

## CCIIO SF-PPR-B

### Grantee Information & Certification

<b>PERFORMANCE PROGRESS REPORT SF-PPR</b>			
<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight		<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	
		<b>3a. DUNS Number</b> 078498962	
		<b>3b. EIN</b> 1454340164A1	
<b>4. Recipient Organization</b> Conneticut Health Insurance Exchanges			<b>5. Recipient Identifying Number or Account Number</b>
<b>Address Line 1</b> 450 Capitol Ave			
<b>Address Line 2</b>			
<b>Address Line 3</b>			
<b>City</b> Hartford	<b>State</b> CT	<b>Zip Code</b> 06106	<b>Zip Ext.</b> 1365
<b>6. Project/Grant Period Start Date:</b> 10/19/2012	<b>6. Project/Grant Period End Date:</b> 12/31/2014	<b>7. Reporting Period End Date:</b> 06/30/2013	
			<b>8. Final Close Out Report?</b> No
			<b>9. Report Frequency</b> SEMI-ANNUAL
<b>10. Performance Narrative (Attach a performance narrative as instructed by the awarding Federal Agency)</b>			
<b>11. Other Attachments (attach other documents as needed or as instructed by the awarding Federal Agency)</b>			

### Certification

<b>12. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.</b>	
<b>12a. Typed or Printed Name and Title of Authorized Certifying Official</b> Kelly Shane	<b>12c. Telephone (area code, number and extension)</b>
	<b>12d. Email Address</b> kelly.shane@ct.gov
<b>12b. Signature of Authorized Certifying Official</b> 	<b>12e. Date Report Submitted (Month, Day, Year)</b> 07/30/2013

## A. Core Areas Legal Authority and Governance

<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	<b>3a. DUNS</b> 078498962  <b>3b. EIN</b> 1454340164A1	<b>4. Reporting Period End Date</b> 06/30/2013
<b>A. Core Area with associated Milestones</b>			

### A. Core Areas

(1) Question	(2) Response
<b>Core Area and Business Function</b>	Legal Authority and Governance
<b>What are the primary strategies your Program has used to approach this Core Area?</b>	<p>In June 2011, the Connecticut General Assembly enacted Public Act 11-53 (codified at CGS 38a-1080 through CGS 38a-1090) to create the Connecticut Health Insurance Exchange currently doing business as Access Health CT (AHCT). Established as a quasi-public agency, AHCT has the legal authority to establish and operate an Exchange in Connecticut including a SHOP Exchange that complies with all federal requirements. The goals of the Exchange as set out in CGS 38a-1083, <u>Powers of the Exchange</u>, Subsection (b) mirror the goals of the Patient Protection and Affordable Care Act (ACA). AHCT is directed to reduce the number of individuals without health insurance and assist individuals and small employers in the procurement of health insurance by, among other services, offering easily comparable and understandable information about health insurance options.</p> <p>The Act establishes AHCT as a quasi-public entity governed by a 14-member Board of Directors (see Section E-1 D. Governance in the Level Two Application Project Narrative, for details on Board appointments). In addition to establishing the Exchange Authority, additional legislation was enacted by Connecticut's General Assembly in June 2011 to support state efforts to implement federal health care reform. Public Act 11-58 established an Office of Health Reform and Innovation (OHRI) within the Office of the Lieutenant Governor to oversee statewide implementation of federal health care reform.</p> <p>In June 2012, the Legislature enacted Public Act 12-1 amending CGS 38a-1081, the section of the enabling statute that established the Connecticut Health Insurance Exchange and set out its governance structure. The amendments contained in Section 217 and 218 of PA 12-1, bring AHCT's enabling statute into even closer alignment with Section 1311(d) of the Affordable Care Act and with 45 CFR 155.110 (1.2a), 1.2(c), and (1.2(d)). Specifically, the state's HealthCare Advocate who previously was an <i>ex officio</i> non-voting member of the Board, became an <i>ex officio</i> voting member of the Board (PA 12-1, Section 217 (b)(1)(H)). In addition, Section 217 (b)(2)(A) through (b)(2)(C) clarified certain conflict of interest restrictions on Board members, while, Section 218 clarified certain conflict of interest restrictions applicable to AHCT employees.</p> <p>Under CGS 38a-1084, Duties of the Exchange, AHCT is specifically directed to establish and operate a SHOP Exchange (subsections 13 and 14) through which qualified employers may access coverage for their employees. In addition, under CGS 38a-1084 subsection (3), AHCT is directed to implement procedures for the certification, recertification and decertification of health benefit plans as qualified health plans using guidelines established under Section 1311 of the ACA and CGS 38a-1086. Under Qualified Health Plans, CGS 38a-1085(a), the Exchange is required to make qualified health benefit plans available to qualified individuals and qualified employers for coverage beginning on or before January 1, 2014.</p> <p>AHCT staff has worked in tandem with its Board of Directors to ensure that the governance structure is in compliance with the ACA and any and all relevant regulations. Since first convening in September 2011, the AHCT Board has met monthly and has primarily focused on vendor procurement, research activities, hiring the Senior leadership team, and development of AHCT's Qualified Health Plan (QHP) requirements. An executive search firm (Fitzgerald Associates) was hired to ensure that qualified staff is assembled within time frames required to support key federal deadlines. The initial AHCT leadership team includes the Chief Executive Officer, Chief Operating Officer, Chief Finance Officer, Chief Information Officer, General Counsel, Director of Policy and Plan Management, Director of Consumer Marketing, and related support staff. An acting CEO was in place since December 2011, with the permanent CEO selected in June of 2012.</p> <p>AHCT continues to monitor the Federal and/or State laws, regulations, and guidance for required changes to the Legal Authority and Governance of the Exchange as required.</p> <p>As of the first half of 2013, AHCT's focus has shifted to implementation, system integration, plan management, marketing, and financial management, in preparation for the beginning of open enrollment on October 1. The legal authority and governance structures mentioned above have largely remained in place, and have facilitated this shift in focus.</p> <p>During the 2013 legislative session of the Connecticut General Assembly, legislation was passed which altered the composition of the AHCT Board of Directors, established assessments and fees to fund operations, and transferred the All-Payer Claims Database to AHCT. This legislation took effect upon the signature of Governor Malloy in late June 2013.</p> <p>Public Act 13-247 eliminated the position of Special Advisor to the Governor on Health Reform, and removed this position as an <i>ex officio</i> voting member of the AHCT Board of Directors. This act also adds the Commissioner of the Department of Mental Health and Addiction Services to the Board of Directors as an <i>ex officio</i> non-voting member. As a result of these changes, the number of voting members on the Board has been reduced from 12 to 11, and the number of Board members necessary for a quorum has therefore been reduced from 7 to 6.</p> <p>The legislation which originally established AHCT, PA 11-53, allowed AHCT to "charge assessments or user fees to health carriers that are capable of offering a qualified health plan through the Exchange". PA 13-247 gave AHCT the added ability to "impose interest and penalties on such health carriers for delinquent payments of such assessments or fees". The Exchange Board of Directors adopted a policy in May 2013 to acquire operating funding by charging a market assessment and/or user fees from health carriers. AHCT is currently in the process of developing a procedure for assessments and fees, and penalties for failure to make these payments.</p> <p>The All-Payer Claims Database (APCD) was originally established by PA 12-166 as part of the Office of Health Reform and Innovation (OHRI). The APCD, and the entity which manages it, will collect, store, analyze, and release health insurance claims data from public and private payers of health claims within the state of Connecticut. PA 13-247 eliminated OHRI and transferred responsibility for the APCD to AHCT. Currently, AHCT is drafting policies and procedures to govern the APCD, and will procure a data management vendor to perform various functions of the APCD.</p>
<b>What are some of your Program's significant</b>	<p>The recruitment of skilled and experienced staff to lead AHCT has been key to the success and progress of AHCT to date. All executive leadership team positions were filled by 9/30/2012 including a CEO, COO, CFO, General Counsel, CIO, Director of Policy and Plan Management, and Director of Consumer Marketing.</p> <p>The Connecticut Health Insurance Exchange first adopted Bylaws in January 2012. The Exchange revised its Bylaws, effective July 26, 2012 to</p>

<p><b>accomplishments or strengths in this Core Area?</b></p>	<p>effect the changes of Public Act 12-1 on Board governance. Those changes included: vesting the powers of the Exchange in twelve voting members; extending the initial term of office from one to two years for the board member appointed by the House Majority leader; making the Healthcare Advocate a voting member of the Board; increasing the number of <i>ex officio</i> voting members from three (3) to four (4); decreasing the number of <i>ex officio</i> non-voting members from three (3) to two (2); and increasing the number of board members required for a quorum from six (6) to seven (7). The Bylaws mirror the provisions in the law with respect to the appointing authority or <i>ex-officio</i> status of board members and the required expertise and terms of office of the board members. The Bylaws also mirror the law with respect to Board officers and the requirement that all appointed Board members take an oath before serving. Finally, the Bylaws establish three standing committees: Finance, Audit and Human Resources and allow the Board to establish such other <i>ad hoc</i> committees as it requires. The Board may delegate to any standing or <i>ad hoc</i> committee such Board powers, duties and functions falling within that committee's area of cognizance that the Board deems proper.</p> <p>The Exchange first adopted its Ethics Policy in January 2012. Subsequently, a revised Ethics Policy was adopted by the Board in September 2012 to comply with the requirements of Public Act 12-1 regarding conflicts of interest.</p> <p>As noted above, the Exchange Board of Directors adopted a Policy in May 2013 to acquire operating funding by charging a market assessment and/or user fees from health carriers. AHCT has also adopted a Procedure for Exchange Assessments and Fees. This Procedure was approved by the Board for publication at its May 2013, meeting. The public comment period closes on July 5. It is expected that this Procedure will be adopted next quarter. In addition, the Exchange is working with the Connecticut Insurance Department to develop a Procedure for Enforcing Exchange Assessments and Fees. This Procedure will be developed next quarter, but is not expected to complete the full regulatory process and be adopted until the last quarter of 2013.</p> <p>In April 2013, the Exchange was asked to enter into a Memorandum of Agreement with the Lieutenant Governor's Office and OHRI, to assume the day to day management for the APCD, pending further legislative action. Under this MOA, the Exchange secured space for the APCD, recruited the Executive Director, and continued to work with the APCD's consultant on developing the data submission guide. Subsequently, Public Act 13-247, passed investing the full legal authority for planning, implementation and administration of the APCD in the Exchange and directing the Exchange to adopt reporting requirements under CGS 38a-1082. The Exchange has drafted reporting requirements and enforcement procedures and expects to have these Policies and Procedures adopted by its Board in the next quarter following public comment.</p> <p>The Exchange is also drafting revised Bylaws to be consistent with the changes to the membership of the Board of Directors, made by Public Act 13-247.</p>
<p><b>What are some of the significant barriers your Program has encountered?</b></p>	<p>No significant barriers have been encountered to date in this area.</p>
<p><b>What strategies has your Program employed to deal with these barriers?</b></p>	<p>Not applicable</p>

## B. Exchange Activity

	Exchange Activity	Target Completion	Status of Exchange Activity	Documentation
1	Enabling authority for Exchange and SHOP	Q3 - CY2012	5. Complete	Documentation of enacting legislation has been provided previously - CALT docs 10067, 10068, 10069
2	Board and governance structure	Q3 - CY2012	5. Complete	Documentation of enacting legislation has been provided previously - CALT docs 10072, 10073

## A. Core Areas Consumer and Stakeholder Engagement and Support

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<b>A. Core Area with associated Milestones</b>			

### A. Core Areas

(1) Question	(2) Response
<b>Core Area and Business Function</b>	Consumer and Stakeholder Engagement and Support
<b>What are the primary strategies your Program has used to approach this Core Area?</b>	<p>In 2012, AHCT completed its initial phase of consumer and stakeholder engagement, and was nearing completion of its final marketing plan. One of the key components of this plan was AHCT's outreach strategy and engagement with consumers and stakeholders, for which AHCT's marketing firm has developed an extensive network of contacts in the form of community-based healthcare providers, consumer advocates, and community leaders throughout Connecticut.</p> <p>The Exchange's four Advisory Committees have met as frequently as monthly to provide insight on policy issues and ensure that consumer and stakeholder input is properly represented in the policy recommendations. The committees remain organized thematically:</p> <ul style="list-style-type: none"> <li>--Consumer Experience &amp; Outreach</li> <li>--Health Plan Benefits &amp; Qualifications</li> <li>--Brokers, Agents &amp; Navigators</li> <li>--Small Business Health Options Program</li> </ul> <p>The Advisory Committee meetings have been professionally facilitated, recorded, transcribed, and open to the public. Recommendations from the Advisory Committees are provided to the Exchange Board for consideration and approvals as appropriate.</p> <p>AHCT understands the critical importance of employing numerous customer outreach and assistance channels and will implement a comprehensive Navigator program in Connecticut. The Exchange finalized its Navigator Program Design, and received approval from the Board of Directors and the Brokers, Agents &amp; Navigators Advisory Committee. The Program Design included the framework for Navigator and In-Person Assister training and certification, as well as the general guidelines for the Navigator and In-Person Assister roles. AHCT plans to work closely with the Office of the Healthcare Advocate (OHA) in order to adequately support its network of Navigator and In-Person Assister organizations and the RFP review process, and finalized a Memorandum of Understanding (MOU) in early 2013 to officially establish that collaborative relationship.</p> <p>AHCT also recognizes the importance of outreach to Connecticut's American Indian population. There are two federally recognized tribes in the state: the Mohegans (1,700 members) and the Mashantucket Pequot (800 members). AHCT finalized its Tribal Consultation Plan and Policy to govern its engagement with the Mohegan Indian Tribe of Connecticut and the Mashantucket Pequot Tribe of Connecticut. This policy was approved by the Exchange Board of Directors in November, 2012, and the Exchange has nominated a staff member to serve as Tribal Liaison in future interactions. There are many policy considerations that impact Connecticut's tribes and their members, and the Exchange will continue to consult with tribal representatives and/or their respective Tribal Council as needed.</p> <p>AHCT's Phase I marketing firm, Mintz &amp; Hoke, conducted an analysis of consumers who may be less easily reached through community institutions and services (e.g. young, uninsured males) and engaged the services of Bauza &amp; Associates to assist with these efforts. Additional research was conducted on consumer attitudes toward health reform and the Connecticut Health Insurance Exchange branding and logo treatments. By combining these efforts AHCT was able to collect consumer input on health reform and the ACA, as well as the new Exchange name and logo.</p> <p>Pappas MacDonnell, AHCT's Phase II marketing firm conducted similar research around the AHCT branding effort, which reinforced the attitudes identified in previous research while highlighting some new concerns and challenges for AHCT moving forward. The research conducted built upon data purchased by AHCT from Thomson Reuters that showed the concentrations of uninsured individuals in CT, organized by zip code. This research also includes data on those eligible for Medicaid (HUSKY), which can help to identify and target households with mixed and/or dual eligibility. All of the market research conducted allowed AHCT to further refine its Go-To-Market Plan which was the focus of much of the AHCT's marketing efforts during this reporting period.</p> <p>Important to note, there is a lack of consumer knowledge about the ACA and about the State Based Marketplaces which has resulted in a need for unplanned messaging and consumer education on the ACA, its benefits, and how it will work. Through our local research, it was determined that the vast majority of CT residents were not even aware of the ACA's existence, nonetheless understood its benefits and what was and will be available to them under the law, thus requiring this extensive marketing &amp; outreach campaign. We plan to make up for this gap in consumer awareness through state-wide education and implementation of our robust go-to-market plan.</p> <p>AHCT's outreach and engagement strategy includes establishing a storefront in a CT town with a very high concentration of uninsured residents. New Britain will serve as host for AHCT's pilot storefront. The storefront will be fully staffed with AHCT trained and certified In-Person Assisters and Brokers, both of whom will be able to provide direct consumer assistance to review and enroll consumers in a qualified health plan and/or apply for subsidized coverage through Medicaid. If the New Britain storefront proves successful then AHCT will replicate this model in other CT cities and towns that have a high concentration of uninsured consumers.</p> <p>In order to track and profile the effectiveness of AHCT's marketing efforts, a sophisticated CRM (Customer Relationship Management) database is being developed. At the highest level, AHCT plans to build such a database to serve as a central location to log all outgoing marketing efforts to promote our services (e.g. mail, telephonic, email, in-person, event, and out-of-home activity), and offer a means to track responses individuals make via a host of different channels (call center, web site, field staff, brokers, navigators, etc.) Given the substantial amount of investment made in marketing and outreach in AHCT's launch year, coupled with the need to drive efficiency in future years, this CRM database will serve as the primary source for data and data analysis to accomplish these goals. Tracking marketing efforts via a CRM system during the open enrollment period allows for real time evaluation of particular stimulus effectiveness on a daily basis (e.g. how many web hits or phone calls came in as the result of a particular mail piece or TV spot, as an example) so that efforts can be dialed up or down accordingly, reduce waste, and encourage improved performance. Additionally, in future years, prior campaign analysis coupled with predictive data modeling work can improve performance via elevated response and conversion rates, thus driving down the cost per enrollment each subsequent year. Without the data highlighting performance, it is difficult to enhance marketing efforts each year at a reduced cost.</p>

