



Connecticut's Health Insurance Marketplace

October 31st, 2014

Alan Calandro
Director
Office of Fiscal Analysis
Legislative Office Building, Suite 5200
300 Capitol Avenue
Hartford, CT 06106

RE: Connecticut Health Insurance Exchange d/b/a Access Health CT
Quarterly Financial and Personnel Status Reports for First Quarter Fiscal Year 2015

Dear Mr. Calandro:

On behalf of the Access Health CT (AHCT) Board of Directors, we hereby submit the Fiscal Year 2015 First Quarter Financial and Personnel Status Reports, as required by Connecticut General Statutes §1-123(b) and (c). The enclosed financial data includes a comparison of AHCT's results to date as of the end of the first quarter for 2015 and 2014, respectively.

In summary, AHCT provides the following financial and personnel status for the quarter ending September 30, 2014:

Table with 2 columns: Financial Status and Actual. Rows include: (1) Beginning 1st Quarter FY 2015 Balance (\$61,586,426), (2) Revenue collected less funds expended, 1st Quarter 2015 (\$1,151,625), (3) Total Expenditures estimated at the end of FY 2015 (\$66,819,021), (4) Total Revenues estimated at the end of FY 2015 (\$73,063,884), Personnel Status: (1) Total number of employees, end of 1st Quarter FY 2015 (85), (2) Staff positions vacant, through 1st Quarter FY 2015 (3), (3) Staff positions vacated, 1st Quarter FY 2015 (0), (4) Staff positions estimated to be vacant by end of Q1 FY15 (1), (5) Staff positions estimated to be filled by end of Q1 FY15 (2).

Enclosed, please find the detailed financial statements reflecting AHCT's financial position as of the end of the first quarter of Fiscal Year 2015.

Please direct any questions regarding this report to Tricia Brunton, Controller for AHCT. She can be reached at (860) 757-5340 or Tricia.Brunton@ct.gov.

Sincerely,

James Wadleigh
Acting Chief Executive Officer
Access Health CT

Enc: (3)

Statement of Revenue, Expenses and Changes in Net Position
For the Three Months Ending September, 2014

	Q1, FY15	Q1, FY14
Operating Revenues		
Government Grants and Contracts	\$ 9,705,405	\$ 30,261,852
Non-Government Grants and Contracts	\$ -	\$ 62,500
Marketplace Assessment	\$ 6,232,786	\$ -
Other Income	\$ 14,089	\$ 1,600
Total Revenues	<u>\$ 15,952,280</u>	<u>\$ 30,325,952</u>
Operating Expenses		
Salaries and Wages	\$ 1,772,273	\$ 1,373,850
Fringe Benefits	\$ 411,856	\$ 336,168
Consultants	\$ 10,557,857	\$ 21,358,678
Equipment	\$ 97,283	\$ 169,148
Supplies	\$ 8,213	\$ 13,271
Travel	\$ 71,358	\$ 37,270
Administration	\$ 438,872	\$ 305,833
Maintenance	\$ 66,893	\$ (17,220)
Depreciation and Amortization	\$ 2,948,534	\$ 672,431
Total Operating Expenses	<u>\$ 16,373,139</u>	<u>\$ 24,249,429</u>
Change in Net Position	\$ 27,470	\$ 6,076,523
Change in Unrestricted Net Position	\$ (448,328)	\$ -
Net position, beginning of year	\$ 37,194,316	\$ 23,887,533
Net position, end of quarter	<u>\$ 36,773,458</u>	<u>\$ 29,964,056</u>

Statement of Net Position
For the Twelve Months Ending June, 2014 and 2013

	Q1, FY15	Q1, FY14
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 44,626,217	\$ 6,655,139
Accounts Receivable	\$ 8,173,105	\$ 21,222,706
Accounts Receivable - Market Assessment	\$ -	\$ -
Prepaid Expenses	\$ 91,448	\$ 94,374
Total Current Assets	<u>\$ 52,890,770</u>	<u>\$ 27,972,219</u>
Noncurrent Assets		
Software development in progress	\$ -	\$ 23,134,375
Equipment and software, net	\$ -	\$ 6,810,522
Security Deposit	\$ -	\$ 8,653
Total Noncurrent Assets	<u>\$ -</u>	<u>\$ 29,953,550</u>
Total Assets	<u>\$ 52,890,770</u>	<u>\$ 57,925,769</u>
Liabilities and net position		
Current Liabilities:		
Accounts Payable - current	\$ 2,903,885	\$ 1,429,419
Accrued Liabilities	\$ 39,143,899	\$ 20,175,125
Refundable Advances	\$ -	\$ -
Total Current Liabilities	<u>\$ 42,047,784</u>	<u>\$ 21,604,544</u>
Long Term Liabilities		
Accounts Payable - long term	\$ -	\$ 6,357,169
Total Liabilities	<u>\$ 42,047,784</u>	<u>\$ 27,961,713</u>
Net Position:		
Net position invested in capital assets	\$ 30,373,654	\$ 29,964,056
Unrestricted Net Position	\$ 6,399,804	\$ -
Total Liabilities and Net Position	<u>\$ 78,821,242</u>	<u>\$ 57,925,769</u>

AHCT Statement of Cash Flows
For the Twelve Months Ending June, 2014 and 2013

	Q1, FY15	Q1, FY14
Cash Flows from Operating Activities:		
Receipts from funding sources	\$ 9,173,449	\$ 15,623,759
Receipts from Marketplace Assessment	\$ 6,487,021	\$ -
Reimbursement of operating costs	\$ -	\$ 1,978,193
Payments to employees	\$ (1,866,330)	\$ (1,490,637)
Payments to vendors	\$ (7,426,517)	\$ (9,347,182)
Net cash provided by operating activities	\$ 6,367,623	\$ 6,764,133
Cashflow from Capital and related financing activities		
Payments for software development in progress	\$ (1,480,407)	\$ (4,397,586)
Purchase of software and equipment	\$ (43,310)	\$ (721,775)
Reimbursement of equipment and software, and software development in progress	\$ -	\$ 16,027
Net cash (used for) capital and related financing activities	\$ (1,523,717)	\$ (5,103,333)
Net change in cash and cash equivalents	\$ 4,843,906	\$ 1,660,800
Cash and cash equivalents at beginning of year	\$ 39,782,506	\$ 4,994,339
Cash and cash equivalents at end of quarter	\$ 44,626,412	\$ 6,655,139
Reconciliation of operating income to net cash provided in operating activities		
Change in net position	\$ (420,858)	\$ 6,076,522
Adjustments to reconcile change in net position to net cash provided by operating activities:		
Depreciation and amortization	\$ 2,948,534	\$ 672,431
Changes in assets and liabilities:		
Prepaid expenses	\$ 63,373	\$ 909,583
Accounts receivable	\$ (4,847,794)	\$ (13,896,367)
Accounts payable - current	\$ 519,783	\$ (302,178)
Accrued liabilities	\$ 8,840,284	\$ 10,401,988
Refundable advance	\$ (735,698)	\$ (30,811)
Accounts payable - long term	\$ -	\$ 2,932,964
Net cash provided by operating activities	\$ 6,367,623	\$ 6,764,133