Health Care Actuarial Services Contract (VOTE)

KARI MILLER
Chief Financial Officer

Board of Director’s Meeting June 11, 2020
Overview

Today we seek approval to amend a contract with Viebec to extend through June 30, 2021 for an amount not to exceed $343,292.

- Viebec (Ms. Boucher Calvao, with support from a Financial Analyst) provides actuarial services for the ConnectorCare program and the Seal of Approval process, as well as subject matter expertise in support of key business decisions
  - Responsibilities also include enrollment and programmatic financial modeling, financial reconciliations (Cost-sharing reductions, State Mandated Benefits), student health insurance program modeling, and financial analysis of federal and state health care reform or other policy initiatives

- In July 2019, the Board of Directors authorized a contract with Viebec to perform healthcare actuarial and financial analytic services in support of Health Connector programs through June 30, 2020 for an amount not to exceed (NTE) $336,560

- Prior to the vote, the Board inquired about the possibility of planning for in-house actuarial services
  - Staff remain pleased with performance and while planning has not yet formally commenced due to other matters, staff will continue to work with the Board on this matter
### Cost

The Chief Actuary, with support from a Financial Analyst, will perform critical health care actuarial and financial analytic services in support of Health Connector programs in an amount not to exceed $343,292.

<table>
<thead>
<tr>
<th>Position</th>
<th>FY20 Hourly Rate</th>
<th>FY20 Annual Hours</th>
<th>FY20 Total (Not to Exceed)</th>
<th>FY20 Projected</th>
<th>FY20 Variance</th>
<th>FY21 Adj</th>
<th>FY21 Hourly Rate</th>
<th>FY21 Annual Hours</th>
<th>FY21 Total (Not to Exceed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Actuary</td>
<td>$124.48</td>
<td>1,920</td>
<td>$238,993</td>
<td>$229,259</td>
<td>-$9,734</td>
<td>2%</td>
<td>$126.97</td>
<td>1,920</td>
<td>$243,773</td>
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<td>Financial Analyst</td>
<td>$51.90</td>
<td>1,880</td>
<td>$97,567</td>
<td>$20,000</td>
<td>-$77,567</td>
<td>2%</td>
<td>$52.94</td>
<td>1,880</td>
<td>$99,519</td>
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<tr>
<td></td>
<td></td>
<td>3,800</td>
<td>$336,560</td>
<td>$249,259</td>
<td>-$87,302</td>
<td>2%</td>
<td></td>
<td>3,800</td>
<td>$343,292</td>
</tr>
</tbody>
</table>

- Should the actual cost of the contract be less than the not to exceed amount (consistent with historical trend, actual costs are 26-30% less than budget), the actual cost incurred will reflect the total number of work hours completed.
Vote

Health Connector staff recommends that the Board of Directors authorize the Executive Director to amend a contract with Viebec to extend through June 30, 2021 for an amount not to exceed $343,292.