**What are some of your Program's significant accomplishments or strengths in this Core Area?**

One of the core strengths of AHCT is its network of Advisory Committee and Board of Director members, who provide invaluable feedback on policy issues relating to consumer outreach and engagement, utilizing their professional networks to spread information on Exchange and ACA implementation, and helping to support events like the Healthy Chats by serving as panelists/experts. This has been a fruitful collaboration for AHCT and a means to effectively reach out to the multitude of unique communities in Connecticut.

In October of 2012, AHCT issued a Request for Proposal (RFP) to qualified vendors capable of supporting a health insurance exchange call center. The RFP achieved a strong response rate with seven (7) vendors responding to the RFP, including vendors providing business process outsourcing (BPO) solutions. After careful analysis and initial scoring of the RFP vendor responses, two finalists were selected by AHCT to provide oral presentations of their proposals. These presentations were conducted in late November. Additionally, site visits were conducted at both vendors' call centers in early December. The purpose of the site visits was to see firsthand how vendor operations were conducted, meet with key on-site management and line staff, and to spend time in a working call center. One finalist was selected by AHCT on December 20, 2012, and contract negotiations were finalized in January of 2013.

MAXIMUS, the selected Call Center vendor was welcomed in a kick-off meeting with AHCT and DSS in mid-February 2013. Start-up planning and operations took place immediately and call center is on target to begin taking education calls on September 1, 2013, and enrollment calls beginning on October 1, 2013. MAXIMUS acquired office space in Hartford, Connecticut to be in close proximity to AHCT in order to best serve the local CT community. MAXIMUS has secured office space in Hartford, CT (280 Trumbull St) and build out has been completed. Staff hiring for the call center has begun with eleven additional management level staff already on board and approximately 60 more resources to be added prior to go-live.

Since joining AHCT, MAXIMUS has developed call center work instructions, IVR call-flows, call center scripts, reports, and a training plan. The "Train the Trainer" program has commenced for training MAXIMUS staff, who will then train remaining call center representatives. Meetings with the various parties (DSS, Deloitte, Scan Optics and Sir Speedy) are being conducted to ensure proper integration and a smooth transition experience for the individual customer. AHCT is currently preparing for User Acceptance Training (UAT) and end to end testing to verify the call center and CRM functionality will be operational for SHOP go-live on September 3, 2013.

Throughout November and December of 2012, AHCT conducted seven (7) town hall-style events in various Connecticut cities called "Healthy Chats." Overall, nearly 800 individuals attended and the Exchange generated a wealth of dialogue concerning health reform and Exchange implementation in the state and nationally. The Healthy Chats were hosted by a moderator from NBC television and a panel of experts that included Kevin Counihan (Exchange CEO), members of the Exchange's Board of Directors and Advisory Committees, and members of various professional entities that intersect with the Exchange (the Connecticut Insurance Department (CID), the Office of the Healthcare Advocate (OHA), various community health centers, and the Universal Healthcare Foundation of Connecticut, to name a few). Event materials were produced in English and Spanish, and a Spanish interpreter was present at all events to ensure that the two largest linguistic groups in Connecticut were appropriately represented. The Exchange partnered with NBC-CT to support these events through TV commercial advertisement, filming of two-minute "spotlight" interviews with CEO Kevin Counihan on various Exchange-related topics, and moderating the events. The Exchange plans to continue this partnership in 2013.

During this reporting period, the AHCT marketing team has expanded to more than fifteen (15) personnel in order to serve the marketing needs of AHCT. New marketing positions and their respective roles include:

- Chief Marketing Officer: Develops and manages all internal and external marketing and communications initiatives for planning, development, and implementation of the AHCT.
- Business to Business Outreach Manager: Addresses activities ranging from broad-based marketing and advertising efforts, to local community events and individual business outreach.
- Marketing Manager (vacant - in interview process): The Marketing Manager will lead marketing and outreach efforts in the state to reach the communities where the Hispanic population currently lacks health insurance.
- Database Manager: Responsible for the development and execution of assigned analysis projects for marketing campaigns and database marketing support.
- Sales Manager (vacant): Acts as the primary point of contact to manage tasks, timelines, deliverables and reporting status/progress for sales, marketing, training and issues to all stakeholders to ensure continuous alignment with the company's overall sales and marketing objectives.
- Store Set up Manager (vacant/durational): Responsible for executing the end-to-end process for acquiring 6 store locations in Connecticut to be used as Access Health CT's online health insurance registration sites.
- Government and Public Affairs Outreach Manager: Responsible for leading outreach and education efforts among state legislators, as well as local and municipal government entities and tracking legislative activity.
- Consumer Outreach and Engagement Manager: Oversees the development of a comprehensive direct outreach and engagement plan and assures alignment of activities with the AHCT marketing and operations plan.
- Analyst: Assists with all project components: contract management, research, stakeholder activity, program integration and communications.

IPA Team (durational staff from CT Office of Healthcare Advocate) working with Marketing:

- Manager, Navigator and Assister Outreach Programs: Leads and manages the team responsible for outreach, public education, training, and certifying personnel responsible for registering individuals in the AHCT program.
- IPA Training Coordinator: Responsible for overseeing the training and certification process for the In-Person Assisters.
- Administrative Assistant: supports the OHA team, and helps drive the work required to fulfill the organizations responsibilities for, and commitment to, outreach and public education about the Exchange and new insurance opportunities for Connecticut residents.
- Recruitment Coordinator: Oversees the identification and recruitment of In-Person Assisters.
- Trainers: Prepare navigators and assisters to achieve certification status with Access Health CT.

AHCT was able to collect nearly 100 unique questions from consumers around a diverse set of topics including policy, implementation and enrollment. These questions, along with feedback collected from an email survey sent to all registered attendees, have helped to inform the AHCT's outreach and engagement process and the planning of a second set of local events. Due to the success of the first series of Healthy Chats and as a means to elevate outreach and engagement with CT consumers, the Exchange hosted another seven (7) Healthy Chats in different cities and towns during the first quarter of 2013. These events were followed up with seventy-five (75) additional targeted outreach and education presentations, using the Healthy Chat format (presentation with a robust Question and Answer session) throughout the second quarter of 2013. Specifically, AHCT conducted several Business to Business Healthy Chats focusing on small businesses, unions and broker education; as well as specific outreach to community-based organizations that currently work with many uninsured residents in CT. Beginning in the summer of 2013, and continuing into the fall, AHCT will be conducting 25 more Healthy Chats focusing on individual and family consumers.

Following new rules released by CMS/CCIIO, AHCT developed a comprehensive plan for the In-Person Assisters (IPA) program which followed the design approved by the Board of Directors for the Navigator program. To support that program, AHCT applied for Level One funding to fund the IPA program and was awarded this grant in the February of 2013. Upon award of the IPA grant, AHCT issued an RFP for Navigators and In-Person Assister organizations. A separate Request For Proposal (RFP) was issued for the Navigator program and one for the In-Person Assister portion. AHCT received an overwhelming response to both the Navigator and In-Person Assister RFPs. For the Navigator program, AHCT received twenty-six (26) applications. For the In-Person Assister program, four hundred (400) applications were received, which represented seven hundred (700) individual grant funding requests. These applications are currently being reviewed, with the selected organizations to be announced in July 2013. Additional detailed information on the Navigator and In Person Assister Program has been provided under separate cover, within the IPA Grant progress report submission.

	<p>June 2013 marked the beginning of Access Health CT's media activity for the year. As AHCT heads towards open enrollment, it will be conducting a full scale media branding and awareness campaign throughout the summer utilizing TV, radio, newspaper, billboards, and online advertising elements. This activity will be set against the backdrop of substantial in-person outreach in the months ahead as AHCT attends more than 30 summer festivals, 20 health fairs, and establishes a branded presence at CT beaches and key retail locations. The combination of these outreach elements ensures that AHCT raises broad media awareness across the state, while also reinforcing the direct interactions with potential customers.</p> <p>AHCT has expanded its television presence, beyond the NBC-CT station, to ensure it reaches as many CT residents as possible. The first of three television spots aired on all of the major networks in Connecticut on June 18, 2013 and sought to reinforce the friendly, approachable and helpful brand identity that AHCT is building, while promoting a few of the key value propositions for consumers such as potential savings on premiums, and access to name brand health insurance coverage. AHCT is in the process of producing two more spots, one of which will focus on benefits for small businesses, and one of which will focus on the Affordable Care Act and the array of consumer benefits and protections available on Access Health CT. The first of these additional spots air following July 4, 2013 and the second will air approximately two weeks later. The three spots will run in rotation for the duration of the summer 2013.</p> <p>In addition to television ads, AHCT launched additional summer media activity in June:</p> <ul style="list-style-type: none"> <li>• Banner ads on select web and mobile sites</li> <li>• 30-second radio spots (using much of the same language as the TV spot)</li> <li>• Newspaper ads in the Sunday supplement section of the Hartford Courant and New Haven Register</li> <li>• Billboard placement in Hartford, New Haven and Bridgeport</li> </ul> <p>A search engine optimization (SEO) campaign has also been implemented in order to increase website visibility and brand awareness while driving more targeted visitors to the site. AHCT has engaged its marketing partner, Pappas MacDonnell, to track site traffic and analyze the number of visitors, length of visit, etc. with the goal of making site improvements and increasing consumer awareness of AHCT.</p> <p>Media placement and performance will be monitored closely, with the goal of adjusting the schedule in real time to achieve optimal efficiency. In addition, AHCT is producing Spanish language versions of the current TV and radio spots, with a schedule being developed for their quick deployment on relevant media outlets.</p>
<p><b>What are some of the significant barriers your Program has encountered?</b></p>	<p>Due to the diverse population of Connecticut, there were initial gaps identified in AHCT's outreach with non-English speaking residents. In addition, through the various rounds of market research, AHCT became aware of a consistent lack of overall awareness of the ACA and Exchange implementation among the target market of consumers. This made AHCT's marketing and outreach efforts focused on educating Connecticut consumers on AHCT and its offerings.</p>
<p><b>What strategies has your Program employed to deal with these barriers?</b></p>	<p>AHCT partnered with its marketing firm to develop an outreach campaign that was not only sensitive to the diverse composition of Connecticut's population, but was also culturally relevant and engaging. Moving forward, AHCT has partnered with Pappas MacDonnell and a separate cultural marketing firm to ensure that AHCT's communications and marketing efforts are relevant and engaging. Additionally, throughout the planning process for the Healthy Chats, AHCT worked with community health centers and community groups to determine which groups would need additional support for attending these events. AHCT also worked with Bauza &amp; Associates to develop event materials in Spanish, and Interpreters and Translators (ITI) for an on-site Spanish language interpreter for all Healthy Chat events.</p> <p>AHCT developed and implemented the Healthy Chat town hall-style series in order to raise general awareness of ACA and Exchange implementation in Connecticut among consumers. This town hall series was immensely successful, and has sparked interest from a diverse group of consumers in CT. Overall attendance at this event series was between 750- 800 attendees who represent a variety of insurance status, income, age, etc.</p>

## B. Exchange Activity

	Exchange Activity	Target Completion	Status of Exchange Activity	Documentation
1	Stakeholder consultation plan	Q3 - CY2012	5. Complete	HHS Approval Letter for Waive-Out dtd. 9/27/2012 Ongoing Stakeholder Consultation doc-10484 Stakeholder discussion Series Report doc-10056
2	Tribal consultation plan	Q4 - CY2012	5. Complete	Connecticut Tribal Consultation Policy, doc-12976
3	Outreach and education	Q1 - CY2013	5. Complete	Initial activities are complete, ongoing are underway into Fall 2013 May 15, 2013 Board Marketing presentation attached.
4	Call center	Q3 - CY2013	3. On Schedule	
5	Internet Web site	Q3 - CY2013	3. On Schedule	
6	Navigators	Q4 - CY2012	5. Complete	Approved Program Design doc-10066 CT HIX Updated CONOPs ?doc 7550
7	Agents/brokers	Q3 - CY2013	3. On Schedule	
8	Web brokers		1. No Activity Planned	

## A. Core Areas Eligibility and Enrollment

<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	<b>3a. DUNS</b> 078498962  <b>3b. EIN</b> 1454340164A1	<b>4. Reporting Period End Date</b> 06/30/2013
<b>A. Core Area with associated Milestones</b>			

