

**Finance & Operations
Committee Meeting Minutes**
*Connect for Health Colorado Meeting Room
East Tower, Suite 1025
3773 Cherry Creek N Dr., Denver, CO 80209
October 26, 2015
9:30 AM – 11:30 AM*

Summary of Action Items

Action	Who By	Due
Provide reforecast numbers for the program revenue	Finance Department	Next Finance & Operations Committee Meeting – 11/23/15
Create a monthly cash flow statement by scenario to determine impact on cash flow and when triggers will occur and what can be done	Finance Department	December Committee meeting – 12-28-15
Add a footnote to the Finance Policies to indicate: if cumulative contract change orders exceed \$150,000, Board approval is required as indicated in the procurement policy	Finance & Legal	Next Finance & Operations Committee Meeting – 11/23/15
Add a policy requiring Board approval for contract lengths	Finance Department/Board	Next Board meeting 11/9/15
Amend page one of the financial policies to indicate that the Board’s responsibilities are to oversee (not direct) the financial health of COHBE utilizing the guidelines established in the articles of incorporation, bylaws and organizational policies	Finance Department/Board	Next Board meeting 11/9/15 Closed

Board Members Joining via Phone: Adela Flores-Brennan, Eric Grossman (joined at 9:55 am), Jay Norris, Denise O’Leary and Nathan Wilkes

Staff Present: Marcia Benshoof, Brian Braun, Luke Clarke, Christine Gavin, Kevin Patterson, Alan Schmitz, Lisa Sevier and Adele Work.

I. Welcome and Introductions

- Kevin Patterson chaired the Committee meeting and called the meeting to order at 9:30 am and welcomed those in attendance, both in-person and on the phone.
- The minutes from the September 28th Policy Committee meeting were voted on and approved.

II. Fiscal Year Quarter End Financial Results

CFO, Brian Braun reviewed the quarterly results stating that overall the quarter ended higher than expected. Some of the key areas of variances:

- Special Fee Assessment – some of the original estimates appear to be low. Connect for Health Colorado is reviewing this initial data with the carriers.
- Federal Grant Revenue – Currently evaluating all allowable expenses for the prior year to prepare for the financial audit. Some of the expenses used for last year were not allowable, they are being pulled out to use for allowable expenses this year.
- Expenditures are doing better than budgeted, the customer service center is running right on budget.
- Most of the positive in the bottom line is being driven by the expense savings.
- There has been a higher amount of cash flow going out the door due to a large amount of payables to be paid last year, are being paid now. However, the cash balance at the end of last year was higher due to these unpaid payables so the overall impact on the cash balance is at an expected level.
- The Marketplace is better than budget on operating expenses.
- The carrier administrative fee is ahead of expected.
- The cost per enrollee is lower than budgeted.
- The earning percentage of revenue is positive.
- Revenue is better than budget for our operating expense.

The Finance department will be providing reforecast numbers. At this point, the only item that will need to be reforecast is the program revenue, which will depend on what is learned on the special fee assessment. If this number needs to be lowered the department will look for savings in expenditures.

III. Revenue Projections

Mr. Braun discussed the gap analysis and revenue projections. To assist in long term planning efforts, this analysis focuses on the impact of different enrollment levels on expected revenues over the next three years and the resulting gap created between revenues and expenses. The goal for the Finance and Operations committee is to create a longer term strategy for addressing any potential gaps and to be prepared for various situations that may or may not arise.

Kevin Patterson, CEO, stated that the Marketplace is looking at gap fillers that can help add revenue and reduce expense. Such as Medicaid cost recovery, SHOP expansion, expense reduction and transfers, and new products.

Eric Grossman suggested actionable triggers that will allow Connect for Health Colorado to react quickly to changes in the Marketplace.

IV. Financial Policy Review

Mr. Braun presented a revised set of the financial policies:

- Any amendments to the budget that add expenditures must be approved by the Board.
- The CEO will review all bank statements and review cancelled checks
- Quality control review driven by the internal audit manager
- Investment policy is in draft
- Credit Card policy
- Contract management
- Small purchases policy
- Federal & state awards policy
- Authorization matrix

Mr. Braun will make changes to the financial policies to present to the Board at the next Board meeting for approval.

V. Open Enrollment Readiness

Marcia Benshoof and Adele Work addressed open enrollment readiness.

