



To: Connect for Health Colorado Board of Directors

From: Kevin Patterson
Gary Drews

Subject: FY 2016 Strategic Plan & Budget

Date: June 8, 2015

The attached documents represent the FY 2016 Strategic Plan & Budget, which presents the strategic directions for the organization, business cases for the next year's key project activity and investments, the FY2016 Budget, and longer-range financial forecasts that will further guide Connect for Health Colorado's path toward sustainability. Both the Finance and Operations Committees have reviewed several iterations of the Plan/Budget and unanimously recommend this final draft for your approval.

The organization's planning process was initiated in December 2014 with a simple framework to gather the appropriate input to inform business requirements and resource prioritization, examine key projects and investments closely for mission relevancy and return on investment strategic viability, identify the optimal funding stream against financial and staffing requirements, and financially resource the key strategies and tactics for the Marketplace's next enrollment period such that the organization is self-funding through primarily earned revenue beginning this year..

We sought much input from all Marketplace stakeholders that truly influenced our strategic priorities and solutions presented here. The Strategic Plan is derivative of the many value propositions it provides stakeholders, and ultimately links the strategic goals of the organization in preparation for the upcoming 2016 enrollment cycle with tactical goals and objectives.

The Budget incorporates the newly increased fee levels for Calendar Year (CY) 2016, and results in a cash operating deficit of \$4.6m and total deficit after capital/project investments of \$13.3m. It is expected that additional revenue sources will be generated and secured to erase projected future year deficits.

We greatly appreciate both the Board's and the Finance and Operations Committees' guidance on the Plan's many components and overall direction. At this stage in the process, management is requesting the Board to approve the submitted FY2016 Strategic Plan and Budget.

On behalf of Connect for Health Colorado staff, thank you for your consideration and support.