### A. Core Areas

(1) Question	(2) Response
<b>Core Area and Business Function</b>	Eligibility and Enrollment
<b>What are the primary strategies your Program has used to approach this Core Area?</b>	<p>AHCT is developing a State-based Integrated Eligibility System and Health Insurance Marketplace, and is working to successfully design, develop and implement the system by the October 1, 2013 deadline. Primary strategies include:</p> <p>Connecticut engaged System Integrator (SI), Deloitte Consulting, to develop the functionality for the Individual Exchange. Due to time constraints, an existing and active contract vehicle, and Deloitte's unique ability to leverage an existing health insurance exchange solution from the State of Washington, Deloitte was selected on a sole source basis and joined the AHCT project in October of 2012. The procurement, although formal in process, did not require a traditional extended Request for Proposal (RFP) process and system development was expedited. The procurement utilized the terms of an existing state contract thereby curtailing a possibly lengthy negotiation period which further expedited system development.</p> <p>Utilizing the Washington solution as a baseline helped to reduce the implementation and development time of the AHCT application. Additionally, Deloitte had an understanding of the Connecticut Department of Social Services (DSS) business processes, through Deloitte's involvement in the ongoing ConneCT program. The integrated eligibility system developed will present a "No Wrong Door" approach to the citizens of Connecticut for obtaining health insurance, and from a technology perspective, will reuse existing State Bureau of Enterprise Systems and Technology (BEST) infrastructure, operations management, and other capabilities to host the AHCT application.</p> <p>The Individual Exchange has leveraged the same technical foundation adopted by DSS for their Multi-Channel Services Delivery (MCSD) modernization initiative (a.k.a. ConneCT). The foundation technology was transferred from Virginia and is built on open standards using modern technologies, e.g., Java, HTML, Service Oriented Architecture, IBM enterprise message bus and IBM DB/2. Additionally, Deloitte's knowledge and experience from the health insurance exchange solution for the state of Washington was leveraged to facilitate the design and development schedule. This approach has aimed to maximize reuse and more readily enables a seamless end-user experience. Planned features of the multi-channel "no wrong door" approach including:</p> <ul style="list-style-type: none"> <li>• A web portal that is separate but operates with the MCSD portal. The MCSD portal has a cross program approach (TANF, SNAP and Medicaid) whereas the AHCT portal is focused on QHPs/APTCs/CSRs/MAGI-Medicaid and MAGI/CHIP. A client (consumer) has a single logon to both portals and a single common "My Account" page that is adaptive based on a person's selected programs, (i.e., a QHP user will not see any references to SNAP or TANF unless they happen to have one of those programs.) The system is designed with an eligibility engine for rules and verification processing, which will be shared between the DSS and AHCT; AHCT uses the service to make real time eligibility determinations on behalf of the Medicaid agency and so avoids the issues associated with DSS having to approve or deny AHCT initial determinations. The existing legacy systems will remain the systems of record for Medicaid and CHIP clients, i.e., AHCT can determine MAGI-based eligibility (including change reporting and renewals) but then transfers the individual to the DSS systems for ongoing case maintenance; including periodic data matches and interfaces with the Medicaid Management Information System (MMIS). AHCT has worked to successfully integrate client notices related to eligibility and enrollment for MAGI, Medicaid, CHIP and APTCs/CSRs.</li> <li>• A paper-based channel for verifications and applications. This channel includes third-party document scanning, an image repository, and workflow routing. The selected technology is IBM FileNet, leveraging existing State of Connecticut based infrastructure foundation.</li> <li>• A third-party operated call center and processing center, MAXIMUS, introduced in greater detail below.</li> <li>• The technology architecture will be a Service Oriented Architecture that will follow the MITA 3.0 guidelines. Some of the high-level features of the core Connecticut system architecture are described below:                         <ul style="list-style-type: none"> <li>• Services managed on an ESB</li> <li>• Rules engine that follows the 1561 Standards and is a loosely coupled service that can support reuse</li> <li>• System architecture based on open standards</li> <li>• Reusable services and system components</li> <li>• Flexible architecture that can easily incorporate change and new features</li> <li>• Highly available and highly scalable architecture</li> <li>• Robust disaster recovery</li> </ul> </li> </ul> <p>AHCT issued an RFP to select a commercial vendor to operate the Small Business Health Options Program (SHOP) Marketplace and core SHOP business processes on a per-member-per-month model, and includes a SHOP Help Desk. Special attention was given to developing Service Level Agreements (SLAs) and functional and technical metrics representing key performance indicators that AHCT requires to ensure an empathetic and responsive level of customer service.</p> <p>AHCT requirements and business process models for eligibility determination were based on the Centers for Medicare and Medicaid Services (CMS) blueprint process flows. These artifacts became the basis for the system integrator's scope of work. AHCT continues to monitor guidance that is released by the Department of Health and Human Services (HHS) and other federal agencies as IT systems design and development occurs.</p> <p>AHCT also conducted extensive planning and coordination activities with other Connecticut state agencies, specifically with the Connecticut Insurance Department (CID), DSS, Office of Personnel Management (OPM), and the Office of Health Reform &amp; Innovation (OHRI). Furthermore, the AHCT planning process served as a catalyst for AHCT to pursue close collaboration with DSS to identify areas of technology asset reuse and to streamline social services' program eligibility determination and enrollment processes. AHCT has negotiated and executed Memoranda of Understanding (MOUs) with the CID and DSS agencies. These agreements document the specific roles and responsibilities each agency will undertake to support the successful implementation of the integrated eligibility system and health insurance marketplace.</p> <p>In addition, the AHCT is initiating an MOU with the Connecticut Department of Administrative Services' (DAS) Bureau of Enterprise Systems &amp; Technology (BEST) to document the technology hosting and operational support roles that BEST may play in the AHCT system.</p>
<b>What are some of your Program's significant</b>	<p>AHCT and DSS formalized an integrated approach for eligibility as outlined by the Integrated Eligibility Program Management Office (IEPMO), which was staffed and fully operational in the fall of 2012. Per IEPMO methodology, AHCT activities are tracked in an overarching Integrated Program Management Plan (PMP) with weekly meetings held to collect updates to tasks and milestones and evaluate any risk to the program with</p>

<p><b>accomplishments or strengths in this Core Area?</b></p>	<p>stakeholders. The progress of the AHCT program is continuously managed and monitored utilizing the best practices-based processes outlined in the Project Management Plan. From weekly meetings with each program workstream, a slide deck is produced which communicates the status of program schedule, risks, issues, action items, deliverables, and any requests to change the base-lined scope, schedule, and budget. The IEPMO uses this deck to facilitate a weekly conversation, to communicate progress as well as address risks, issues or other concerns. Updates are closely maintained in the plan, allowing the IEPMO to ensure coordinated and effective planning, procurement and execution.</p> <p>During the reporting period of June 30 to December 31, 2012, AHCT:</p> <ul style="list-style-type: none"> <li>• Engaged and on-boarded a system integrator (Deloitte)</li> <li>• Completed the Requirements Confirmation project phase.</li> <li>• Completed 21 joint design sessions.</li> <li>• Validated all core functionality required for 10/1/13, based on initial confirmed business requirements</li> <li>• Procured all critical path hardware and third-party software.</li> <li>• Released a Call Center RFP and evaluated potential third party vendors.</li> <li>• Released a SHOP RFP and reviewed vendor proposals.</li> </ul> <p>During the reporting period of January 1 to June 30, 2013, AHCT:</p> <ul style="list-style-type: none"> <li>• Contracted with and on-boarded the individual Call Center vendor, Maximus. The call center contract was signed in February of 2013. Maximus was formally on boarded and introduced to AHCT and DSS during a kick off meeting soon after. Since joining AHCT, Maximus has: <ul style="list-style-type: none"> <li>• Developed call center work instructions, IVR call flows, call center scripts, reports, and training plan.</li> <li>• Secured office space in Hartford, CT (280 Trumbull St) and build out has been completed. Staff hiring for the call center has begun with eleven additional management level staff already on board and approximately 60 more resources to be added prior to go-live.</li> <li>• Commenced a "Train the Trainer" program for Maximus staff, who will then train remaining call center representatives.</li> <li>• Met with the various parties (DSS, Deloitte, Scan Optics and Sir Speedy) to ensure proper integration and a smooth transition experience for the consumers.</li> </ul> </li> <li>• Participated in a Final Detailed Design Review (FDDR) in late March with the Centers for Medicare &amp; Medicaid Services (CMS) in Maryland. AHCT presented its strategy and supporting documentation regarding successful system implementation by October 2013. CMS returned their findings on May 10, 2013, thanking AHCT for participating in the FDDR and commending AHCT on its operational progress to date, including the following achievements: securing a call center vendor, finalizing the Qualified Health Plan (QHP) contract and solicitation, issuing a Request for Proposal (RFP) for Navigator and In Person Assistants, participating in a CMS Security Review, and completing Wave 1 of federal Hub testing.</li> <li>• Selected in March as one of the few states to enter Wave 1 Testing for the Federal Data Services Hub (FDSH) services. AHCT successfully completed testing of five services that are planned to be used for the targeted system and demonstrated AHCT's ability to interact with the Hub.</li> <li>• Selected again in May to enter Wave 3 Testing with the FDSH to test the underlying FDSH services via the application and has since also participated in Wave 4 Testing. As of the period of this report, AHCT had tested two services for 100 applications using a combination of AHCT middleware and application screens and those services have been tested successfully. AHCT is close to completing Wave testing and securing certification for seven FDSH services.</li> <li>• Contracted with and on-boarded the selected SHOP vendor, HealthPass with its technology partner, bSwift. HealthPass has been on board as of the week of April 15, 2013. Core configuration of the bSwift SHOP platform is tracking to the scheduled completion date, (see SHOP Section for further information.)</li> <li>• Contracted and on-boarded the printing vendor, Sir Speedy, in May and the scanning vendor, Scan Optics, in June in order to assist with paper channel for eligibility determination and verifications</li> <li>• Conducted gap analysis of compliance with newly issued Single Streamlined Application (SSA) against the system design</li> <li>• Rolled out system Release 1 - Plan Management on June 4, 2013</li> <li>• Finalized composition of system Release 2, and is currently in active testing phase. Functionality deferred for future releases includes QHP renewals, redeterminations, individual responsibility exemptions, stand-alone dental integrated experience, appeals management, and non-ACA custom reports</li> <li>• Continued outlining workflows detailing eligibility and enrollment activities, appeals and fair hearings, individual responsibility exemptions, voter registration, verifications process, consumer assistance and help desk to ensure satisfactory consumer experience</li> <li>• Released State of CT 834 Companion Guide on July 2, 2013 after conducting a series of carrier webinars to review enrollment rules and approach to handling 834 transactions</li> <li>• Currently preparing for User Acceptance Training (UAT) and end to end testing to verify the call center and CRM functionality will be operational for SHOP go-live on September 3, 2013.</li> </ul>
<p><b>What are some of the significant barriers your Program has encountered?</b></p>	<p>There are no barriers that are unique to Connecticut or that have been insurmountable, specifically:</p> <ul style="list-style-type: none"> <li>• The short development timeframe has been a challenge for all states, especially in regards to eligibility and enrollment, as all states strive to complete design based on understanding of the Affordable Care Act (ACA).</li> <li>• Evolving federal guidance, including another version of the mandatory Streamlined Application was released in May of 2013, which required the reallocation of resources to support system changes resulting from the late release of the application.</li> <li>• The use of the Federal Data Services Hub (FDSH) while it is still under development. The planned dates for the finalization for the deployment has left little time for testing these critical services. AHCT continues to monitor and escalate to the Connecticut CMS Technical Lead as appropriate.</li> <li>• Effective integration of vendors, existing state organizations, and newly formed entities.</li> </ul>
<p><b>What strategies has your Program employed to deal with these barriers?</b></p>	<ul style="list-style-type: none"> <li>• Engaged an experienced Technical Advisory partner, KPMG, in February 2012 to assist AHCT with the iterative process of moving from planning through procurement and implementation activities. KPMG has focused on both business process functions and related IT systems.</li> <li>• Developed comprehensive requirements and process flows diagrams as the primary input into the design and development phases. KPMG also assisted the State in development of a Concept of Operations (CONOPS) document that defines the Business Requirements, Technical Requirements, and the Business Process Flows for the CTHIX and the Integration Eligibility System.</li> <li>• Selected System Integrator, Deloitte, given the existing terms and conditions with the State to expedite development and reduced risk; as Deloitte already had the experience working with DSS (the state Medicaid agency) and with the Connecticut Bureau of System Technology (BEST), undue delays in onboarding and ramping up were avoided. Deloitte's experience was leveraged as well as their demonstrable solution and presence working with other states developing Exchange and Integrated Eligibility systems.</li> <li>• Established a comprehensive governance structure that includes Project Management Offices (PMOs) with executive steering oversight.</li> <li>• Continued to evolve vendor management procedures to plan for AHCT operations once system is live; continued to define vendor relationships to best support consumers and promote a seamless experience through all consumer channels.</li> <li>• Tracked progress against milestones, monitored risks, issues and change requests within the IEPMO; all items are addressed within a short timeframe.</li> <li>• Moved non-critical items to a subsequent release, 1<sup>st</sup> Quarter of 2014.</li> <li>• Worked closely with all vendors to develop processes and procedures to lessen impacts to schedule while formalizing all technology needs.</li> <li>• Continued to obtain answers to open questions to "customize/configure" exchange platform and system. Meetings take place with</li> </ul>

- AHCT, and all vendors and other stakeholders to review open questions and finalize outstanding items in a timely manner.
- Managed the integration of all stakeholder parties including state agencies and vendors, their schedules, and timelines into an overarching program plan. The AHCT Project Management Office (PMO) continues to schedule weekly and adhoc update meetings to review key tasks and prevent program schedule slippage.

