Connecti

that was his plan all along

"Let's start with our sma





Connecticut
Small Business
Summit

Presented by:

access
health CT
small business

MH
A+ METRO ★ HARTFORD
ALLIANCE

Audit Status Update

Audit Status Update

- **FY 2023 Financial and Programmatic Audits**

- CliftonLarsonAllen (Independent Auditors)
- Commence Fieldwork 8/28/2023
- Draft Financial Statements 10/02/2023
- Final Financial Statements 10/31/2023
- Audits Presented to Audit Committee and Board November 2023

**Adoption of new GASB No. 96-SBITA

- **State-Based Marketplace Annual Reporting Tool 2022 SMART**

ACA Policy/Legal Update

Future Agenda Items

Adjournment

Next Meeting of the Board:

Regular Meeting: September 21, 2023