

Summary of 2017 Programmatic Audit

Connect for Health Colorado engaged an independent qualified auditing entity to perform an external programmatic audit as required by 45 CFR 155. These are the findings, recommendations and planned corrective actions of that audit.

2017-001 – Finding: Eligibility

Condition: Eligibility criteria are not being verified for enrollees not receiving financial assistance. In addition, enrollment in or eligibility for minimum essential coverage is not verified and tax filing requirements are not being verified for those receiving Advance Premium Tax Credits.

Recommendation: We recommend that Connect for Health Colorado continue to work with their local information technologies and compliance groups to develop a process to verify the required eligibility information for all enrollees.

Views of Responsible Officials and Planned Corrective Actions: Connect for Health Colorado agrees with the finding. Connect for Health Colorado has completed a comprehensive multi-year strategic plan adopted by the Board of Directors during the third quarter of 2017. As part of the implementation of the strategic plan, the organization is proceeding to develop a new eligibility system. This two-year project, currently in development, will bring Connect for Health Colorado compliant with the eligibility requirements of 45 CFR Part 155 by integrating the eligibility process with the existing enrollment platform. The ability to check enrollments for employer sponsored coverage through SHOP and Office of Personnel Management will be addressed by integrating the eligibility and enrollment systems. This process will allow Connect for Health Colorado to leverage the appropriate Federal Data Service Hub connections and provide a better experience for customers. Connect for Health Colorado continually seeks to move towards compliance in all respects while maintaining the best consumer experience, access, affordability and choice for Colorado citizens.

2017-002 Finding: QHP Certifications – Internal Controls

Condition: Connect for Health Colorado has an agreement in place with the Colorado Division of Insurance (DOI) related to certifying and monitoring Qualified Health Plans (QHP). Certain controls in place over some of the QHP certification and monitoring functions are highly automated and utilize a service organization and therefore could not be tested. As a result, we are unable to determine if the internal controls in place provide reasonable assurance of compliance with QHP certification and monitoring functions as described in 45 CFR 155 Subpart K.

Recommendation: We recommend that Connect for Health Colorado continue to work with their information technologies and compliance groups to determine a process for internally monitoring these highly automated components of internal controls which could then potentially be relied upon for purposes of internal control testing. Additional documentation of items reviewed and discussed in DOI and Board of Director meetings along with the SSAE 16 report from the service organization could possibly provide sufficient information for testing outside of the automated environment.

Views of Responsible Officials and Planned Corrective Actions: Connect for Health Colorado agrees with the finding. Connect for Health Colorado agrees with the finding. Connect for Health Colorado will continue to work with internal groups to document processes associated with the certification of QHPs and Qualified Dental Plans by affirmative of action of Connect for Health Colorado's Board of Directors. Further, Connect for Health Colorado has requested the Colorado Division of Insurances assist in obtaining a SSAE 16 report from National Association of Insurance Commissions related to the operation of the automated System for Rate and Form Filings (a third-party service used by the Colorado Division of Insurance to automate the rate and form filing process for insurance companies doing business in Colorado).