## B. Exchange Activity

	Exchange Activity	Target Completion	Status of Exchange Activity	Documentation
1	Single streamlined application(s) for Exchange and SHOP	Q2 - CY2012	5. Complete	Used HHS-developed streamlined application (version from December 2012) as basis of design. Waiting for HHS guidance on SHOP. Updated design to include guidance from January 18, 2013 version. Updated design to include the most critical items from April 29, 2013, e.g., non-display of FTI.
2	Coordination strategy with Insurance Affordability Programs and the SHOP	Q4 - CY2012	5. Complete	CTHIX Updated CONOPs-doc7550 CTHIX Functional RTM - doc7611
3	Application, updates, acceptance and processing, and responses to redeterminations	Q3 - CY2013	3. On Schedule	CTHIX Updated CONOPs-doc7550 CTHIX Functional RTM - doc7611 CT HIX DRAFT SHOP Process Models - doc7609 On target with core functionality for October 2013, but have deferred non-critical items until 2014. Manual processes and workarounds will be employed.
4	Notices, data matching, annual redeterminations and response processing	Q3 - CY2013	3. On Schedule	CTHIX Updated CONOPs-doc7550 CTHIX Functional RTM - doc7611- Tab F3 - #F5.6.14, Tab F5 - #F5.3.6 CTHIX Technical RTM - doc7612 - Tab T8, T1 - #T1.1.8.6, Tab T3 - #T3.2.3.1 - #T3.2.3.6 CT HIX DRAFT SHOP Process Models - doc7609 CT HIX DRAFT Individual Eligibility & Enrollment - doc7604 - Pg # 15, 21, 26, On target with core functionality for October 2013, but have deferred non-critical items until 2014.
5	Verifications	Q3 - CY2013	3. On Schedule	CT HIX Updated CONOPs-doc7550 CT HIX DRAFT SHOP Process Models - doc7609 - Pg # 4, 13 CT HIX DRAFT Individual Eligibility & Enrollment - doc7604 - Pg# 4, 7, 10, 11, 17, 18, 19, CTHIX Functional RTM - doc7611- Tab F3 - # F3.3.1 - F3.3.9, Tab T3 - #T3.2.2 On target with core functionality for October 2013, but have deferred non-critical items until 2014.
6	Document acceptance and processing	Q3 - CY2013	3. On Schedule	CTHIX Technical RTM - doc7612 - Tab T7 - #T7.2.1 - T7.2.7
7	Eligibility determination	Q3 - CY2013	3. On Schedule	CT HIX DRAFT Individual Eligibility & Enrollment - doc7604 - Pg# 5, 12, 23 CTHIX Functional RTM - doc7611- Tab F3 - # F3.4.1 - F3.4.20 CT HIX DRAFT SHOP Process Models - doc7609 - Pg# 5, 6, 14 On target with core functionality for October 2013, but have deferred Exemptions until 2014.
8	Eligibility determinations for APTC and CSR	Q3 - CY2013	3. On Schedule	CT HIX DRAFT Individual Eligibility & Enrollment - doc7604 - Pg# 13
9	Applicant and employer notification	Q3 - CY2013	3. On Schedule	CTHIX Functional RTM - doc7611- Tab F3 - #F5.6.14, Tab F5 - #F5.3.6 CTHIX Technical RTM - doc7612 - Tab T8, T1 - #T1.1.8.6, Tab T3 - #T3.2.3.1 - #T3.2.3.6 CT HIX DRAFT SHOP Process Models - doc7609 CT HIX DRAFT Individual Eligibility & Enrollment - doc7604 - Pg # 15, 21, 26
10	Individual responsibility requirement and payment exemption determinations	Q3 - CY2013	3. On Schedule	CT HIX Individual Responsibility Exemption - doc7607 - Pg # 3 CTHIX Functional RTM - doc7611 - Tab F3 - #F3.7 On target with core functionality for October 2013, but have deferred non-critical items until 2014. Manual processes and workarounds will be employed.
11	Eligibility appeals	Q3 - CY2013	3. On Schedule	CTHIX Functional RTM - doc7611 - Tab F6 CT HIX DRAFT Individual Eligibility & Enrollment - doc7604 - Pg# 9, 24 CT HIX DRAFT SHOP Process Models - doc7609- Pg# 9 On target with core functionality for 2014. Manual processes and workarounds will be employed.
12	QHP selections and terminations, and APTC/advance CSR information processing	Q3 - CY2013	3. On Schedule	CT HIX DRAFT Individual Eligibility & Enrollment - doc7604 - Pg# 14, 16
13	Electronically report results of eligibility assessments and determinations	Q3 - CY2013	3. On Schedule	CT HIX DRAFT Individual Eligibility & Enrollment - doc7604 - Pg# 22, 25
14	High risk pool transition plan	Q4 - CY2012	5. Complete	CTHIX Updated CONOPs - doc7550

## A. Core Areas Plan Management

<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	<b>3a. DUNS</b> 078498962	<b>4. Reporting Period End Date</b> 06/30/2013
		<b>3b. EIN</b> 1454340164A1	
<b>A. Core Area with associated Milestones</b>			

### A. Core Areas

(1) Question	(2) Response
<b>Core Area and Business Function</b>	Plan Management
<b>What are the primary strategies your Program has used to approach this Core Area?</b>	<p>AHCT utilized a variety of techniques and methods to establish the Plan Management processes and functions required to achieve issuer and plan certification for 2014. The following is a high level summary. Beginning in 2012 AHCT analyzed plan management and certification requirements to identify business and technical requirements necessary to develop detailed business process models.</p> <p>Throughout 2013 AHCT established manual and automated processes, policies and procedures to effectively implement a successful QHP certification. AHCT contracted with Deloitte as the System Integrator (SI) for system development and implementation. As agreed in the Statement of Work (SOW) between Deloitte and AHCT the first system release was scheduled for June 4, 2013 and focused on the Plan Management functionality which included benefit screens, unique company data and necessary notifications with regard to plan data.</p> <p>Manual processes include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Drafting, development and publishing the QHP solicitation on December 13, 2012;</li> <li>• Drafting, development and publishing an amendment to the QHP solicitation that was released on April 6, 2013;</li> <li>• Review and evaluation of the QHP application for QHP certification;</li> <li>• Notifying issuers on QHP certification requirements (processes for recertification, and decertification are being deferred until fourth quarter 2013 and first quarter 2014);</li> <li>• Drafting and development of an issuer appeal process;</li> <li>• Monitoring and compliance activities of issuers and plan designs; and,</li> <li>• Development of a state specific standard for Essential Community Providers (ECPs) and a monitoring standard</li> </ul> <p>Automated processes include:</p> <ul style="list-style-type: none"> <li>• Collection of carrier and plan information;</li> <li>• Loading, updating and accessing of a QHP issuer information;</li> <li>• Loading, updating and accessing plan design, benefit and cost sharing data;                             <ul style="list-style-type: none"> <li>• Recording plan accessibility when a plan closes or re-opens enrollment during the calendar year or plan year;</li> <li>• Displaying quality ratings from NCQA or URAC, and Displaying PDF documents (summaries of benefits and coverage, the Evidence of Coverage (EOC) or Certificates of Coverage (COC) and Schedule of Benefits (SOB).</li> </ul> </li> </ul> <p>AHCT is utilizing the National Association of Insurance Commissioners' (NAIC) System for Electronic Rate and Form Filing (SERFF) to support the majority of the plan management functions. The Exchange has been and is actively collaborating with NAIC to effectively leverage the SERFF system as it relates to plan management activities including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Issuer and plan certification; including ensuring the CT ECP standards is met and monitored;</li> <li>• Correspondence between the Exchange and Issuer;</li> <li>• Recertification and Decertification;</li> <li>• Appeals;</li> <li>• Compliance.</li> </ul> <p>In addition, AHCT depends and leverages established processes from other state agencies, such as the Connecticut Insurance Department (CID). The Exchange and CID executed a Memorandum of Understanding (MOU) in May of 2012. Both the CID and AHCT teams have developed policies and procedures to ensure compliance with the QHP certification requirements, as well as federal and state laws.</p> <p>CID is responsible for a myriad of regulatory activities including review and approval of the rate filings and benefit form filings, licensing of health insurers and healthcare centers, and monitoring compliance with regulations and statutes. The regulatory activities performed by CID may be done in conjunction with, or prior to, the completion of the QHP certification process.</p> <p>Additionally, AHCT depends on stakeholders such as the advisory committees and AHCT Board of Directors (BOD). The BOD reviews the recommendations on set forth by the advisory committees on a number of important matters such as the number and types of standard plan designs, network adequacy requirements, market assessments, and the Trial Consultation policy to mention a few. On June 26, 2013 the final details of the standard plan designs were presented, voted on and approved on by the BOD.</p>
<b>What are some of your Program's significant accomplishments or strengths in this Core Area?</b>	<p>In May of 2012 AHCT completed an assessment of the current state of Connecticut consumer assistance programs (e.g., state agencies and affiliated organizations that provide a variety of services to assist residents with a variety of health coverage issues and programs). Entities reviewed included the Connecticut Insurance Department (CID), Office of Health Advocate (OHA), Department of Social Services (DSS), Affiliated Computer Services (ACS), Connecticut United Way, HUSKY Infoline, and the Connecticut Pre-existing Condition Insurance Program (CTPCIP). The assessment assisted AHCT with information to begin its endeavor of building a health exchange and also ensured AHCT leveraged other resources to reduce duplication and avoid rework. (e.g., obtain information on the established appeals process handled by OHA &amp; CID).</p> <p>AHCT issued the Initial Solicitation to Health Plan Issuers for Participation in the Individual and Small Business Health Options Program (SHOP) Exchanges on December 13, 2012 and on April 6<sup>th</sup> 2013 a final Amendment to that Solicitation. The purpose of the Solicitation was to encourage health insurance issuers within the state to market and sell qualified health plans (QHPs) through the AHCT Marketplace beginning October 2013 with an effective term of calendar year 2014</p> <p>The Solicitation and Amendment defined plan compliance requirements for issuers' participation in both the Individual Exchange and the Small Business Health Options Program (SHOP) Exchange for medical. In addition, the document referenced a response deadline communicated to AHCT in the form of a Non-binding Notice of Intent to Submit Qualified Health Plans. This notice advised AHCT of each issuers' interest to participate in the marketplace. The table below summarizes the number of responses received by AHCT during the first quarter of 2013.</p>

	Individual Medical	SHOP Medical	Individual Dental	SHOP Dental
<b>Total</b>	<b>4</b>	<b>4</b>	<b>1</b>	<b>2</b>

During the system design sessions discussions with the System Integrator, AHCT identified the required policies and procedures needed in order to support the day-to-day plan management activities. The drafting of these policies and procedures has been an important undertaking during this reporting period. AHCT has written a comprehensive procedure guide and check list which will be used by the AHCT Plan Management Department to facilitate the review of the QHP applications. The draft procedure guide and check-list details the criteria to be used for evaluation of the issuers for certification at both the Issuer and QHP levels.

In addition, the draft procedure guide provides processes to be followed for certification, non-certification, and appeals in the event of non-certification. The draft guide continues to be updated in accordance with business needs and relevant guidance. The target date for completion is the 3<sup>rd</sup> week of August 2013.

The Plan Management team has regularly scheduled weekly sessions with the issuers. These meetings are often in the form of webinars, conference calls and in person working sessions. These are work group meetings in order to provide and facilitate the exchange of information as it relates to ACA requirements, AHCT, QHP certification and general procedural guidelines.

Specifically topics include consumer eligibility and enrollment for both individual and SHOP, 834 transactions, 820 transactions, plan management roles and responsibilities, system demonstrations, and issuer questions and answers.

These sessions are well received by the carriers as demonstrated by the attendance and level of participation. On average approximately 30-50 representatives from the various medical and dental carriers in the State participate. In addition, information provided and discussed during the weekly webinar sessions helped both parties to identify operational processes needed to be developed and/ or system requirements as they relate to effective dates of coverage (e.g. open enrollment, special enrollment, etc.), 834 transactions, call center operations, Small Business Health Options Program (SHOP) operations, and reporting requirements. At the request of the carriers, members of the Plan Management team also conducted in person on site visits in order to better understand current business models and identify areas requiring process reengineering.

AHCT has leveraged version 6.0 of the NAIC SERFF, which was released on March 28, 2013. It has the ability to support a majority of the plan management activities required in accordance with ACA guidelines. These functions include the receipt of Issuer's rate and form filings and QHP applications for Exchange Marketplace certification. As part of the certification process, carriers have the ability to submit their plan benefit designs and other supporting application documentation such as CMS and Connecticut-specific attestations, CMS federal plan management data templates (e.g. formulary drug, essential health benefits, service area, essential community provider, etc.), compliance plans and marketing materials, etc. via SERFF.

AHCT released its QHP applications via email and posted in SERFF as of May 23, 2013 for carriers seeking Exchange Marketplace certification. The completed QHP applications were due to AHCT by May 28, 2013. AHCT has received responses from seven carriers seeking certification. At present, review of the QHP applications is currently underway by personnel within CID and AHCT Plan Management Analysts.

The table below provides a summary of the markets these Issuers are seeking to participate in:

	Individual Medical	SHOP Medical	*Individual Dental	*SHOP Dental
Aetna	X			
Anthem	X	X	X	X
Connecticare	X	X		
Healthy CT	X	X		
Metropolitan Life				X
United Healthcare		X		
<b>Total</b>	<b>4</b>	<b>4</b>	<b>1</b>	<b>2</b>

Pediatric dental is embedded as part of the medical plan. AHCT will also be offering a stand alone dental product, but the shopping screen capabilities have been deferred until 2015.

All plan management staff were trained on the plan management module, in June of 2013.

Final certification of QHP plans and carrier contract negotiations will be a major focus for AHCT Plan Management through the summer and early fall of 2013, in anticipation of the October 1, 2013 open enrollment effective date.

**What are some of the significant barriers your Program has encountered?**

One of the barriers to the full automation of Plan Management capability was the availability of final SERFF data templates to be utilized by the issuers.  
Additionally, changing federal guidance has contributed to delays and rework of system design and development.

**What strategies has your**

There were three strategies identified by AHCT in late 2012 regarding the degree of reliance on SERFF and identify options to mitigate the risk in a

<b>Program employed to deal with these barriers?</b>	<p>timely manner, including but not limited to:</p> <ol style="list-style-type: none"> <li>1. Full Custom Solution - Use the SI plan management solution with no usage of SERFF plan management solution functionality</li> <li>2. SERFF and partial custom solution - Use partial SERFF plan management solution functionality and request the SI to develop custom functionality for the remaining</li> <li>3. No SERFF and minimal custom solution - Perform all functions manually and develop custom plan management functionality.</li> </ol> <p>Of the options above, the second option was determined to be the most viable strategy to meet the June 4, 2013 Plan Management deadline. In order to reduce the risks associated with deployment and loading of issuer plan rate and benefit information into the AHCT system, members of the Plan Management team have been involved in the following risk mitigating activities:</p> <ol style="list-style-type: none"> <li>1. Attended weekly teleconferences with NAIC to discuss the development of SERFF enhancements to support Plan Management operations.</li> <li>2. Participated in user testing during the development of SERFF enhancements to support Plan Management operations.</li> <li>3. Participated in weekly Centers for Medicare &amp; Medicaid Services (CMS) User Group teleconferences to discuss regulatory guidance updates</li> <li>4. Attended end user training of the Master and Drug Federal QHP Certification tools. These tools will be used by the Plan Management team to validate the SERFF templates submitted as part of the application process by the carriers.</li> <li>5. Attended end user training of the Plan Management module within SERFF</li> <li>6. Participated in User Acceptance Testing (UAT) in support of deployment of the AHCT system.</li> </ol>
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## B. Exchange Activity

