

***Joint Committee Meeting Minutes***

***Operations & Finance***

*Connect for Health Colorado Meeting Room*

*East Tower, Suite 1025*

*3773 Cherry Creek N Dr., Denver, CO 80209*

***June 1, 2015***

***7:30 AM – 9:30 AM***

**Board Members Present:** David Padrino, and Nathan Wilkes.

**Board Members Joining via Phone:** Mike Fallon, Davis Fansler, Adela Flores-Brennan, Sharon O’Hara and Arnold Salazar

**Staff Present:** Marcia Benshoof, Luke Clarke, Gary Drews, Jason Green, Linda Kanamine, Kevin Patterson, Lisa Sevier, John Wetherington and Adele Work.

**I. Welcome and Introductions**

- Nathan Wilkes chaired the Joint Committee meeting and called the meeting to order at 7:30 am and welcomed those in attendance, both in-person and on the phone.

**II. 2016 Strategic Update & Financial Plan**

The Connect for Health Colorado staff presented the proposed final draft of the 2016 Strategic Plan and Budget to the Joint Finance and Operations Committees. Gary Drews, Outgoing Interim CEO, stated that the plan best accomplishes the following goals:

- Optimize the customer experience
- Stabilize and right-size staffing, systems and processes
- Put the Marketplace on the path to financial stability

Mr. Drews noted that the budget for FY 2016 will generate revenue of \$40.3 mil with operating expenses of \$44.9 mil; which will leave an operating deficit of \$4.6 mil. Additionally there is a capital investment into operating systems of \$8.7 mil.

The strategic plan incorporates input from the Marketplace stakeholders, as well as Marketplace value propositions. It has been built to fulfill Connect for Health Colorado’s mission effectively while using its limited resources most efficiently.

David Padrino noted that the enrollment projections for 2016 may be aggressive in terms of growth, they are still at less than 50% of the total market.

Nathan Wilkes asked about outreach and marketing for small businesses and SHOP. Marcia Benshoof, Chief Strategy and Sales Officer, explained that small businesses are best reached through the associations they belong to, as well as through the brokers. Working with brokers as a channel is extremely important and the Marketplace offers SHOP focused training which continues to be “sold out” among the brokers.

Gary Drews noted that changes in premium prices will affect Connect for Health Colorado's revenue by about \$300,000 per every 1% change, up or down. The Committees made a request to track the trends each year of how price changes in plan premiums effect revenue versus the total number of plans purchased.

Arnold Salazar felt the total expected income from Medicaid Cost recovery is very low compared to other State Based Marketplaces (SBM's). Ms. Benshoof explained that the requirements to draw down the funds is still unknown, and many of the other SBM's are supported by general funds and Connect for Health Colorado was not.

Mr. Drews stated that the budget is based on assumptions that will change throughout each ear. As the assumptions change, such as the Marketplace receiving more revenue from the Medicaid cost recovery, the forecasts can change.

Once the budget is approved by the Board it will remain as a baseline, mid-year the Marketplace will begin a forecast column which will be used to compare the original budget with the forecast.

Kevin Patterson, Interim CEO, recommended that, if the Marketplace receives more revenue than forecasted, it be placed into reserves and the Board will decide what to do with the additional reserves.

Mr. Salazar motioned to accept the strategic plan and budget as presented.

Mr. Wilkes seconded the motion, noting that if the motion is approved it will go to the full Board for approval.

Mr. Wilkes opened the motion for public comment.

Deb Judy, Policy Director for Colorado Consumer Health Initiative, stated her concern for the Assistance Network budget and asked that the Assistance Network be considered a priority if any additional revenue is received. Additionally, Ms. Judy encouraged continued focus on a resolution for simultaneous enrollment issue.

Mr. Wilkes called the motion for a vote and the motion was approved as follows:

**Yes:** Mike Fallon, Adela Flores-Brennan, Sharon O'Hara, Arnold Salazar and Nathan Wilkes

**No:** None

**Abstain:** None

Meeting adjourned at 9:30 am.

Respectfully submitted,

Nathan Wilkes  
Operations Committee Chair