



Finance Committee



April 9, 2026

Public Comment

Review and Approval of Minutes

Agenda

Fiscal Year 2026 Q3 Budget

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🔗 FY 2026 Budget vs Actuals Summary

Operating Budget - FY 2026 Q3 Fiscal Year-to-Date			
	FY2026 Budget	Actuals	Variance
AHCT	\$ 25,700,977	\$ 24,978,361	\$ (722,616)
DSS Shared Cost	16,037,517	16,501,774	464,257
Total	\$ 41,738,495	\$ 41,480,136	\$ (258,359)

🔗 FY 2026 Budget vs Actuals

OPERATING BUDGET - July 1, 2025 to Mar 31, 2026		
Budget	Actuals	Variance

Revenues

Grants	\$ 100,000	\$ 12,646	\$ (87,354)	
Interest Income	616,166	920,801	304,635	Interest rates remained steady.
Other Income	20,347	16,611	(3,736)	
Marketplace Assessments	29,702,500	29,760,913	58,413	Increase due to Dental Amendments.
Total Revenue	\$ 30,439,013	\$ 30,710,971	\$ 271,958	

Expenses

Salaries	\$ 6,954,100	\$ 6,848,204	\$ (105,896)	Vacancy Savings.
Fringe Benefits	3,225,816	3,223,173	(2,644)	
Temporary Staffing	336,240	268,215	(68,025)	Variances due to timing.
Contractual	10,686,487	9,852,161	(834,326)	
Equipment and Maintenance	3,161,430	3,561,323	399,893	
IT Enhancements	502,611	536,377	33,766	
Supplies	9,957	9,873	(84)	
Travel	46,859	60,960	14,101	
Other Administrative	777,477	618,075	(159,401)	
Total Operating Expenses	\$ 25,700,977	\$ 24,978,361	\$ (722,616)	
Costs Shared with DSS	\$ 16,037,517	\$ 16,501,774	\$ 464,257	
AHCT and DSS Total Expenses	\$ 41,738,495	\$ 41,480,136	\$ (258,359)	



Full-Year FY 2026 Adjusted Budget Summary

	FY2026 Adopted Budget	FY2026 Adjusted Budget	Variance
AHCT	\$ 41,582,293	\$ 41,582,293	\$ -
DSS Shared Cost	21,450,000	21,450,000	-
Total	\$ 63,032,293	\$ 63,032,293	\$ -

Full Year FY 2026 Adjusted Budget

	FY2026 Adopted Budget	FY2026 Adjusted Budget	Variance (Adjusted vs Adopted)	
Revenue				
Grants	\$ 250,000	\$ 50,000	\$ (200,000)	Awarded Cybersecurity Grant.
Interest Income	749,500	1,139,285	389,785	Interest rates have remained steady.
Other Income	27,793	20,792	(7,001)	
Marketplace Assessments	40,555,000	40,839,442	284,442	Assessments Higher than Projected
Total Revenue	\$ 41,582,293	\$ 42,049,519	\$ 467,226	
Budgeted Expenses				
Salaries	\$ 9,499,526	\$ 9,365,629	\$ (133,897)	Vacancy Savings
Fringe Benefits	4,285,015	4,321,720	36,705	Medical Plans increased more than budgeted.
Temporary Staffing	754,524	578,524	(176,000)	Savings on Temporary staffing.
Contractual	14,665,673	13,893,956	(771,717)	Some contractual work moved to IT Enhancements.
Equipment and Maintenance	5,632,230	5,283,025	(349,205)	Savings in IT System Maintenance.
IT Enhancements	5,351,474	6,746,344	1,394,870	Increase to fund 10 clicks and TPA Implementation (\$300k).
Supplies	15,944	16,395	452	
Travel	125,000	124,324	(676)	
Other Administrative	1,252,908	1,252,377	(531)	
Total Operating Expenses	\$ 41,582,293	\$ 41,582,293	\$ (0)	
Costs Shared with DSS	\$ 21,450,000	\$ 21,450,000	-	
AHCT and DSS Total Expenses	\$ 63,032,293	\$ 63,032,293	\$ (0)	

*TPA – 2026 CT Temporary Premium Assistance (100-200% & 400-500% FPL)

• FY 2026 Budget – Shared Cost with Department of Social Services (DSS)

DSS SHARED COST BUDGET			
Budget Category	Current	Updated	Variance
Temporary Staffing	\$696,443	\$1,256,361	559,918
IT Maintenance & Development	4,719,806	4,159,888	(559,918)
Operations	15,313,660	15,313,660	-
DSS (100%)	720,091	720,091	0
Total - DSS Shared Budget	\$21,450,000	\$21,450,000	\$ (0)

🔗 Ongoing Projects Funded from Prior Year Budget*

FY 2025 On-going Project Plan Update							
Project Name	DSS Allocation	Total Project Budget	FY 2025 Actuals	FY 2025 Carry-forward FY 2026	FY 2026 YTD Actuals	Remaining Balance	Status
10 clicks	None	\$ 56,240	\$ 21,386	\$ 34,854	\$ 30,044	\$ 4,810	In Progress
ICHRA	None	1,000,000	700,000	300,000	-	300,000	In Progress
Small Group Integration	None	700,000	450,000	250,000	-	250,000	In Progress
Brand Creative	None	153,640	52,475	101,165	61,665	39,500	In Progress
Sytem Enhancements	None	2,375,000	-	2,375,000	1,721,875	653,125	In Progress
Conference Room Upgrades	None	49,000	-	49,000	48,826	174	Completed
		\$ 4,333,880	\$ 1,223,861	\$ 3,110,019	\$ 1,862,410	\$ 1,247,609	

