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# Health Connector Programmatic Audit (VOTE)

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# Background



- In compliance with federal requirements the programmatic audit assesses operational and technological capabilities and processes of a state-based Marketplace on an annual basis
  - The programmatic audit focuses on eligibility and enrollment functionality and processes, privacy and security procedures, Qualified Health Plan (QHP) certification, as well as call center performance and training
- The Health Connector has had an annual financial audit performed by an independent auditor since its first operating year in fiscal year 2007 (FY07)
  - In addition, due to receipt of federal grants, there have been four (FY12, FY13, CY14 and FY15 ) A-133 single audits performed by an independent auditor
  - The FY16 Financial Audit was completed by KPMG in November
- The most recent programmatic audit was completed for only half of a year in fiscal year 2015 (FY15)
  - After the first calendar year programmatic audit, this audit covered half a year in order to align with the fiscal year schedule set by CMS
- Today, we are seeking approval from the Board to approve the proposed budget for the FY16 (July 1, 2015 – June 30, 2016) Programmatic Audit, which is not to exceed \$325,107

# FY 2016 Programmatic Audit Cost



- The cost of work necessary to complete the programmatic audit as projected by KPMG is a not-to-exceed amount of \$325,107

Cost by Area of Work					
	Planning/ Initiation	Analysis	Execution	Reporting/ Meeting	Total (Not-to-exceed)
Hours	169	278	978	91	1516
Costs	\$41,508	\$60,804	\$197,928	\$24,867	\$325,107

- Should the actual cost of the programmatic audit be less than the amount projected by KPMG, the actual cost to the Health Connector will reflect the number of work hours completed

# VOTE



***Health Connector staff recommends that the Board authorize the Executive Director to enter into a contract with KPMG for work related to the FY16 Programmatic Audit as outlined in this presentation.***