



CAPITAL PROJECTS UPDATE

February 2016

FY2016 Capital Budget Items

- For FY2016, the Capital Projects Budget included 4 main line items
 - SES improvements for OE3 and OE4 - \$4,640,000
 - OE3 improvements were expected to streamline the user experience and reduce errors
 - Impact to operational costs was expected to be seen during open enrollment through reduction in calls to service center and significant reduction in number of issues reported
 - OE4 scope was unknown at the time the FY2016 budget was defined
 - Marketplace improvements for OE3 and OE4 (and beyond) - \$3,000,000
 - OE3 improvements were expected to reduce online renewal process confusion, provide BI and reporting improvements, meet evolving regulatory requirements, and improve the user experience.
 - Some money was allocated for SHOP migration (this was redirected towards SHOP improvements when the plan to migrate was put on hold)
 - Carrier EDI Improvements - \$500,000
 - These funds were set aside to support ongoing activities to continuously improve the electronic transfer of information between Connect for Health Colorado and the carriers.
 - Other projects, ongoing costs and contingency - \$640,000

FY2016 Technology Activities by Budget

SES improvements for OE3 included streamlined application process, access to CRM data, summary page and others.

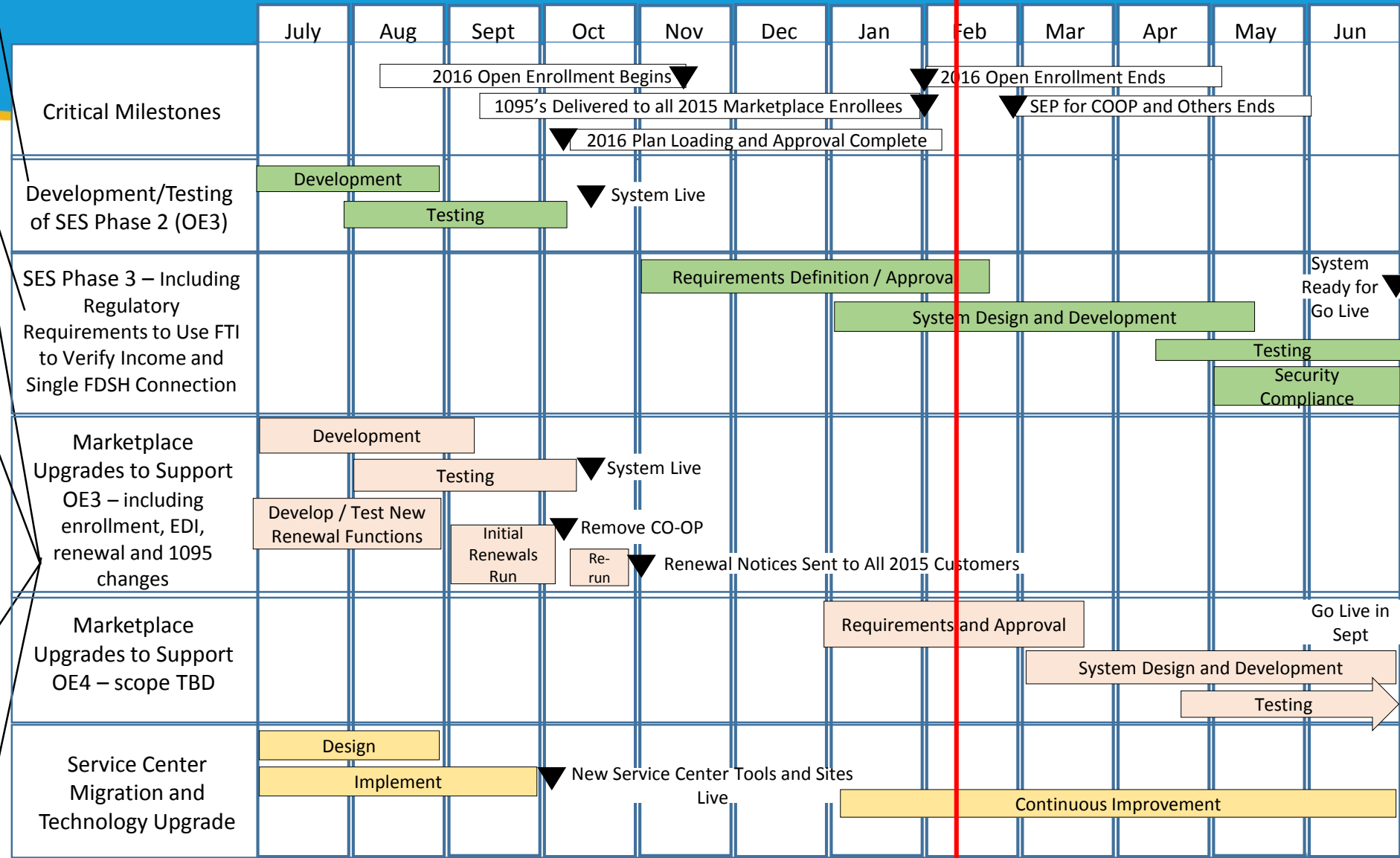
OE4 SES changes will be focused on meeting the CMS letter requiring a single FDSH connection and FTI verification

New end of year reporting requirements for PY2015 resulted in capital expenses in FY2016 to ensure that files transferred to IRS and CMS are in the correct format.