	Exchange Activity	Target Completion	Status of Exchange Activity	Documentation
1	Appropriate authority to perform and oversee certification of QHPs	Q3 - CY2012	5. Complete	HHS Approved 9/27/12; CALT Doc 10068
2	QHP certification process	Q3 - CY2013	3. On Schedule	
3	Plan management system(s) or processes that support the collection of QHP issuer and plan data	Q2 - CY2013	5. Complete	CT HIX Plan Management Flow -doc 7607- Pg #2, 4 CTHIX Functional RTM - doc7611 - Tab F1 - # F1.1.1-F1.1.7#F1.1.4 - F1.1.4.8, #F1.1.2, #F1.1.5 CTHIX Functional RTM - doc7611 - Tab F1 - # F1.1.1-F1.1.7#F1.1.4 - F1.1.4.8, #F1.1.2, #F1.1.6
4	Ensure ongoing QHP compliance	Q3 - CY2013	3. On Schedule	CTHIX Plan Management Procedures-doc10500 MOU between HIX and CID-doc10047
5	Support issuers and provide technical assistance	Q3 - CY2013	3. On Schedule	CTHIX Plan Management Procedures-doc10500 CT HIX Plan Management Flow - doc 7607- Pg# 8 CTHIX Functional RTM - doc7611 - Tab F1 - #F1.1.7
6	Issuer recertification, decertification and appeals	Q3 - CY2013	3. On Schedule	The original expected completion date of 11/15/2012 reflected in the Blueprint signified completion of a high level draft policy for issuer recertification, decertification, and appeals. AHCT's plan has been to develop these processes as part of the operating model we are jointly developing with CID. AHCT made the decision to manually support these processes in the short term, and automate to some degree in the longer term. Process Development and implementation is anticipated prior to the go-live date of 10/1/2013. Therefore, Q3-CY 2013 is an appropriate target completion for this activity, as defined. All supporting documentation was updated accordingly to reflect the new target date
7	Timeline for QHP accreditation	Q2 - CY2013	5. Complete	CTHIX Plan Management Procedures-doc10500
8	QHP quality reporting	Q4 - CY2014	3. On Schedule	CTHIX Plan Management Procedures-doc10500

## A. Core Areas Risk Adjustment and Reinsurance

<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	<b>3a. DUNS</b> 078498962  <b>3b. EIN</b> 1454340164A1	<b>4. Reporting Period End Date</b> 06/30/2013
<b>A. Core Area with associated Milestones</b>			

### A. Core Areas

(1) Question	(2) Response
<b>Core Area and Business Function</b>	Risk Adjustment and Reinsurance
<b>What are the primary strategies your Program has used to approach this Core Area?</b>	<p>AHCT has made the determination that it will initially leverage the federal risk adjustment program. In future years AHCT may utilize data from its APCD to administer a state-based risk adjustment program.</p> <p>With regard to the transitional reinsurance program, AHCT intends to pursue the reuse of existing state programs given timeframes and the temporary nature of the program. Specifically in August 2012, the Exchange decided to leverage the resources of the Health Reinsurance Association (HRA). In September 2012, HRA's Board of Directors met and authorized HRA to enter into a contract with the Exchange for reinsurance services. HRA is the not-for-profit entity created by Conn. Gen. Stat. 38a 556. All insurers, health care centers and self-insurers doing business as a condition of their authority to transact the applicable kinds of health insurance specified in the Law are members of the association. The association functions under a plan of operation established and approved by the Connecticut Insurance Commissioner and exercises its powers through a board of directors that has been elected by the members. HRA has a long history of pioneering and collaboration with the State of Connecticut. Since HRA has no employees, actual administrative duties are performed by Pool Administrators Inc. (PAI), a Connecticut Subchapter S Corporation. PAI has administered HRA's programs for the last 15 years and is currently administering the Connecticut's Pre-Existing Condition Insurance Plan (PCIP) under Section 1101(b) of the ACA.</p> <p>HRA has legal authority to receive contributions from HHS, since it is already receiving funds as an Authorized User of the Division of Payment Management within HHS. In addition, HRA has an active registration with the Central Contractor Registration (CCR) department within the U.S. Treasury. HRA also has the specific authority under 38a-556(b)(9) to "operate and administer any combination of plans, pools, reinsurance arrangements or other mechanisms as deemed appropriate to best accomplish the fair and equitable operation of the association" so there should be no authorization issues.</p> <p>AHCT's and HRA's strategy is to leverage the federal data collection for risk adjustment for Connecticut's reinsurance program. The ability to access the data stored on the Edge Servers will reduce time and avoid duplicate filings for carriers as well as drastically reduce the program development and implementation time and cost to both HRA and AHCT.</p> <p>Connecticut's reinsurance program is being designed to meet three policy goals. <u>First</u>, it must offer protection to health insurance issuers against medical cost overruns for high-cost enrollees in the individual market, particularly those that are newly insured or those with previously excluded conditions, thereby allowing issuers to set lower premiums. <u>Second</u>, it should require minimal administrative burden, since it is a temporary program. Given the short-term nature of the program, the costs of setting up and administering this program must be commensurate with its benefits over the three-year window. <u>Third</u>, it should identify any major problems, based on a timely review of claims data and be prepared to propose solutions. Such solutions may include developing a mechanism to provide additional stop loss coverage that would operate as a state program, but in cooperation/tandem with the federal program.</p>
<b>What are some of your Program's significant accomplishments or strengths in this Core Area?</b>	<p>During the previous reporting period, it was determined that the Not-For-Profit Reinsurance Entity for the State of Connecticut will be the Health Reinsurance Association (HRA). AHCT and the State of Connecticut requested that HRA administer the transitional reinsurance program for Connecticut, and HRA's Board of Directors passed a resolution authorizing HRA to enter into an agreement with AHCT to provide such services for the years 2014 through 2016. HRA has agreed to establish the transitional reinsurance program in compliance with the requirements of Section 1341 of the Affordable Care Act and the Standards Related to Reinsurance, Risk Corridors, and Risk Adjustment.</p> <p>In April 2013, following review of the final federal benefit and payment parameters regulation issued by HHS in March of 2013, Connecticut issued its Payment Parameters Notice. While Connecticut's transitional reinsurance program will be a state run program, not federal, the federal benefits and payment parameters for 2014 will be used by the State of Connecticut for benefit year 2014. (For 2014, reinsurance will cover 80 percent of cost of an enrollee's aggregate claims within a benefit year that exceed an attachment point of \$60,000 up to a \$250,000 reinsurance cap.) Required carrier contribution will be the national contribution rate. Payments will be made according to the national schedule.</p> <p>Contract negotiations between the AHCT, HRA and PAI have been ongoing and positive, and it is anticipated that a contract will be finalized by the end of the third quarter of 2013.</p> <p>AHCT has also currently received tentative approval from CMS for HRA to leverage the risk adjustment carrier filings which carriers will log on the Edge Server. The purpose of such access is to reduce the requirement for carriers to file identical duplicate information for both the risk adjustment and reinsurance programs and to avoid the necessity to develop a separate data collection process for which the carriers would in turn need to develop policies and procedures. While such tentative approval is a positive step forward, AHCT is still awaiting final guidance regarding access to the servers so that the contract with HRA, as well as program strategies can be finalized.</p>
<b>What are some of the significant barriers your Program has encountered?</b>	<p>The delay in release of final regulations for the transitional reinsurance program, which was not released until March of 2013, as well as the deviation in the December 7, 2012 proposed regulations from initial guidance given to the state with respect to use of a regional standard for attachment point and cap for the transitional reinsurance program, have been significant barriers to program development and implementation.</p> <p>The most significant barrier, however, currently facing development of the AHCT reinsurance program is the delay by CMS in finalizing its approval decision for AHCT and HRA with respect to access to the data submissions on the Edge Server. This access will allow the program to leverage the risk adjustment filings in an attempt to avoid costly and time consuming duplicative filings since both programs utilize the same data. While CMS has granted tentative approval to allow AHCT and HRA to access the data and has acknowledged that several other states have made similar inquiries, further delays in finalizing this policy will continue to have significant implications for both program development as well as contract negotiations between AHCT and HRA.</p>
<b>What strategies has your Program</b>	<p>AHCT has developed a preliminary statement of work with HRA and PAI. This statement was initially delayed due to the delay in issuance of final regulations. It cannot be finalized until CMS makes its final determination regarding access to the federal edge server. Nonetheless, AHCT</p>

<b>employed to deal with these barriers?</b>	<p>continues to work towards its goal of a contract being in place with HRA by the end of the third quarter of 2013.</p> <p>AHCT continues to actively seek to schedule a meeting with CMS with the intention of finalizing this issue.</p>
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### B. Exchange Activity

	Exchange Activity	Target Completion	Status of Exchange Activity	Documentation
1	Risk adjustment program		1. No Activity Planned	Federal Risk Adjustment Program to be leveraged
2	Reinsurance program	Q3 - CY2013	3. On Schedule	

## A. Core Areas Small Business Health Options Program (SHOP)

<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	<b>3a. DUNS</b> 078498962  <b>3b. EIN</b> 1454340164A1	<b>4. Reporting Period End Date</b> 06/30/2013
<b>A. Core Area with associated Milestones</b>			

### A. Core Areas

(1) Question	(2) Response
<b>Core Area and Business Function</b>	Small Business Health Options Program (SHOP)
<b>What are the primary strategies your Program has used to approach this Core Area?</b>	<p>Early in 2012, AHCT established a SHOP Advisory Committee to assist with several key policy decisions, including the implementation of an employee choice model, identifying the types and number of health plans offered through the SHOP Exchange, and assessing the possibility of expanding the definition of small group to 100 or fewer employees prior to the 2016 deadline.</p> <p>AHCT identified an initial set of SHOP functional requirements and business process models to be included as part of an anticipated SHOP Exchange solicitation. AHCT explored a business process outsourcing model for the SHOP Exchange as well as a state collaboration alternative. The latter considered was collaboration with other states in a joint or cooperative procurement. This multi-state option could have been particularly cost-effective due to the small volume of enrollment expected in the SHOP Exchange, and the benefit of combining multiple smaller states in a single, scalable procurement. The multi-state option was determined not to be feasible since possible partnership states were at different levels of development, and the short time line to October 2013 would not allow for a multistate collaborative initiative. Therefore, it was determined the best option for AHCT was to outsource its SHOP operations.</p> <p>In March 2013, new guidance from CMS permitted SHOP marketplaces to offer only one health insurance plan, one tier in the first year of operations, in lieu of a fully functioning SHOP marketplace with multiple plan options and metal tiers. Because AHCT had confidence in its SHOP solution, however, the determination was made to move forward with the strategy to offer multiple plans in the SHOP marketplace in October of 2013. AHCT made this decision as it was determined to be in the best interest of the citizens of Connecticut.</p>
<b>What are some of your Program's significant accomplishments or strengths in this Core Area?</b>	<p>AHCT has held regular meetings with the SHOP Advisory Committee. Meeting topics included:</p> <ul style="list-style-type: none"> <li>• Overview of Small Business Perspective Purchasing Health Insurance through the SHOP</li> <li>• In-house versus Outsourcing of SHOP operations (Pros and Cons)</li> <li>• Purchasing Models</li> <li>• Participation Requirements</li> <li>• Plan Designs</li> <li>• Employer Contributions Requirements</li> <li>• Tax Provisions</li> <li>• Request for Proposal (RFP) Review</li> <li>• SHOP Proposal Evaluation Results</li> <li>• Standard Benefit Design, Out of Network, Dental and other Benefits</li> </ul> <p>In 2012, AHCT made a formal recommendation to the SHOP Advisory Committee to outsource the SHOP operations to a third party vendor. After review and discussion with the SHOP Advisory Committee, it was determined that this option ensured less development risk and leveraged the core competency of vendors already in the exchange market. The recommendation was accepted by the SHOP Advisory Committee (AC) and approved by the Board of Directors in the fall of 2012.</p> <p>A Request for Proposal (RFP) for a Business Process Outsourcing (BPO) vendor was drafted and sent to the SHOP AC for review and comment. Additionally, the draft was sent to CCHIO for review and comment. Suggested changes from both the AC and CCHIO were incorporated into the final RFP.</p> <p>The formal SHOP RFP was posted on the AHCT website in mid-December 2012. Ten vendors submitted "Intent to Propose" forms, and three formal proposals were received by AHCT in Mid-January 2013. A proposal evaluation panel was convened which included members of the SHOP Advisory Committee as well as AHCT staff. Proposals were evaluated both from a technical standpoint and a pricing perspective. The evaluation panel visited all three vendors' facilities in February 2013, including vendor call center operations and technology partner facilities. The panel unanimously recommended a single vendor for award, as this vendor was determined to be the best value to AHCT, based on both technical proposal rating and price reasonableness.</p> <p>The SHOP contract was signed on April 12, 2013 with New York Health Purchasing Alliance, Inc., d/b/a Healthpass New York. Healthpass was subsequently on-boarded very rapidly to make up the necessary development and system integration time necessary for the go-live date of October 1, 2013.</p> <p>Healthpass will be operating in Connecticut as "Access Health CT Small Business." Healthpass is an independent, not for profit, commercial health insurance marketplace management firm. Healthpass offers extensive employer support including a streamlined administrative process, COBRA administration, member and claims advocacy, and all other direct customer service support including a two-tiered call center support framework for employers. Healthpass has partnered with the Chicago technology firm, bswift, for its system solution to include the marketplace on-line system, aggregation, billing, and reconciliation. bswift offers software and services that streamline the employer administration process with features like 'List Billing' allowing the employer to receive one itemized invoice detailing all employee selections.</p> <p>Since contract award in April, AHCT has worked closely with AHCT Small Business on the integration of the SHOP solution. AHCT Small Business has had a regular physical presence in the Hartford office, has attended carrier meetings, has participated in internal integration meetings, and has discussed progress continuously. AHCT Small Business and bswift have been attending IEPMO meetings on a regular basis as well as providing weekly project updates and responding to all system configuration questions as required. bswift has requested specific information from AHCT in order to continue configuration of their infrastructure to meet AHCT SHOP requirements.</p> <p>A SHOP demo was facilitated in June by AHCT Small Business and bswift for AHCT management and supporting consultant teams which included a formal walk-through of the small business owner enrollment process. The demo detailed how an employer would make a decision on plan design offerings, as well as how employees would be able to enroll in a plan, compare plans, and request assistance through the SHOP application. The presentation was an end to end demonstration of the process workflow, and provided a detailed look at system technology.</p> <p>In June, Healthpass secured a Connecticut office location in Stamford. This location not only provides synergies with Healthpass staff located in</p>

	Manhattan, but also provides the state of Connecticut with an office location to service Connecticut employers directly. The Stamford office is scheduled to open in late August 2013.
<b>What are some of the significant barriers your Program has encountered?</b>	<p>Contract negotiations proved to be a significant barrier due to the risk associated with unknown membership, carrier plan pricing, etc. Specific negotiation hurdles included: pricing, establishing appropriate levels of business insurance, and mutually agreeable Service Level Agreements (SLAs).</p> <p>Contract negotiations were extensive in regards to terms, risk, difficulty in ascertaining membership and other unknowns. Since the contract was not signed until mid-April, Healthpass has less than six months to implement a SHOP marketplace for AHCT.</p>
<b>What strategies has your Program employed to deal with these barriers?</b>	This Spring, and as planned, AHCT hired additional internal resources to oversee vendor integration and SHOP project management. This staff has been instrumental in support of the development and integration of the SHOP marketplace. The condensed timeline and aggressive implementation plan has ensured a very collaborative environment for all stakeholders involved in order to meet the business needs of AHCT and AHCT Small Business.

