

A photograph of a diverse family of four—two adults and two children—laughing joyfully together on a couch. The woman on the left has her arm around the child in the center, and the man on the right has his arm around the child on the right. They are all smiling broadly, creating a warm and happy atmosphere.

# Audit Committee Meeting

June 8, 2023

# Audit Committee Meeting Agenda

- A. Call to Order and Introductions
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- D. FY 2023 Financial and Programmatic Audits.....5-16
- E. 2022 State-Based Marketplace Annual Reporting Tool (SMART).....17
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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

- November 9, 2022

# FY 2023 Financial and Programmatic Audits



*We'll get you there.*

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# Access Health CT Required Audit Communication Discussion

For the Fiscal Year Ended June 30, 2023



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# Agenda

- Engagement Scope
- Responsibilities and Independence
- Other Planning Matters
- Other Communications
- Engagement Timing
- Contact Information





# 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



# Auditor Responsibilities

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error
  - Design and perform audit procedures responsive to those risks
  - Examine, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Access Health CT's ability to continue as a going concern for a reasonable period of time.



# Responsibilities (continued)

- Form and express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America.
- Plan and perform our audit to provide reasonable assurance about whether the Financial Statements are free of material misstatement.
- Perform, tests of the entity's compliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements.
- Provide a report on internal control over financial reporting and on compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements, as required by *Government Auditing Standards*.



# Other Planning Matters

- Independence
  - There are no relationships between any of our representatives and the Connecticut Health Insurance Exchange that in our professional judgment impairs our independence.
- Two-way communication is important
  - We encourage you to provide us with information you consider relevant to the audit
  - Your understanding of the risks of fraud and the controls in place to prevent and detect fraud, whether you are aware of any noncompliance with laws, regulations, contract and grant agreements



# Other Planning Matters

- Adoption of new GASB No. 96 – *SBITA*
  - Financial Statements and notes to the financials statements changes



# Other Communications

- At the completion of our audit, we will communicate the following:
  - Qualitative aspects of accounting practices
    - Significant accounting policies
    - Adoption of new or changes in accounting principles
    - Management judgments and sensitive accounting estimates
  - 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

- Commencement of Fieldwork 8/28/23
- Issuance of Draft Financial Statements 10/2/23
- Client Approval of Draft Statements 10/16/23
- Issuance of Final Draft Financial Statements 10/31/23
- Issuance of Draft Management Letter (if applicable) 10/31/23



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# 2022 State-Based Marketplace Annual Reporting Tool (SMART)

# Adjournment

**Next Meeting: November 8, 2023**