*Update

🔗 Investment Report - Summary

- Objective for AHCT exchange funds is obtaining the maximum rate of return while preserving the principal and providing immediate liquidity.
- AHCT invests in the State of Connecticut Treasurer's Short-Term Investment Fund (STIF).
- The STIF is available for use by the State's funds and agencies, public authorities and municipalities and other political subdivisions of the State.
- State statutes authorized these pooled investment funds to be invested in United States Government and agency obligations, United States Postal Service obligations, certificates of deposit, commercial paper, corporate bonds, savings accounts, banker acceptances, student loans and repurchase agreements.
- These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer's Cash Management Advisory Board and are regulated under the State statutes and subject to annual audit by the Auditors of Public Accounts.

Investment Report*

Investment of Exchange Funds

- In FY 2026 funds were invested in Short-Term Investment Fund (STIF)
 - See attached report

State Exchange Funds	YTD Actuals
STIF (Short-Term Investment Fund) interest earned	\$ 920,801

401a Management

- Employer contributions of 401a retirement plan are invested through MissionSquare.
- A report from MissionSquare is attached that provides a list of investment options for employees for their 401a retirement accounts.

457 Management

- Employee contributions of 457b retirement plan are invested through Empower.
- A report from Empower is attached that provides a list of investment options for employees for their 457b retirement accounts.

🔦 FY 2027 Proposed Budget

○ **Focused on 3 Strategic Initiatives**

- Technology Investments
- Outreach
- Health Disparities

○ **To Support our Mission:**

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

🔗 Full Year 2027 Proposed Budget - Summary

	FY2026 Adopted Budget	FY2027 Proposed Budget	YoY Change
AHCT	\$ 41,582,293	\$ 46,599,115	\$ 5,016,822
DSS Shared Cost	21,450,000	21,000,000	(450,000)
Total	\$ 63,032,293	\$ 67,599,115	\$ 4,566,822

Full Year 2027 Proposed Budget

	FY2026 Adopted Budget	FY2027 Proposed Budget	Variance (Adjusted vs Adopted)	
Revenue				
Grants	\$ 250,000	\$ 250,000	\$ -	
Interest Income	749,500	703,494	(46,006)	
Other Income	27,793	18,148	(9,645)	Credit card acceptance rate by Vendors has been decreasing.
Marketplace Assessments	40,555,000	45,627,474	5,072,473	Increase in Assessment Revenue due to strong enrollment in 2025.
Total Revenue	\$ 41,582,293	\$ 46,599,115	\$ 5,016,822	
Budgeted Expenses				
Salaries	\$ 9,499,526	\$ 9,854,311	\$ 354,785	Budgeted 3% Merit increases and bringing in-house contracted work.
Fringe Benefits	4,285,015	4,838,004	552,989	Higher projected Health Premium increases.
Temporary Staffing	754,524	759,525	5,001	
Contractual	14,665,673	15,003,598	337,925	Increase in media buying outreach to bring awareness on upcoming OE Changes.
Equipment and Maintenance	5,632,230	5,629,131	(3,098)	
IT Enhancements	5,351,474	9,122,416	3,770,942	Increase to fund 10 clicks implementation.
Supplies	15,944	16,944	1,000	
Travel	125,000	125,000	-	
Other Administrative	1,252,908	1,250,187	(2,721)	Rent, Insurance, Utilities, Staff development and other general expenses.
Total Operating Expenses	\$ 41,582,293	\$ 46,599,115	\$ 5,016,822	
Costs Shared with DSS	\$ 21,450,000	\$ 21,000,000	(450,000)	FY26 Actuarial Covered CT work concluded.
AHCT and DSS Total Expenses	\$ 63,032,293	\$ 67,599,115	\$ 4,566,822	

• FY 2026 Budget – Shared Cost with Department of Social Services (DSS)

	DSS SHARED COST BUDGET		
Budget Category	FY 2026 Adjusted Budget	FY 2027 Proposed Budget	Variance
Temporary Staffing	\$1,256,361	\$1,256,361	-
IT Maintenance & Development	4,166,917	3,935,789	(231,128)
Operations	15,306,631	15,537,759	231,128
DSS (100%)	720,091	270,091	(450,000)
Total - DSS Shared Budget	\$21,450,000	\$21,000,000	\$ (450,000)

🔴 FY 2027 Projected Reserve Fund Balance

<u>Reserve As of June 30, 2025 (Audited)</u>	\$ 24,674,750
Subtract: FY2026 Assessment Prepayments	(1,354,885)
Subtotal after FY2026 Assessment Prepayments	<u>23,319,865</u>
Subtract: Committed Project Expenses for FY2025	(3,110,019)
Add: Projected FY2026 Surplus	467,226
Projection at June 30, 2027 (Unaudited)	<u>\$ 20,677,072</u>

**Months of
Operating
Funding**

5.3

*Some Carriers paid full calendar year 2026 assessments upfront.

Adjournment