## B. Exchange Activity

	Exchange Activity	Target Completion	Status of Exchange Activity	Documentation
1	SHOP compliance with 45 CFR ? 155 Subpart H	Q3 - CY2013	3. On Schedule	
2	SHOP premium aggregation	Q3 - CY2013	3. On Schedule	
3	Electronically report results of eligibility assessments and determinations for SHOP	Q3 - CY2013	3. On Schedule	

## A. Core Areas Organization and Human Resources

<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	<b>3a. DUNS</b> 078498962	<b>4. Reporting Period End Date</b> 06/30/2013
		<b>3b. EIN</b> 1454340164A1	
<b>A. Core Area with associated Milestones</b>			

### A. Core Areas

(1) Question	(2) Response
<b>Core Area and Business Function</b>	Organization and Human Resources
<b>What are the primary strategies your Program has used to approach this Core Area?</b>	<p>AHCT continues to evolve from a small "start-up" organization to one that stands ready to operate a fully-functioning, ACA-compliant Health Insurance Marketplace. AHCT will continue to utilize permanent staff, temporary staff, consultants, and third-party vendors as the organization continues to grow and prepare for the execution of the AHCT Marketplace solution.</p> <p>In 2012, AHCT made progress leveraging the Level One Exchange Establishment Grant funding to staff the core positions required to set up and establish AHCT. Additionally, AHCT created a dynamic approach to staffing the organization, utilizing both consultants and AHCT staff, to ensure coverage and resources for successful ongoing operations while simultaneously managing the design, development, and implementation of the AHCT solution. Early on, AHCT utilized existing state contracts to facilitate temporary-to-permanent hiring to obtain staff. The Project Director, working with the state OPM, developed a strategy to apply for Level One Exchange Establishment Grant funding, and, once approved, operated within OPM on a temporary basis. As the planning process took shape, AHCT used consultants to "staff" open positions and employed a train-the-trainer strategy to on-board permanent staff.</p> <p>In February 2012, AHCT was established as a freestanding entity. This milestone allowed AHCT to transition from under OPM's "umbrella" to an AHCT "owned and operated" administration, completing an extensive start-up effort that was executed in accordance with federal and state guidelines.</p> <p>Setting up the administrative structure of the Exchange was a priority in the first half of 2012. AHCT successfully established the following critical operational components:</p> <ul style="list-style-type: none"> <li>- Payroll</li> <li>- HR</li> <li>- Bylaws</li> <li>- Hiring of accountants</li> <li>- Hiring of operational staff</li> <li>- Operating accounts, purchase order process, etc.</li> <li>- Bank accounts</li> </ul> <p>The recruitment, selection, and on-boarding of the Executive Leadership Team has allowed AHCT to make great strides in its organizational and operational development while working towards the goals of Connecticut and the AHCT Marketplace. The process for acquiring competent and dedicated staff continues through this 2013 reporting period and is further detailed in the accomplishments section below.</p>
<b>What are some of your Program's significant accomplishments or strengths in this Core Area?</b>	<p>Significant progress has been made in the hiring of key staff personnel through June of 2013.</p> <p>In the January to June 2013 reporting period AHCT continued to rapidly expand and hire key staff personnel. The attached updated Organizational Chart highlights the expansion of AHCT over the last several months. Specifically:</p> <ul style="list-style-type: none"> <li>• The Legal Department hired three staff positions to assume responsibility of Policy, including a Policy Analyst who had previously worked at CCIO.</li> <li>• The Operations Department continued to evolve with a SHOP Manager and two Analysts added to the team. An internal AHCT employee was promoted to manage the Call Center and an additional Analyst was hired to work in the Call Center Area.</li> <li>• In February 2013, AHCT hired an IT Security and Compliance Manager to manage the various activities around security architecture, standards, controls, deliverables, and processes. The manager is responsible for managing all the IT Security/Compliance and Privacy activities for the Exchange System including the definition, implementation, and maintenance of information security policies, standards, and procedures.</li> <li>• During this reporting period, the AHCT Marketing Team has expanded to more than fifteen (15) personnel in order to serve the marketing and outreach needs of AHCT, including those resources working on the Navigator and In Person Assister Program</li> <li>• The IT Department added an Associate Director of IT Systems and Operations to assist in the oversight and direction of the AHCT system.</li> <li>• The Plan Management Department added four positions as activity regarding insurance carrier questions, certification of plans, and review of federal regulations regarding the ACA and State Exchange Plan Management policies increased.</li> <li>• A new Customer Response Team was formed consisting of current employees and durational staff. The durational staff will be supporting AHCT during the busy open enrollment timeframe.</li> <li>• A Durational Training Manager and eight temporary trainers were hired to plan, execute, and conduct the AHCT training schedule. For three months our trainers will be in the Community training the Navigators and In Person Assisters. The Training Manager is also training AHCT staff to ensure our internal resources are prepared for open enrollment support.</li> <li>• The Human Resources Department hired a new, full-time HR Manager with the increased workload, as well as a part-time HR Associate.</li> </ul> <p>Additionally, the following systems and benefits have been put in place for AHCT staff during the January to June 2013 reporting period:</p> <ul style="list-style-type: none"> <li>• An electronic Time and Attendance System was implemented in March. This system will allow AHCT to track salaries to the appropriate grants and projects. AHCT continues to develop the process and improve system efficiency.</li> <li>• AHCT completed its comprehensive employee benefits package in April, adding Life Insurance, Short and Long Term Disability Insurance, a Vision Plan and a Flexible Spending Account. These benefits proved useful in the recruitment process as employees seek</li> </ul>

	<p>these protections during job searches.</p> <ul style="list-style-type: none"> <li>• An Employee Assistance Program (EAP) was also implemented to assist those employees requiring services due to the stresses of working in a fast-paced environment.</li> <li>• Review Snap, an Internet Based employee review system was implemented in the spring of 2013 to provide staff with the opportunity to measure goals, objectives, and competencies as many approach their one year AHCT employment.</li> </ul> <p>Lastly, consultants were hired during this reporting period in support of HR processes for the following:</p> <ul style="list-style-type: none"> <li>• A recruitment consultant was contracted to assist with recruitment and hiring of remaining staff positions</li> <li>• A benefits consultant was contracted to assist with acquiring a fair and competitive benefits package to help attract highly qualified employees. In addition, the consultant updated the job descriptions of current staff, as roles have evolved to adjust to the work required.</li> </ul>
<b>What are some of the significant barriers your Program has encountered?</b>	<p>In early 2012, the most significant barriers to AHCT staffing were hiring delays and requirements for resources with unique skill sets with ad hoc availability or on a temporary basis, both of which created the need for temporary staffing solutions and a strong working relationship with OPM. By the end of 2012, the effort required for staffing the organization as well as creating, defining, and maintaining effective Human Resource Management with very limited staffing had become a significant barrier to progress.</p> <p>Recruitment Barriers continued into 2013 as not all job seekers are willing or able to commit to long hours and a large, challenging work load. Qualified workers were not readily available for this new business and candidates lacked Health Exchange expertise.</p>
<b>What strategies has your Program employed to deal with these barriers?</b>	<p>AHCT has continued to locate and hire resources with experience and core competencies matching AHCT's short and long-term needs. Although it has been a challenge to secure these valuable team members, AHCT has succeeded in hiring resources to perform core operational Exchange activities, collaborate with federal entities, design and develop the AHCT system, provide key technical oversight, and perform outreach activities that expand consumer awareness of the ACA and the mission of AHCT in the State of Connecticut.</p> <p>AHCT resources continue to work to build the skills needed to successfully implement and run the Exchange. New guidance from the Federal Government and unforeseen activities challenged AHCT to react to new or different tasks, forcing HR staff to realign staff and responsibilities, accordingly.</p> <p>Additionally, AHCT has needed to access resources with unique skills/capabilities that were not part of the core staffing or consulting teams on an as-needed basis to support the implementation of the Exchange and/or its successful ongoing operations. Leveraging Connecticut State Master Service Agreements (MSA) for temporary staff services and/or consultants has been an effective strategy for staff augmentation. Examples of resources available through these MSAs include actuarial resources (or other health insurance marketplace experts), training staff, temporary administrative support, and/or additional testing support. AHCT also created an environment in which employees have been able to learn "on the job" and shadow those more seasoned staff to achieve proficiency.</p> <p>During the ongoing hiring process, AHCT ensures that resources are fully cognizant of the intense schedule and high volume of work that is expected in order to take the system to the October 1, 2013 go-live date; this program requires people who are comfortable not only working long hours but also working with a bias for prudent action.</p>

## B. Exchange Activity

	Exchange Activity	Target Completion	Status of Exchange Activity	Documentation
1	Organizational structure and staffing resources to perform Exchange activities	Q3 - CY2012	5. Complete	CALT Doc 10055 (Activity Closed in 2012) Updated AHCT Organizational chart updated and attached to this progress report

## A. Core Areas Finance and Accounting

<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	<b>3a. DUNS</b> 078498962	<b>4. Reporting Period End Date</b> 06/30/2013
		<b>3b. EIN</b> 1454340164A1	
<b>A. Core Area with associated Milestones</b>			

### A. Core Areas

(1) Question	(2) Response
<b>Core Area and Business Function</b>	Finance and Accounting
<b>What are the primary strategies your Program has used to approach this Core Area?</b>	<p>For both the Planning Grant funding period in 2011 and the Level One Establishment Grant funding period through 2012, AHCT leveraged the state's Office of Policy and Management's infrastructure and processes to manage the grant funds awarded to the State of Connecticut. This relationship with OPM, which required state reporting, auditing, and internal financial documentation in addition to the required Federal progress and financial reporting, allowed OPM, on behalf of AHCT, to periodically draw down funds based on cash flow projections and expense reports.</p> <p>AHCT worked diligently to ensure the necessary financial processes and procedures were developed and implemented in order to assume management and administrative responsibility for all grant funds. AHCT finalized and filed a Grantee Change Application consisting of seven (7) artifacts with CCIHO in October of 2012. This grant application satisfied the requirements for changing the grantee on the Level One Supplement and Level Two grants from OPM directly to AHCT. AHCT received approval through issuance of new establishment grants (Level I Supplement and this Level II grant) in December of 2012.</p> <p>Extensive effort went into the development of AHCT's Financial Management Plan (FMP) as it provides the necessary framework for the ongoing development and evolution of internal financial processes. Additionally, the FMP outlined the reporting and auditing requirements for AHCT as well as establish the foundation for independent grant management. Another component of the FMP was its identification of system and internal controls, which were crucial to grant management, which allows cross-walking between federal, state, and internal budgets and expenses.</p> <p>Most importantly, an Accounting Policies and Procedures Manual was established to guide the financial management practices of AHCT. In accordance with this manual, the AHCT Finance Department maintain financial records and complete reports as required by state and federal authorities, and will adhere to the accounting standards established by the Governmental Accounting Standards Board (GASB). The manual has been updated periodically to enhance financial processes and procedures, and is currently undergoing a major revision to provide additional guidance. As AHCT has grown in size and effort over this reporting period, so too has the need for the enhancement to accounting policies and procedures. With this latest revision to the manual, the FMP will no longer be maintained and updated. Lastly, AHCT has established internal compliance and financial audit policies. The internal compliance audit policy requires an annual review of AHCT practices regarding affirmative action, personnel practices, the purchase of goods and services, the use of surplus funds, and the distribution of funds.</p>
<b>What are some of your Program's significant accomplishments or strengths in this Core Area?</b>	<p>Finance department personnel on-boarded during this reporting period include a Controller and Associate Director of Expense Management. The filling of these two positions has greatly enhanced departmental capabilities that has led to many refinements of AHCT financial statements, general ledger classifications, and other financial processes and procedures. All program enhancements are in accordance with Federal cost accounting standards and principles to align with Federal Financial Reporting (FFR) requirements, including the development and implementation of fiscal year department level expense budgets. The Accounting Department maintains accounts and financial information documentation in ways that provide a current status of funds and the levels of services utilized.</p> <p>In early 2013, the independent accounting firm of Whittlesey &amp; Hadley, P.C. was engaged to perform the fiscal year 2012 financial and Federal single audit. The audit was completed in March, and was considered a "clean" audit with no findings. The board of directors subsequently approved the FY 2012 Audited Financial Statements in April, and final copies were issued and filed thereafter.</p> <p>As a quasi-state agency, AHCT is required to submit several state reports throughout the fiscal year. During this reporting period, AHCT was able to "catch up" with all state reporting requirements through submission of its first Annual Report to the Governor in May of 2013 (for the 2012 fiscal year), and began submission of quarterly reports to the state Office of Fiscal Analysis.</p> <p>Throughout this reporting period, the Finance department has been working on establishing financial management processes with DSS and the Bureau of Enterprise Systems and Technology (BEST). A cost sharing methodology has been proposed and the three organizations are in the process of finalizing the appropriate cost allocation pools for the differing shared services once operational. Design, Development and Implementation expenditures are being shared with BEST and DSS.</p> <p>A Finance expense dashboard was developed and created for presentation to the Board of Directors on a monthly basis. This dashboard provides the Board with a snapshot of AHCT budget, spend, and highlights specific expenses as appropriate for board review.</p> <p>In March 2013, the Finance team prepared and presented AHCT's Sustainability Model to the Finance Sub-committee and subsequently thereafter, to the Board of Directors for review. Sustainability options were presented with the recommendation for a market assessment as the primary revenue source for AHCT beginning in 2015. A draft policy, Acquiring Operating Funds, was presented which allows for AHCT to acquire operating funding through market assessments, user fees, or other actions including advertising, cost recovery, and other endeavors consistent with the purpose of AHCT. The policy provides AHCT with a broad basis for achieving financial sustainability. The Board approved the Policy for Acquiring Operating Funding for publication in the Connecticut Law Journal. No public comments were received and the policy was adopted by the Board in May 2013.</p> <p>In May, the Finance team developed and presented a market assessment rate for the 2014 Sustainability Plan, which was approved by the Finance Sub-committee, and subsequently, the Board of Directors also in May 2013.</p> <p>AHCT employee benefit plans were selected and procured in conjunction with Human Resources and plan information was communicated to all AHCT staff. Plans were selected specifically for vision, life, short- and long-term disability, as well as a flexible spending account, and a 401A plan.</p> <p>AHCT submitted an administrative supplement request for additional funds in support of the establishment of the Exchange to support additional efforts not included in the original grant application, related mainly to additional technology requirements and marketing outreach expenses. A Notice of Grant Award (NGA) is still pending CMS/CCIHO approval.</p> <p>In June 2013, the Finance team developed and implemented a formal Vendor Management Program with enhanced procurement guidelines and</p>

	<p>procedures. As part of that implementation, the Purchase Order process was automated and all AHCT employees were trained on the new guidelines.</p> <p>The AHCT Fiscal Year 2014 budget was approved by the Finance Sub-committee and the Board of Directors in June of 2013. The Level II Grant remains the baseline budget for AHCT through fiscal year 2014, with the addition of a market assessment in accordance with AHCT's sustainability plan, to be billed to carriers beginning in 2014, based on 2013 premium data.</p>
<b>What are some of the significant barriers your Program has encountered?</b>	As a result of the grantee change occurring in late December 2012, Level II grant funds were not available to AHCT until mid-January of 2013. This delay in the availability of grant funding negatively impacted AHCT's cash flow at the beginning of this current calendar year.
<b>What strategies has your Program employed to deal with these barriers?</b>	In accordance with Connecticut Public Act 12-1, Section 219, the AHCT Chief Executive Officer requested and received Emergency Funds from OPM in the amount of \$5M, to improve its cash flow in December 2012, until AHCT could drawdown its own funds from the Federal Payment Management System (PMS). These emergency funds were repaid to the State in January; as soon as AHCT gained access to its Federal grant funding. In addition, AHCT established a grant drawdown rhythm and processes to fulfill the requirement that Federal funds be drawn down and disbursed within three business days. All outstanding and backlogged invoices due to the delays in the availability of grant funds were paid by the end of February 2013.

