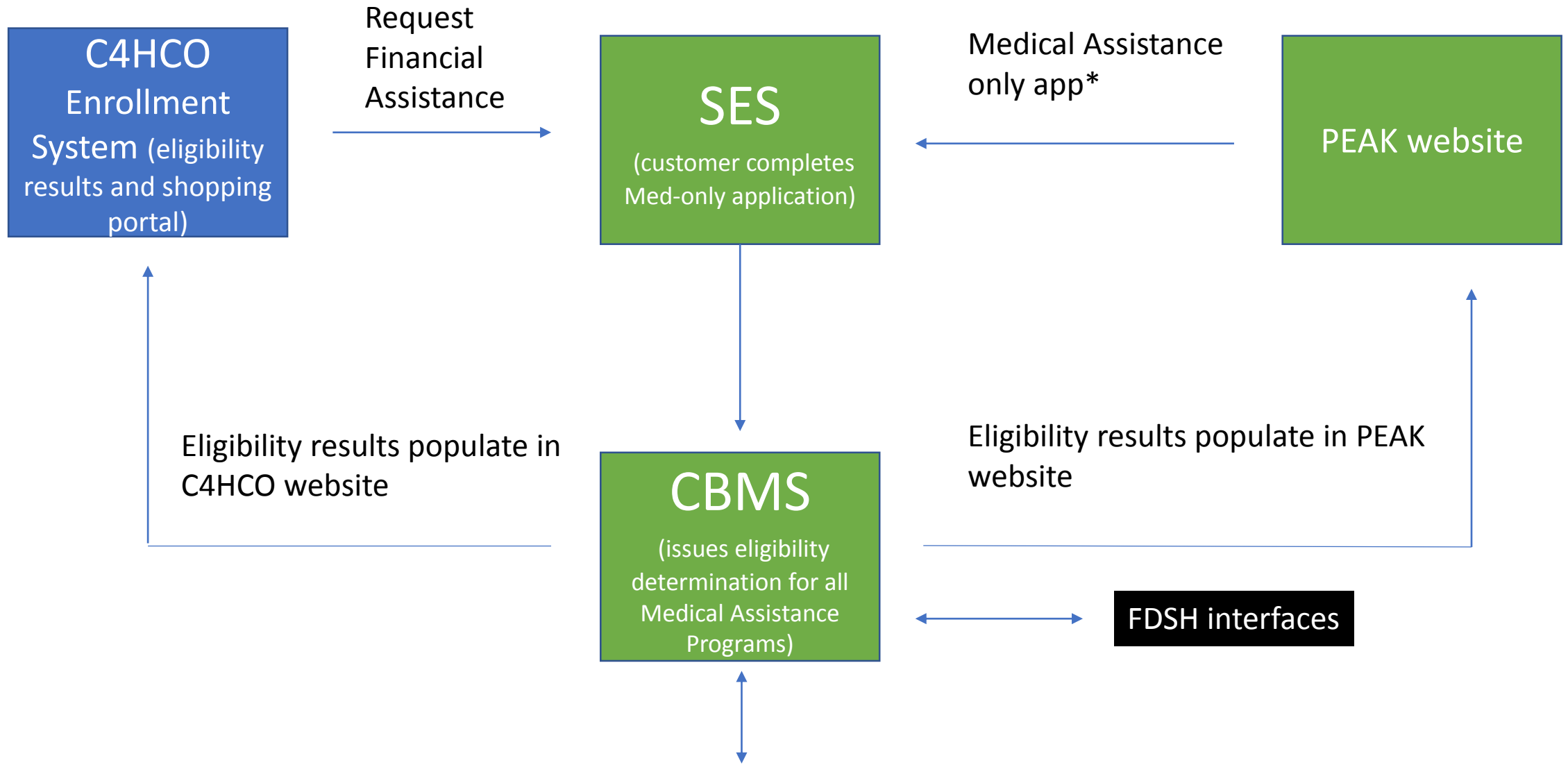


Eligibility System Changes

Goals

- **Improve the customer experience**
 - *Reduce number of eligibility screens and questions required for an APTC determination*
 - *Focus on plain language and increased health literacy support in the application questions and correspondence*
 - *Decrease non-real time eligibility with a goal of near 100% of applicants receiving determinations in real-time*
- **Bring Connect for Health Colorado into compliance in significant areas**
 - *Address previous audit findings related to data and enrollee verification and reporting before the next open enrollment period*
- **Increase ability to predict and control technology costs**
 - *CBMS-related ongoing and Transformation costs expected to be (\$1.4MM - \$2.7MM)*
 - *Historically, costs incurred for CBMS projects have been difficult to budget accurately for*
 - *Owning the eligibility system contract with our vendor will allow for control over technology costs related to determining eligibility for APTC*
- **Decrease Eligible but Not Enrolled (EBNE) population and increase enrollment overall**
 - *A quicker, easier eligibility application will encourage customers to check what APTC/CSR they may be eligible for*
- **Increase APTC uptake**
 - *An eligibility application re-design will allow for better screening of and communication to APTC-eligible customers who may be currently opting out of the financial assistance path*

Current System Interactions



C4HCO

OIT

C4HCO MA Site support for all APTC/CSR and complex households in CBMS

FDSH interfaces

*Note: If a client applies for CDHS programs, they are routed down the full PEAK path

Proposed System Interactions

C4HCO Enrollment System (eligibility results and shopping portal)

PEAK Website

Request Financial Assistance

APTC/CSR/QHP results populate in C4HCO website

Medicaid/CHP+ results populate in PEAK website

Apply for Medicaid/CHP+

C4HCO Eligibility Engine (issues eligibility determination for APTC/CSR/QHP)

CBMS (issues eligibility determination for Medicaid/CHP+)

Possible APTC/CSR/QHP eligible

Possible Medicaid/CHP+ eligible

FDSH interfaces

FDSH interfaces

C4HCO

OIT

C4HCO MA Site support for complex households in CBMS

Eligibility Project - Net Investment

	Low	High
Initial Investment:		
Software Development Cost	2,000,000	3,000,000
Security Costs	100,000	700,000
Incremental Staff Costs	365,000	535,000
HCPF/CBMS Interfacing	250,000	750,000
Total Initial Investment	2,715,000	4,985,000
Cost Avoidance:		
Compliance Costs/SMART Audit	800,000	1,000,000
Transformation Costs (Yr 1)	1,000,000	2,000,000
Total One-time Cost Avoidance	1,800,000	3,000,000
Net Incremental Investment - High	3,185,000	
Net Incremental Investment - Low	(285,000)	

Eligibility Project – Cash Flow Analysis

	Low	High
Ongoing Incremental Annual Net Cash Flows:		
Increased Enrollment Revenue	500,000	1,500,000
MA Site Savings	500,000	800,000
Call Volume Savings		100,000
SES Project Cost Avoidance	100,000	300,000
CBMS Maintenance Cost Avoidance	300,000	400,000
New System M&O Costs	(400,000)	(600,000)
Ongoing Security Costs	(100,000)	(350,000)
Ongoing Staff Costs	(90,000)	(95,000)
Annual Net Cash Flow	810,000	2,055,000

Net Cash Flows - 3 Years *

Potential Low (High Net Investment + Low Cash Flow)	(1,565,000)
Potential High (Low Net Investment + High Cash Flow)	4,395,000

* Assumes annual net cash flows start in Year 2 and no Year 2 transformation cost avoidance of potentially \$1-2MM.