



To: Connect for Health Colorado Board Members

From: Patty Fontneau, CEO/ED

Subject: 2015 Fiscal Year Budget and Health Insurance Carrier Assessment

Date: June 9, 2014

The attached documents represent the FY 2015 budget narrative, the detailed quarterly line item budget, a comparison of FY 2014 budget/actual vs FY 2015 budget, and the modeling document for the Health Insurance Carrier Assessment for calendar year 2015.

The Finance Committee and the Operations Committee have met a total of 5 times to review the budget detail within each budget category and to understand the underlying assumptions that drive this fiscal year's budget. FY 2015 is the last FY budget that will have Federal Grant funding, recognizing that technology implementations and enhancements will be funded throughout the year and operations will be funded by Federal grants for the first six months. The Level 2 Implementation Grant was approved by the board and the Legislative Implementation Review Committee in 2013, so much of this budget represents the line item details of that grant submission.

This budget will be partially funded by transitional funding provided through legislation passed in 2013. HB13-1245 provides the authority for the board to set a \$1.80 per member per month health insurance carrier assessment. The attached budget drives a reduction in that assessment to \$1.25 per member per month.

The board is asked to approve the FY 2015 budget as submitted and the health insurance carrier assessment at \$1.25 per member per month for calendar year 2015.