### B. Exchange Activity

	Exchange Activity	Target Completion	Status of Exchange Activity	Documentation
1	Long-term operational cost, budget, and management plan	Q3 - CY2012	5. Complete	CALT Doc 10053 Budget Expense Detail from Exchange Level Two Grant Application

## A. Core Areas Technology

<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	<b>3a. DUNS</b> 078498962	<b>4. Reporting Period End Date</b> 06/30/2013
		<b>3b. EIN</b> 1454340164A1	
<b>A. Core Area with associated Milestones</b>			

### A. Core Areas

(1) Question	(2) Response
<b>Core Area and Business Function</b>	Technology
<b>What are the primary strategies your Program has used to approach this Core Area?</b>	<p>AHCT is fully committed to implementing a technology solution for use by both AHCT and the Connecticut Department of Social Services (DSS) to support the MAGI eligibility requirements by October of 2013. This shared technology solution for APTC, CSR, Medicaid, and CHIP eligibility determination is anticipated to serve as the core of an integrated eligibility platform that will eventually support HHS agencies and their associated social services benefit programs. DSS is leveraging this unique opportunity to replace its antiquated Eligibility Management System (EMS). The state plans a phased implementation for other HHS programs following the AHCT and Medicaid/CHIP system roll outs.</p> <p>KPMG was hired as the technical advisor to AHCT and has been on board since February 2012 assisting with the iterative process of moving from planning through procurement and program implementation activities. This interdisciplinary vendor is focused on both business process functions and related IT systems. The project has enabled AHCT to procure the necessary systems, resources and infrastructure to provide for a successful exchange marketplace open enrollment beginning October 1, 2013. KPMG assisted AHCT in development of a Concept of Operations (CONOPs) document that defines the Business Requirements, Technical Requirements, and the Business Process Flows for the AHCT and the Integration Eligibility System. The CONOPs is an iterative document that has been updated with changes as necessary.</p> <p>Deloitte was hired as the System Integrator (SI) for the Exchange. They have been on board since October 2012, and are assisting AHCT with system development and implementation of the Integrated Eligibility system. Deloitte presented a solution that was easily configurable and transferrable from the Washington State Exchange and utilizing this solution will help reduce the implementation / development time of this application. Additionally, Deloitte has a deep understanding of the Department of Social Services (DSS) business processes through their ongoing ConneCT project. This vendor has enabled AHCT to design and implement the systems necessary to provide for a successful exchange marketplace in 2013.</p> <p>Deloitte initially conducted requirements confirmation sessions with key stakeholders from the state of Connecticut and DSS. The purpose of these sessions was to confirm the baseline requirements from the statement of work, and discuss any outstanding questions regarding the requirements. These requirements were used in the design of Deloitte's system solution. Requirements confirmation sessions concluded in November of 2012.</p> <p>The AHCT system developed by Deloitte will present a "No Wrong Door" approach to the citizens of Connecticut in obtaining health insurance, and from a technology perspective, leverage existing State Bureau of Enterprise Systems and Technology (BEST) infrastructure, operations management, and other hosting capabilities to host the AHCT application. This partnership has helped reduce the ramp-up time for the SI and solution development.</p> <p>To help foresee key considerations around release management in October of 2013, AHCT and the SI deployed an early release of plan management business functionality in June of 2013. This strategy has helped identify key issues and lessons learned in order to create a robust, streamlined release management process prior to the entire system deployment on October 1, 2013.</p> <p>The System Integrator (SI) deliverable submission and review process was established and includes the submission of a deliverable expectation document (DED) and formal deliverables by Deloitte which are reviewed by AHCT. The DED defines the format, structure, and acceptance criteria for the deliverable, each deliverable is reviewed ensuring they met the agreed upon criteria outlined in the deliverable's DED. The process of reviewing the DEDs and Deliverables has undergone multiple rounds of review prior to acceptance of the document. The review process entails the submission of the DED or Deliverable by Deloitte to the AHCT team, the AHCT team reviews the documents and determines whether the document was "accepted" or "rejected". With the response to Deloitte on acceptance or rejection, the AHCT team provides comments that Deloitte uses to update the DED or Deliverable for resubmission. The process is followed for each DED or Deliverable and will be followed until all deliverables have been accepted or rejected by AHCT. The deliverable review process is targeted to ensure the quality of the deliverables and the documentation that will be used throughout the system design, development, and implementation process.</p>
<b>What are some of your Program's significant accomplishments or strengths in this Core Area?</b>	<p>AHCT conducted extensive planning and coordination activities with other Connecticut state agencies, specifically with the CID, DSS, OPM, and the OHRI. Furthermore, the AHCT planning process served as a catalyst for AHCT to pursue close collaboration with DSS to identify areas of technology asset reuse and to streamline social services' program eligibility determination and enrollment processes.</p> <p>AHCT negotiated and executed Memoranda of Understanding (MOUs) with the Connecticut Insurance Department (CID), DSS agencies and Dept. of Correction. These agreements document the specific roles and responsibilities each agency will undertake to support the successful implementation of the exchange marketplace. In addition, AHCT has an agreed MOU with the Connecticut Department of Administrative Services' (DAS) Bureau of Enterprise Systems &amp; Technology (BEST) to document the technology hosting and operational support roles that BEST will provide AHCT.</p> <p>Through the third and fourth quarters of 2012, AHCT continued the coordination of activities with other Connecticut state agencies to pursue collaboration with DSS and BEST to align the AHCT and Integrated Eligibility System (IES) implementations, which is currently ongoing at DSS. This helped streamline and categorize the different requirements - functional and technical, and the business process flows for the CTHIX and the IES solutions.</p> <p>KPMG also helped AHCT and DSS in defining requirements and business process flows for the various eligibility criteria for the CT HIX and the Integrated Eligibility system. These requirements were broken down into various tiers and prioritized based on the functionality envisioned for both solutions.</p> <p>In late 2012 and into early 2013, Deloitte initiated design confirmation sessions with key stakeholders from the state of Connecticut, including public advocacy representatives. Deloitte presented draft design documents and screen mock-ups to illustrate the proposed solution. The purpose of these sessions was to confirm that Deloitte's design met the confirmed requirements, to garner feedback from the key stakeholders on the draft of the proposed solution, and to discuss and finalize any outstanding design questions. These design confirmation sessions concluded in January of 2013.</p> <p>These sessions directly contributed to the design documentation provided to CMS. The deliverables that resulted from these design sessions were</p>

uploaded into CALT in anticipation of the Centers for Medicare & Medicaid Services (CMS) Final Detailed Design Review (FDDR) that occurred on March 27, 2013 (further explained below).

In early 2013, AHCT volunteered to take part with other states participating in Wave 1 Testing. This gave AHCT an advantage to test Federal Data Services Hub (FDSH) services early and streamline the system integration services components accordingly. AHCT subsequently completed Wave1, Wave2 and Wave3 testing aligned to the Federal Services Data hub timeline.

As a result of Deloitte's on-boarding in October 2012, the analysis of requirements and the pre-design activities for the Exchange solution made extensive progress. From their understanding of the transferrable solution from other states, and their understanding of DSS, Deloitte was able to quickly initiate the activities for the AHCT solution implementation. Per the project plan, the system implementation plan/strategy is focused on two major releases, and two subsequent enhancement releases:

- **CT HIX/IE Release 1.0, Plan Management** deployment took place on June 4, 2013. This release consists of Plan Management functionality.
- **AHCT Release 2.0, Eligibility and Enrollment** is scheduled to deploy on October 1, 2013. The release consists of initiatives for Internal Control and Program Integrity, Eligibility and Enrollment including Comparison Shopping, Enrollment Processing, and Eligibility for both Modified Adjusted Gross Income (MAGI) & NonMAGI, and Small Business Health Options Program (SHOP). This release is currently in the active development phase.
- **Subsequent AHCT system enhancement releases** will occur in December 2013 and March 2014 and will include updates to Eligibility and Enrollment, including the Renewal and Appeals Management functionality, as well as allowing for the interface with DSS's ConneCT. An effort is underway to finalize all plans for these future releases.

On March 15, 2013, the SI submitted a detailed technical design deliverable for the AHCT system. This deliverable included details on the system architecture components, the data base components, middleware components, security architecture, and the integration architecture components. This deliverable was submitted to the Centers for Medicare & Medicaid Services (CMS) for the Final Detailed Design Review (FDDR) that occurred on March 27, 2013. CMS returned their findings on May 10, 2013, thanking AHCT for participating in the FDDR and commending AHCT on its operational progress to date, including the following achievements: securing a call center vendor, finalizing the Qualified Health Plan (QHP) contract and solicitation, issuing a Request for Proposal (RFP) for Navigator and In Person Assistants, participating in a CMS Security Review, and completing Wave 1 of federal Hub testing. Also in March 2013, Connecticut was selected as one of the few states to enter Wave 1 Testing for the Federal Data Services Hub (FDSH) services. AHCT successfully completed testing of five services that are planned to be used for the targeted system and demonstrated AHCT's ability to interact with the Hub.

In May 2013, AHCT was selected to enter Wave 3 Testing with the FDSH to test the underlying FDSH services via the application and has since also participated in Wave 4 Testing. As of the period of this report, AHCT has tested two services for 100 applications using a combination of AHCT middleware and application screens and those services have been tested successfully. AHCT is close to completing Wave testing and getting certification for seven FDSH services.

During April and May of 2013, System Integration Testing (SIT), User Acceptance Testing (UAT), and Performance Testing was successfully performed for the Release 1 functionality which included Plan Management related components including loading and staging of the plans, and approving them to be included in comparison shopping. As mentioned previously, this functionality was successfully deployed into production, as planned, on June 04, 2013.

**What are some of the significant barriers your Program has encountered?**

There are no barriers that are unique to AHCT or that have been insurmountable. However, key challenges include the short development timeframe and dependence on legacy systems.

One of the key barriers identified during this reporting period was the change in the Single Streamlined Application (SSA) format on March 29, 2013. This caused rework and potential delays since the designs had been finalized and the development effort was focused on the older version of the SSA. AHCT is currently working towards receiving a conditional approval on the web and paper application consistent with the recently issued Guidance on State Alternative Application.

**What strategies has your Program employed to deal with these barriers?**

To address the challenge of the short development timeframe, AHCT:

- Developed comprehensive requirements and process flows diagrams as the primary input into the design and development phases.
- Engaged an experienced Technical Advisory partner (KPMG).
- Expedited the traditional RFP process in order to expedite the selection of a system integrator.
- Selected a system integrator that had existing terms and conditions with the State and so further expedited development and reduced risk.
- Selected a system integrator with experience in working with DSS (the Medicaid agency) and with the Connecticut Bureau of System Technology (BEST) and so reduced risk.
- Selected a system integrator that had a demonstrable solution that was transferable.
- Monitored and tracked progress against milestones, and where issues arise they are captured in the Risk or Issues Log(s) and addressed within a short timeframe.
- Moved non-critical items to subsequent releases as determined necessary to remain focused on the most important functionality for the October 2013 release.
- Mitigated the key issue on the SSA through a change request utilizing the established change control process for the SI to update the solution to comply with the new SSA guidance.
- Worked with the document management vendors to align the paper application per the new SSA guidance.

## B. Exchange Activity

	Exchange Activity	Target Completion	Status of Exchange Activity	Documentation
1	Compliance with HHS IT Guidance	Q3 - CY2013	3. On Schedule	CTHIX Technical RTM - doc7612 - Tab T1 - #T1.1 - T1.4.0.9 CTHIX Updated CONOPs-doc7550
2	Adequate technology infrastructure and bandwidth	Q3 - CY2013	3. On Schedule	CTHIX Technical RTM - doc7612 - Tab T1 - #T1.1 - T1.4.0.9 CTHIX Updated CONOPs-doc7550
3	IV&V, quality management and test procedures	Q3 - CY2013	3. On Schedule	CTHIX IE Procurement Strategy Final Draft - doc10486: (page 19) CTHIX Project Management Plan-doc7464

## A. Core Areas Privacy and Security

<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	<b>3a. DUNS</b> 078498962  <b>3b. EIN</b> 1454340164A1	<b>4. Reporting Period End Date</b> 06/30/2013
<b>A. Core Area with associated Milestones</b>			

