



Finance & Operations Committee Meeting Minutes

Connect for Health Colorado Meeting Room

East Tower, Suite 1025

3773 Cherry Creek N Dr., Denver, CO 80209

August 28, 2017

9:30 AM – 11:30 AM

Action	Who By	Due
Expense benchmarking with other Exchanges.	Finance Department	Further research in process for IT specific expenditures.
Explore adding a satisfaction survey for customers who use the customer service center.	Operations Department	
Explore the possibility of different grant funding opportunities	Finance Department	
Review finalized contracts that were approved during the June 26 Board meeting	Finance Department	
Present final analysis on EBNE effort for FY 2017	Finance Department	September or October Finance & Ops Committee Meeting

Board Members Present: Sue Birch, Adela Flores-Brennen, Denise O'Leary and Nathan Wilkes

Staff Present: Brian Braun, Luke Clarke, Dave Coren, Kelly Davies, Kate Harris, Caren Henderson, Judith Jung, Kevin Patterson, Arba Robinson, Alan Schmitz and Lisa Sevier

I. Welcome & Introductions

Adela Flores-Brennan chaired the meeting and called the meeting to order at 9:30 a.m., welcoming everyone in attendance, both in-person and on the phone. The June committee meeting minutes were approved.

II. CGI Project Overview

Linda Powers with CGI, gave a report on projects CGI has undertaken for Connect for Health Colorado. CGI has worked with the organization since 2012, including the first open enrollment (OE) launch in October of 2013, helping to build the shared eligibility system (SES), upgrading the service center's customer relationship management system (CRM), as well as continuous technology changes and improvements.

Customer Service

During each open enrollment, and throughout non-open enrollment times, CGI has been working to improve the customer experience in the service center through quality assurance and the speed to answer incoming calls. Ms. Powers noted that a large challenge has been in customer handle times, this is due to complications with the financial assistance application and navigating questions around the Affordable Care Act (ACA).

CGI Customer Service notes:

- The service center handles 500,000 calls per year, half of these calls come in during OE
- Fewer than 1% of contacts result in an escalation
- Staffing is expanded and contracted to meet seasonal demands
- At its peak staffing includes 300 representatives
- Service representatives attend a rigorous 4-week training regimen

Technology

Over time CGI has worked with the organization to improve operational stability, improve the customer experience, responding to technology needs and offer cost saving initiatives. Some accomplishments include:

- 38% year over year reduction in number of opened defects
- 11% year over year reduction in time to resolve critical issues
- 99.9% System Up Time
- Met or exceeded all established technology SLAs inception to date
- Significant year-over-year reduction in required number of deployments
- Significant year-over-year reduction of unplanned system outages

CGI continues to work on its strong partnership with Connect for Health Colorado by:

- Supporting the organization's vision for growth by quickly responding to:
 - Changing government guidelines and policies
 - Creation of a multi-state exchange (potentially)
 - Expanded offerings
- Collaborate with Connect for Health Colorado to:
 - Improve customer/stakeholder end to end experience
 - Adapt to changing business conditions
 - Leverage CGI Innovation labs and industry expertise towards C4HCO strategic initiatives
 - Identify and implement Continuous Improvement opportunities
 - Support long-term sustainability

CGI and Connect for Health Colorado continue to evaluate the balance between ultimate cost savings and customer service.

III. State Auditor Full Performance Audit Review

As a follow-up from the original limited performance audit, the state auditors have just finished a full performance audit focusing on sustainability, complaints, customer service and appeals.

There were five recommendations related to sustainability/financial and primarily involved procurement and contracting. There were three findings related to the appeals process and were related to processes and procedures. Customer service and complaints had two findings around the definition of a complaint, reporting and simplifying the ability to file a complaint.

Connect for Health Colorado has responded to the audit's recommendations, has appeared in front of the state audit committee and has started the process of implementing changes according to the recommendations. Staff will keep the committee updated on the status of recommended implementations; additionally, staff will work on a self-audit process to increase efficiency.

IV. Quarterly Financials

Chief Financial Officer, Brian Braun, gave a report on the quarterly Financials for the fourth quarter of fiscal year 2017.

The organization's financial health is good. This is due to higher revenues than expected and expenses coming in slightly below budget. Average effectuated enrollment for the year was 142,733 vs. a target of 129,000.

Key measures include:

- Broad market fee assessment (ended halfway through the year)
- Per member per month (pppm) income came in a little better than expected
- Per member per month operating expense was lower than budgeted
- Days cash on hand is at over 200 days vs. industry average of 120 days

V. Bank/Investment Accounts

The organization has placed some funds into certificates of deposit (CD's), spreading 7.5 MM at \$250,000 at a time, across several CD's ranging from maturity dates of 6 months to a year. This will allow some interest income while being cautious about investment risk.

VI. Media Buy Approval

Caren Henderson, Acting Director of Marketing & Outreach, gave an overview of the media buy plan for open enrollment 5 (OE5).

The media partners that will be engaged in the plan are Emico, Evolution Communications and Burks Communications and the total ask is for \$762,750.

Last year the organization saw significant gains in the reduction of the eligible but not enrolled (EBNE) population and would like to continue with the same strategy for OE5. The

plan will have statewide coverage, and will also focus on a campaign that is very targeted to areas of high unenrollment, particularly those that are eligible for financial assistance but unenrolled.

It was noted that due to the ongoing uncertainties around open enrollment and plan rates, more funds can be made available, if needed.

The Committee decided to recommend that the Board approve of the media buy as requested.

VII. Financial Audit Engagement Letter

A draft of the engagement letter with the audit firm, Kundinger, Corder and Engle, P.C., for the annual financial audit was presented to the committee. The standard audit has been bifurcated due to some uncertainty on the single audit and Medicaid cost allocation. This initial audit will focus on the financial audit with a follow-up in the future for the single audit.

Staff recommended staying with Kundinger, Corder and Engle, P.C. for consistency.

Field work for the financial audit should be completed by the end of September with a preliminary read-out to the committee at the next committee meeting, with a final report during October's committee meeting. A request was made to have the full audit completed within four months.

The Committee decided to recommend that the Board approve the audit firm of Kundinger, Corder and Engle, P.C. to perform the annual financial audit.

VIII. SHOP

The organization is experiencing cost and customer experience issues with the current state of the small business health options program (SHOP). As discussed in a previous committee meeting, staff has been reviewing options for the future of SHOP. The options include:

- Continuing with the program as is
- Identifying a more advantageous model
- Direct potential customers to a carrier, managing general agent, broker or other entity
- Create a private exchange

After discussion with multiple vendors, carriers and other stakeholders and considering the amount of participation from small businesses along with the participation of just one carrier, Connect for Health Colorado has decided to pursue continuing with the program as it is, combined with appropriate cost reductions in the SHOP back office. The organization determined that the capital and human resources required to pursue other options were too risky at this time.

IX. Public Comment

Public comment was given by:

Brad Niederman, Niederman Insurance

Bethany Pray, Colorado Center on Law and Policy

X. Adjourn

Meeting adjourned at 11:30 a.m.

Respectfully submitted,

Adela Flores-Brennan

Board Chair