- Training is wrapping up, over 1300 people have been through certification and recertification.
- The infrastructure migration for the Service Center is complete. Currently the Service Center is running at a 97% performance rate with an average speed of answer of 4 seconds.
- Rates and plans are fully loaded, tested and deployed.
- The website and all tools are live.
- All enrollment centers will be open Sunday, November 1st.
- A new ACCESS portal, where brokers can view their book of business at almost real time, has been deployed to brokers, with a lead tool rolling out November 2nd.
- Enroll America, The Colorado Health Foundation and Connect for Health Colorado have partnered to offer a connector tool to allow customers to find and schedule an appointment with a Health Coverage Guide.
- The Medical Assistant site is functioning and ramping up for Open Enrollment.
- There is new self-service tools and functionality including the ability for customers to track their help tickets status.

In early October the Marketplace began planning for a couple of scenarios around the possibility that the Colorado HealthOP would not continue in 2016. The Marketplace team worked closely with the Division of Insurance to create a scenario and take the necessary steps.

- Executed removal of 2016 plans related to Colorado HealthOP offerings on the Marketplace
- Re-ran entire renewal data set for all HealthOP customers and all customers with APTC where HealthOP was the second lowest cost silver plan.
- Re-ran and tested all renewal letters (107,000 households).
- Initial talking points and scripts were rolled out to the Service Center on October 16th.
- Deployed 2016 Marketplace into production for enhanced testing without the HealthOP.
- Renewal notices commenced on October 21st on par with the original, pre contingent, schedule.

Many support Initiatives for customers in the marketplace were put into place.

- Goals:
 - Assure HealthOP customers that the Marketplace is a trusted place for help and next steps.
 - Provide proactive outreach to complete 2016 enrollment as early as possible.
 - Be a comfort in a confusing period and achieve high retention.
 - Emphasize the value of Brokers and Health Coverage Guides.
- Initiatives:
 - Multi-faceted outreach campaign including - email, robo-dialer and outbound calling from October 23 to November 6.
 - Service center assistance for the top 29 Broker with highest HealthOP customers from October 23 to December 31.
 - Proactive enrollment of HealthOP customers in the Service Center as of October 21.
 - Complete Carrier impact scenarios by October 30.
- Round two of interventions will be developed by November 6.

Mr. Patterson emphasized that the removal of the Colorado HealthOP from 2016 has been one of the larger pivots Connect for Health Colorado has had to take, and in a very short period of time. The Marketplace team has done a great job successfully making these changes and getting a plan in the works by October 23rd.

The technology update included the following information:

- CBMS, Peak, and the Marketplace systems are upgraded and have been in production since October 18th.
- The Connect for Health Colorado service center has been using the new system since October 18th and a small number of issues have been identified. The time period between October 18th and November 1st is being used to shake out system issues and harden the support processes.
- Select brokers are also working in the marketplace to support their clients and provide the Marketplace with feedback.
- The Connect for Health Colorado command center is fully operational and taking calls. There have been minor issues reported and tickets are being generated to track any problems.
- Carrier reconciliation was completed prior to renewals processing.
- All renewals have been successfully executed.
- End-to-End testing was completed at close of business on October 15th. 93% of test cases on the Shared Eligibility System (SES) were executed with an 85% pass rate. While across the board, the joint testing team executed close to 90% of the all test cases with an 84% pass rate and are continuing to execute test cases.

There were three aspects of performance testing that Connect for Health Colorado focused on:

- 1) Stand-alone performance of the Shared Eligibility System
- 2) Stand-alone performance of the Marketplace system
- 3) Performance of both systems during problematic times

Performance testing is completed before any major release to verify that none of the operating systems have been impacted.

VI. Public Comment

Bethany Pray with the Colorado Center on Law and Policy noted that with the HealthOP notification there is some discrepancy for SHOP customers in terms of whether policies will continue through to the end of the policy year or the calendar year. Additionally, Ms. Pray had concerns about customers who will be expected to by-pass the Shared Eligibility System.

Ms. Benshoof stated that SHOP plans will end at the end of their policy date. The Marketplace is in the process of reiterating this to the Small Business customers and there is discussion about ways to support the employers and brokers to make sure their options are clear to them.

Kristen Pieper with Covering Kids and Families stated that as of July 1st lawfully present pregnant women and children that have been residents for less than five years have become eligible for Medicaid and CHP. Ms. Pieper requested that a question about length of residency be included on the Marketplace enrollment form so these women and children's eligibility can be captured.

Meeting adjourned at 11:15 am.

Respectfully submitted,

Eric Grossman
Committee Chair