



## Audit Committee Meeting Draft **MEETING MINUTES**

Location: Remote Meeting  
Date: Wednesday, November 8, 2023  
Time: 10:00 a.m.

### **Members Present:**

Claudio Gualtieri (Chair); Grant Ritter; Carleen Zambetti on behalf of Nancy Navarretta, Commissioner of Department of Mental and Health Addiction Services

### **Other Participants:**

Access Health CT (AHCT) Staff: James Michel, Susan Rich-Bye, Holly Zwick; Pamela Roe; AnnMarie Chatman; Glenn Jurgen; Marcin Olechowski  
Clifton Larson Allen (CLA): Nikoleta McTigue

#### **A. Call to Order and Introductions**

The Regular Meeting of the Audit Committee was called to order at 10:00 a.m. Roll call for attendance was taken. Members of the Access Health CT (AHCT) Senior Leadership Team (SLT) announced their presence. James Michel, Chief Executive Officer (CEO), introduced Holly Zwick, the new Director of Finance.

#### **B. Public Comment**

No public comment was submitted.

#### **C. Vote**

Chair Claudio Gualtieri requested a motion to approve the June 8, 2023 Regular Meeting Minutes. Motion was made by Grant Ritter and seconded by Carleen Zambetti. Roll call vote was ordered. **Motion passed unanimously.**

#### **D. and E. FY 2023 AHCT Audited Financial Statements and FY 2023 Programmatic Audit Report**

Susan Rich-Bye, Director of Legal and Governmental Affairs, introduced Nikoleta McTigue from Clifton Larson Allen to present the FY2023 AHCT Audited Financial Statements and FY2023 Programmatic Audit Report.

Ms. McTigue noted that the main audit objective is to provide an opinion as to whether the financial statements are presented fairly and are in adherence with Generally Accepted Accounting Principles (GAAP). Ms. McTigue added that internal controls over financial statements are part of the audit in accordance with the Government Auditing Standards.

Ms. McTigue stated that the report looks at compliance with the programmatic requirements set forth by the Centers for Medicare and Medicaid Services (CMS) in accordance with Title 45 U.S. Code of Federal Regulations (CFR) Part 155. Ms. McTigue noted that the auditors were required to perform a Federal Single Audit and express an opinion on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance as well as to express an opinion on compliance related to major federal awards.

Ms. McTigue stated that under the GAAP, the auditors issued an unmodified opinion on the basic financial statements as of and for the year ending on June 30, 2023. Ms. McTigue added that no internal control findings were noted and no compliance findings for the programmatic procedures were identified.

Ms. McTigue provided financial highlights for the statements of net position for FY 2022 compared to FY 2023. Ms. McTigue noted that AHCT ended FY 2023 with a total net of \$35.1 million which is about \$209,000 less than the year prior. Ms. McTigue provided line-by-line details on the \$209,000 reduction in the net position. Revenues, expenses as well as changes in the net position were described.

Ms. McTigue continued with the Statements of Revenues, Expenses and Changes in Net Position. She noted that the change in the net position increased by \$808,000 and total revenues were reduced by \$854,000 which was mostly attributed to the marketplace assessment. Ms. McTigue provided additional details of financial highlights. Ms. McTigue noted that the revenues were consistent with the prior year. Brief discussion ensued around the other income line item, which included the interest income as well as the credit card rebate program income among other miscellaneous items.

Ms. McTigue presented the FY2023 Programmatic Audit Report. Ms. McTigue noted that the auditors' responsibility pertaining to the Programmatic Audit is to report on AHCT's compliance with the subparts of 45 CFR Part 155, which deal with Health Insurance Exchanges. Ms. McTigue noted that many areas were examined, including but not limited to General Functions, Eligibility Determinations, Enrollment Functions as well as Certification of Qualified Health Plans among others.

Ms. McTigue was happy to report that an unmodified opinion on compliance was issued, no findings were reported and there were no additional recommendations. Ms. McTigue outlined the required communications with management and stated that the auditors did not encounter any issues in dealing with the management. Ms. McTigue reviewed GASB Implementation Standards for 2024 and 2025.

Chair Claudio Gualtieri requested a motion to approve the FY2023 AHCT Audited Financial Statements as presented. Motion was made by Carleen Zambetti and seconded by Claudio Gualtieri. Roll call vote was ordered. **Motion passed unanimously.**

Chair Claudio Gualtieri requested a motion to approve the FY2023 Programmatic Audit Report as presented. Motion was made by Grant Ritter and seconded by Claudio Gualtieri. Roll call vote was ordered. **Motion passed unanimously.**

#### **F. CMS State-Based Marketplace Annual Reporting Tool (SMART)**

Susan Rich-Bye, Director of Legal and Governmental Affairs, provided an update on the State-Based Marketplace Annual Reporting Tool (SMART) audit submitted to the Centers for Medicare and Medicaid Services (CMS).

Ms. Rich-Bye indicated that the Affordable Care Act (ACA) requires exchanges to keep an accurate accounting of all activities and expenditures, to monitor and report to the U.S. Department of Health and Human Services (HHS) on Exchange-related activities; and, to complete an annual report and engage an independent auditor to perform annual independent financial and programmatic audits to ensure compliance with regulations and standards. Ms. Rich-Bye reiterated that in 2015, CMS established an online reporting tool for the State-Based Marketplaces (SBMs) to use, which is now known as the SMART. Ms. Rich-Bye noted that the SMART contains four components, which include, eligibility and enrollment, the financial and programmatic audits, program integrity and attestation of completion. Ms. Rich-Bye added that AHCT filed its SMART with CMS for 2022 on June 1, 2023 and on September 29, 2023, CMS issued its Summary of Observations and Action Items for AHCT. Ms. Rich-Bye added that CMS did not outline any issues or recommendations for AHCT for the Calendar Year (CY) 2022.

#### **G. Adjournment**

Chair Claudio Gualtieri requested a motion to adjourn. Motion was made by Grant Ritter and seconded by Carleen Zambetti. Roll call vote was ordered. **Motion passed unanimously.** Meeting adjourned at 10:27 a.m.