

Federal and State Joint Project: Colorado Health Exchange Establishment Grant

State Perspective

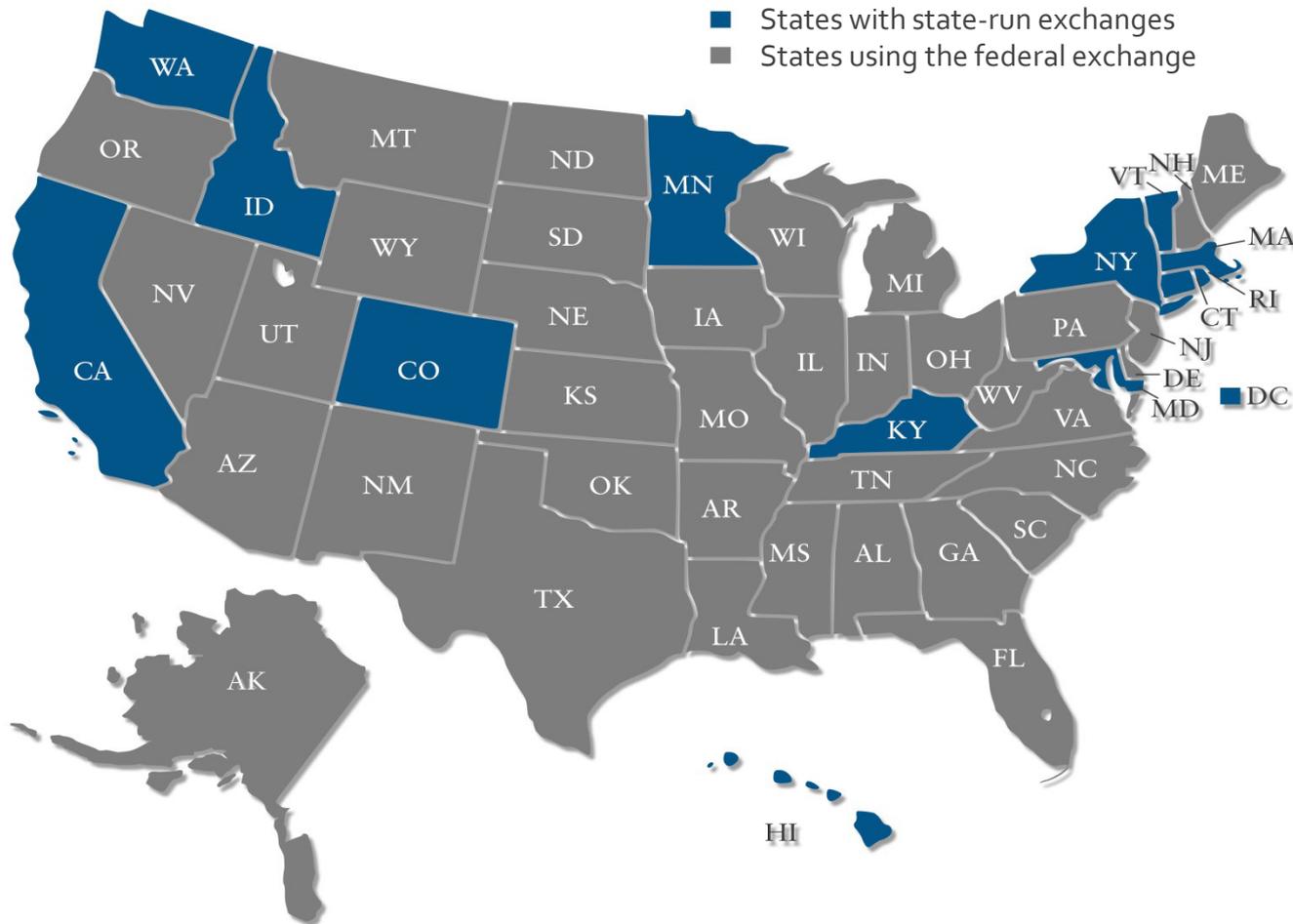


August 5, 2015

The ACA & Health Exchanges

- Affordable Care Act (ACA) Requirements
 - Health insurance/Medicaid
 - Tax Credits for Premiums
 - Health Care Exchanges
 - Establishment Grants and Sustainability

Types of Health Exchanges, June 2015



SOURCE: National Conference of State Legislatures, www.ncsl.org, June 2015

Colorado State Auditor Authority

- State statute only authorized an audit of “the monies that the exchange receives”.
- Audit authority:
 - How the Exchange used federal funds
 - Did it comply with federal laws, regulations, and internal procedures when using those funds

Some Risks Identified

- Website Effectiveness/IT Security
- Health Plan and Tax Credit Eligibility
- Fees/Revenues
- Customer Service/Complaint Management
- Sustainability Forecasts

Coordination with OIG

- OIG Planned Audits of Exchanges
- State Auditor Contacted OIG
- Discussed Authority, State Scope, and Risks
- Regular Communication
- Information Sharing

Key Results

- Exchange didn't follow federal requirements its own financial policies and procedures
- Findings/Recommendations:
 - Procurement and Payments to Vendors
 - Contracting Controls over Spending/Noncompliance
 - Payments to Grantees
 - General Accounting and Financial Management

Next Steps

- State House Bill 15-019: *The Authority of the State Auditor to Conduct a Performance Audit of the Colorado Health Benefits Exchange*
 - Signed by the Governor on 4/3/15.

Lessons Learned

- High risks:
 - New organizations/inexperienced auditees
 - Organizations receiving public funds for 1st time
 - Large grants with short timelines for spending
- These audits require more time and communication

Web site: www.state.co.us/auditor

Email: Jenny.Page@state.co.us

AUDITING



What my friends think I do



What my mom thinks I do



What society thinks I do



What the partners think I do



What I think I do



What I actually do