New SERFF templates required changes to the plan management module and in some cases to the shopping pages. Additional changes for PY2017 (e.g., quality ratings) will require additional changes for OE4.

EDI improvements throughout the year were identified and corrected via the C4 HP IT OPS Team and the Carrier Coordination Team (CRT)

Improvements to both online and batch renewals processes resulted in much more streamlined renewal process this year. Hard to gauge ROI due to COOP effect.



Key: Budget

SES improvements budget

Marketplace improvements budget

EDI improvements budget



FY2016 Technology Spend: Budget, Forecasted ROI and Current Situation

Capital Budget Items	Approved FY2016 Budget	Current Commitments	Remaining Budget	Projected Operational Savings and Benefits for CY2015	Actual CY2015 Savings and Benefits
SES Improvements	\$4,640,000	\$4,110,351	\$529,649	\$1,350,000 reduction in Call Center Costs due to reduction in number of technical issues and reduction in time to correct issues	Call center costs for 6 months between 7/1/15 and 12/31/15 are approximately \$1.7M less than same period in 2014.
Marketplace Improvements for OE3 and beyond	\$3,000,000	\$3,286,329	(-286,329)	<ul style="list-style-type: none"> Not expected to be significant for CY 2015 Migration to new SHOP platform was expected to increase SHOP enrollments in CY2016 Most CY2015 Marketplace improvements were required to meet regulatory requirements or to improve user experience 	<ul style="list-style-type: none"> Assisted in call center cost reductions associated with SES. Additional SHOP enrollments offset by loss of COOP. Met regulatory requirements for 1095s, CMS reporting and plan template changes – no ROI for these items Improvements to renewals processing resulted in no escalations regarding loss of renewals coverage
Carrier EDI Improvements	\$500,000	\$507,000	(-\$7,000)	<ul style="list-style-type: none"> Improved EDI accuracy, fewer end of year issues with carriers and fewer 1095 issues Beginning of calendar year EDI and reconciliation accuracy: <ul style="list-style-type: none"> Enrollment +/- 0.2% Premium +/- 6.2% APTC +/- 7.5% 	<ul style="list-style-type: none"> End of calendar year EDI and reconciliation accuracy: <ul style="list-style-type: none"> Enrollment +/- 0.1% with carriers (0.1% improvement) Premium +/- 0.5% (5.7% improvement) APTC +/- 2.1% (5.4% improvement) Increased accuracy in APTC resulted in \$8.8M less discrepancy between Connect for Health and carriers and will result in fewer 1095 issues.
Other Projects, ongoing costs and contingency	\$640,000	\$200,000	\$440,000		The committed funds were used for approximately 100 one-off business, operations, or technology-initiated change requests (CRs) for functions or resources that were not included initially in release scope or contract work. All CRs are reviewed and approved through a Change Control Process that requires approval from business, technology and finance leadership.
Total Budget	\$8,780,000	\$8,103,680	\$676,320		Operational costs in Call Center projected to be \$3.0M less in FY2016 than 2015

Remaining FY2016 Capital Projects to be Evaluated (not complete list)

- Regulatory Requirements
 - CMS letter – single FDSH connection for Colorado; use IRS FTI data to verify income
 - Additional CMS and IRS reporting requirements
 - Quality star display
 - Changes to RRV service
- Ongoing user experience improvements
 - Password functionality improvements (#1 call driver in OE3)
 - Marketplace UI improvements (reduce number of clicks)
 - Benefits display improvements to improve insurance literacy and improve shopping experience
 - Additional improvements to SES UI and integration with Marketplace
 - Additional decision support tools
- SHOP improvements
 - Ease of enrollment and renewal – reduce number of clicks and confusion
 - Continued improvements to system to allow for more flexibility to handle unexpected situations and to handle larger groups
 - Tools to load enrollment data in bulk from authorized brokers
- Health Coverage Guide / CAC tools
 - HCG / CAC do not have tools to accurately track enrollments or support customers through the enrollment process
- Broker Portal and Access Improvements
 - A number of improvements to improve broker productivity and reduce Connect for Health Colorado support costs have been identified
- BI improvements
 - Improved access and data accuracy
- Operational improvements
 - Automated 1095 correction process
 - Continued EDI improvements
 - Improved ability for customers to request a different start date, improvements to EDI process with carriers when customers request a new start date
 - Work flow tool improvements to improve operational efficiency
 - Bulk enrollment tools
 - More integration with CBMS CRM and other service center tool improvements
- Support for ancillary products

Next Steps and Timeline