### A. Core Areas

(1) Question	(2) Response
<b>Core Area and Business Function</b>	Privacy and Security
<b>What are the primary strategies your Program has used to approach this Core Area?</b>	<p>In 2012, the State of Connecticut and AHCT established a Program Management Office (PMO) to facilitate the overall strategic integration approach to manage the implementation of the Exchange Marketplace and Integrated Eligibility System. The PMO oversees the development, testing, and implementation of the Integrated Eligibility and AHCT solution. The PMO is comprised of project managers with staff consisting of program area leads, Subject Matter Experts in Program and Policy, IT, Compliance, Security, and Legal. One of the key PMO responsibilities would be to assure adherence to data management and security standards, including Federal Hub data transfer interface and privacy and security compliance.</p> <p>Deloitte was the selected System Integrator (SI) vendor for the implementation of the Exchange and Integrated Eligibility System. The Statement of Work (SOW) for the SI included more than 50 technical requirements consistent with 45 CFR 155.260(a) - (g) related to privacy and security, including: Security Architecture, Directories, Authentication, Knowledge - Based Authentication (KBA), Authorization, Privilege Management, Message Encryption, Electronic Signatures, Audit, General Privacy and Security, Intrusion Management, Malware and Virus Protection. In addition, the SI was provided with the appropriate security policies so that the system is developed to secure and maintain CT HIX/IE aligned with the state policies.</p> <p>The SI vendor, Deloitte and the State of Connecticut's IT agency, the Bureau of Enterprise Systems and Technology (BEST) identified key enterprise wide security architecture components including IBM's Security Identity Manager (ISIM) and IBM's Security Access Manager (ISAM) to be deployed statewide for all state projects. The vision was to leverage this statewide enterprise technology platform to manage information privacy and security.</p>
<b>What are some of your Program's significant accomplishments or strengths in this Core Area?</b>	<p>In the fall of 2012, the SI began identifying all relevant privacy and security standards (including Federal, State, and Local laws and regulations) based on the functionality being deployed.</p> <p>In December 2012, the SI conducted a series of sessions related to privacy and security to gather information and validate the security requirements that were defined for the Exchange. The Security Plan deliverable, once finalized, would include the business, information and technical guidance for implementing controls to address Affordable Care Act (ACA) regulations for the protection of data received, stored, processed and transmitted by the Exchange and data services hub. In addition, the Security Plan would describe the controls in place to protect data contained in Exchange and data services hub systems - both Federal Tax Information (FTI) and non-FTI.</p> <p>In February 2013, AHCT hired an IT Security and Compliance Manager to manage the various activities around security architecture, standards, controls, deliverables, and processes. The manager is responsible for managing all the IT Security/Compliance and Privacy activities for the Exchange System including the definition, implementation, and maintenance of information security policies, standards, and procedures. This includes all standards AHCT must follow including: HIPAA, NIST, PCI, IRS 1075, FISMA, PHI, and PII. The IT Security and Compliance Manager provides supervision, direction, and coordination of the business, functional, and technical teams as various components of the system are validated. In addition, the IT Security and Compliance Manager coordinates Security Testing against project requirements, and is responsible for the training of key Subject Matter Experts (SMEs) to accelerate the testing process. Most importantly, the manager interfaces with the SI on a daily basis to develop and document various security deliverables including the Security Plan, PIA, data connection security agreements, etc. required per the CMS guidelines. Since arriving at AHCT, the IT Security and Compliance Manager has lead interactions with the Federal Security Team and has allowed AHCT to stay abreast of new security developments as they are communicated by CMS/CCIO to assure AHCT's adherence to data management and security standards, including Federal Hub data transfer interface and privacy and security compliance.</p> <p>In March of 2013, CMS conducted an on-site security walkthrough to understand the security architecture, controls, and activities being performed for the ACA system implementation. AHCT received positive feedback and key takeaways from this visit. AHCT continues to implement these takeaways and improve the current security design and documentation. As a follow-up, in April 2013, AHCT submitted the initial System Security Plan (SSP) to CMS for review.</p> <p>On March 15, 2013, the SI submitted a final technical and security design for AHCT to review. This design was approved by AHCT and submitted to CMS as a part of the Final Detailed Design Review (FDDR) that took place on March 27, 2013. This design document included detailed system architecture (including security architecture), database design, etc.</p> <p>Deloitte submitted a draft Security Plan in May of 2013 which was reviewed by CMS as well as the IRS. Results of this review were then published for guidance to AHCT and Deloitte for the further development of the subsequent submission to be delivered to CMS in July of 2013.</p> <p>On May 15, 2013, AHCT also submitted its Privacy Impact Assessment (PIA) to CMS to demonstrate to CMS the business environment in which personally identifiable information (PII) will be collected, created, used, disclosed, retained and destroyed. The PIA demonstrates how the state of Connecticut interprets and implements the privacy obligations outlined in Section 155.260 of the Final Rule of the ACA, and serves as an artifact for Design Review Processes. In addition, it will be used to assess any future privacy impacts due to changes in functions or systems. Information is still being acquired from the various business units from within AHCT for another submission due in August of 2013.</p>
<b>What are some of the significant barriers your Program has encountered?</b>	No significant barriers are currently encountered for this core area.
<b>What strategies has your Program</b>	Not Applicable

employed to deal  
with these  
barriers?

### B. Exchange Activity

	Exchange Activity	Target Completion	Status of Exchange Activity	Documentation
1	Privacy and Security standards policies and procedures	Q1 - CY2013	5. Complete	Privacy Impact Assessment (PIA ) CALT doc 30556
2	Safeguards based on HHS IT guidance	Q1 - CY2013	5. Complete	System Security Plan (SSP) CALT doc277721 CALT doc277722
3	Safeguard protections for Federal information	Q3 - CY2013	3. On Schedule	

## A. Core Areas Oversight, Monitoring, and Reporting

<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	<b>3a. DUNS</b> 078498962	<b>4. Reporting Period End Date</b> 06/30/2013
		<b>3b. EIN</b> 1454340164A1	
<b>A. Core Area with associated Milestones</b>			

### A. Core Areas

( 1 ) Question	( 2 ) Response
<b>Core Area and Business Function</b>	Oversight, Monitoring, and Reporting
<b>What are the primary strategies your Program has used to approach this Core Area?</b>	<p>There are three different groups that have primary responsibility for overseeing AHCT and its operations:</p> <ol style="list-style-type: none"> <li>1. The Federal Agencies CMS and CCIIO, which have regular gateway reviews and other monitoring mechanisms. In support of program status, AHCT submits a bi-weekly report to provide frequent updates of program development risk status, accomplishments, and overall DDI program progress.</li> <li>2. The AHCT Board of Directors meets monthly to discuss and vote on key issues and decisions that AHCT must address to successfully meet program deadlines. This Board includes the following members:                             <ul style="list-style-type: none"> <li>• Board members</li> </ul> <p>Governor's Appointees</p> <ul style="list-style-type: none"> <li>• Lt. Governor Nancy Wyman</li> <li>• Mary C. Fox, Formerly of Aetna</li> </ul> <p>Legislative Leadership Appointees</p> <ul style="list-style-type: none"> <li>• Paul Phillpott, Formerly of Connecticare</li> <li>• Maura Carley, Healthcare Navigation</li> <li>• Grant A. Ritter, Schneider Institutes for Health Policy</li> <li>• Robert E. Scalettar, Formerly of Anthem Blue Cross Blue Shield</li> <li>• Robert F. Tessier, CT Coalition of Taft Hartley Health Funds</li> <li>• Cecilia J. Woods, Permanent Commission on the Status of Women</li> </ul> <p>Ex Officio Voting Members</p> <ul style="list-style-type: none"> <li>• Benjamin Barnes, Secretary, Office of Policy and Management</li> <li>• Roderick L. Bremby, Commissioner, DSS</li> <li>• Victoria Veltri, Office of the Healthcare Advocate</li> </ul> <p>Ex Officio Nonvoting Members</p> <ul style="list-style-type: none"> <li>• Anne Melissa Dowling, Insurance Department</li> <li>• Jewel Mullen, Department of Public Health</li> <li>• Patricia Rehmer, Department of Mental Health and Addiction Services</li> </ul> </li> <li>3. A Program Management Office Steering Committee (PMO SC) that meets monthly and provides a closer project controlling function. The PMO SC is staffed by representatives from DSS, AHCT, OPM, and BEST. High level risks are escalated to this committee to vet and resolve prior to scheduled Board meetings.</li> </ol> <p>In addition to the above groups, in order to position AHCT to meet operational benchmarks for statebased marketplaces as well as the integrated eligibility project development, AHCT also utilizes an Integrated Eligibility Program Management Office (IE PMO) to facilitate the aggressive system build schedule established by CMS/CCIIO delivery milestone guidelines and the deadlines required by the ACA to ensure program integration across state agencies.</p> <p>The primary goal of the IEPMO is to ensure the successful outcome of complex programs by systematically reducing risk, evaluating constraints, and aligning stakeholder expectations through the application of project management policies, processes, and methods. The IEPMO is the source for direction, documentation, and metrics related to managing and implementing the organization's projects. Key functions for the IE PMO governance include a standard methodology, project planning, project management, and most importantly, project review and analysis. The IEPMO meets twice weekly to inform stakeholders of any items that affect program status in order to give operational teams time to react and implement plans of action.</p>
<b>What are some of your Program's significant accomplishments or strengths in this Core Area?</b>	<p>The progress of the AHCT program is being managed and monitored by the IEPMO utilizing the best practice-based processes outlined in the Project Management Plan. Weekly meetings with the project stakeholders produce an executive dashboard that, when rolled up, communicates status of program schedule, risks, issues, and changes. The IE PMO uses the dashboard to facilitate a weekly conversation with project stakeholders to communicate project progress in terms of project management metrics as well as address risks, issues or other concerns.</p> <p>Recognizing the importance of the oversight, monitoring, and reporting for AHCT's success, AHCT on-boarded an Associate Director of Reporting in December of 2012 to establish and execute a process to fulfill both Federal grant and state regulatory reporting requirements for AHCT, including reporting program implementation, grant administration, program monitoring and assessment. This position is tasked with managing AHCT reporting obligations for the Governor and State Auditors of Public Accounts, the State Office of Fiscal Analysis, Federal Center for Consumer Information and Insurance Oversight (CCIIO), and Federal Centers for Medicare &amp; Medicaid Services (CMS).</p> <p>In December 2012, AHCT was awarded the Level I and Level II Grants directly from CMS, after submitting an application for a change in grantee from the State of Connecticut. Prior to the change, the State OPM was the grantee, was directly managing and overseeing the funds for AHCT, and was submitting financial reports to CMS/CCIIO. As of December 21, 2012, AHCT assumed management responsibility for all funds and reporting and will independently administer and manage these and any future grant awards.</p> <p>During this reporting period, AHCT has developed and implemented a Vendor Management Program to establish procurement guidelines,</p>

	<p>minimum standards, and procedures for use by AHCT personnel in the procurement of all goods and services needed in support of the strategic vision and daily operations of the organization. Vendor management includes all elements of the procurement process from assisting with the competitive proposal process for new vendors, to issuance of contracts and purchase orders, as well as contract administration of existing contracts.</p> <p>During two open procurements to acquire vendor partners for the Individual Marketplace Call Center and Small Business Health Options (SHOP) program, special attention was given to developing Service Level Agreement (SLA) functional and technical metrics representing key performance indicators that AHCT will require. An agreed-upon set of detailed SLAs and associated performance guarantees have been included in the contracts. The metrics from these SLAs will be incorporated in an AHCT Performance Dashboard once the Exchange is fully operational.</p> <p>AHCT has been engaged with the four Advisory Committees established in support of marketplace development. The deep level to which committee members have been involved has given staff the opportunity to report about what is being done and why, which the Advisory Committees incorporate into their work efforts. This detailed engagement of the Advisory Committees has been instrumental in a better process to determine Essential Health Benefits, the solicitation of Qualified Health Plans, and the development of Standardized Plan Designs, all requirements completed during this reporting period.</p> <p>Significant AHCT milestones and accomplishments during this reporting period include:</p> <ul style="list-style-type: none"> <li>• Conducted a successful Final Detailed Design Review (FDDR) with the Centers for Medicare &amp; Medicaid Services (CMS) in Maryland. As part of the FDDR review, AHCT shared proposed metrics and measurements that will be used to track marketplace performance once operational.</li> <li>• Contracted with and on-boarded the individual Call Center vendor, MAXIMUS. The call center contract was signed in February, and MAXIMUS was formally on boarded in early March 2013. AHCT and MAXIMUS have agreed upon a set of Service Level Agreements (SLAs) that will be used to track vendor performance as it relates to Call Center operations serving not only AHCT's QHP, but also DSS's MAGI Medicaid and CHIP to assist in eligibility determinations.</li> <li>• Contracted with and on-boarded the selected SHOP vendor, HealthPass with its technology partner, bSwift. HealthPass has been on board as of mid-April, 2013. AHCT and HealthPass have agreed upon a set of SLAs that will be used to track vendor performance as it relates to the SHOP eligibility and enrollment operations inclusive of a Small Business Exchange Help Desk.</li> <li>• Updated the AHCT Accounting Policy and Procedure Manual, with detailed procedures for the following financial responsibilities: Administration and Financial Oversight; Budgeting; Reporting; Bank Reconciliations; Capital Assets; Cost Allocation; Procurement Processes; Accounts Payable; Payroll; Travel and Expense Reimbursement; and Journal Entries.</li> <li>• Continued working on CMS suggested metrics and outcomes for Exchanges to accommodate a need for periodic Federal reporting and identifying a means for automated or manual reporting of requested metrics.</li> </ul>
<p><b>What are some of the significant barriers your Program has encountered?</b></p>	<p>The intricacy and complexity of building a state based marketplace creates a need for staff to engage stakeholders continually and in depth. There are many stakeholders passionate about serving the under-insured and the uninsured, and the work we are doing with the Advisory Committees effectively serves as oversight. Engaging the Advisory Committees as we must do means many of our policy decisions take longer than if we had not engaged.</p> <p>Effective integration of new vendors, existing state organizations, and newly formed entities continues to be a management and oversight challenge.</p>
<p><b>What strategies has your Program employed to deal with these barriers?</b></p>	<p>Staff will continue to engage the Advisory Committees as the short-term challenges are more than superseded by the trust and collaboration that leads to better outcomes and decisions.</p> <p>AHCT and DSS formalized an integrated approach as outlined by the Integrated Eligibility Program Management Office (IEPMO), which was staffed and fully operational in the fall of 2012. Per IEPMO methodology, AHCT activities are tracked in an overarching Integrated Program Management Plan (PMP) with weekly meetings held to collect updates to tasks and milestones and evaluate any risk to the program with stakeholders. The progress of the AHCT program is continuously managed and monitored utilizing the best practices-based processes outlined in the Project Management Plan. From weekly meetings with each program work stream, a slide deck is produced which communicates the status of program schedule, risks, issues, action items, deliverables, and any requests to change the base-lined scope, schedule, and budget. The IEPMO uses this deck to facilitate a weekly conversation, to communicate progress as well as address risks, issues, or other concerns. Updates are closely maintained in the plan, allowing the IEPMO to ensure coordinated and effective planning, procurement, and execution. In addition, AHCT has complemented the IEPMO staffing by using skilled specialists from external vendors. This option provides AHCT with both the flexibility and scalability that will be needed to operate a functioning health insurance marketplace.</p> <p>AHCT continues to negotiate binding Service Level Agreements with each operational vendor to ensure compliance with the defined metrics and outcomes during marketplace operations.</p>

## B. Exchange Activity

	Exchange Activity	Target Completion	Status of Exchange Activity	Documentation
1	Routine oversight and monitoring of the Exchange's Activities	Q4 - CY2012	5. Complete	CTHIX Project Management Plan - doc7464 - Section - 6, Section 8, Section 9 MOU between HIX and OPM- doc10052
2	Track/report performance and outcomes metrics related to Exchange Activities	Q3 - CY2013	3. On Schedule	
3	Uphold financial integrity provisions including accounting, reporting, and auditing procedures	Q4 - CY2012	5. Complete	MOU between HIX and OPM- doc10052, doc10488: 11.3a Accounting Policy and Procedures, doc10489: 11.3b Audits Policy (00034824-4) , doc10490: 11.3c Policy re. Adoption of Budget and Plan of Operations (00035568-4) , doc10491: 11.3d Policy. Acquisition of Real-Personal Property (short form alternative) (00035486-5) , doc10492:

## A. Core Areas Contracting, Outsourcing, and Agreements

<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	<b>3a. DUNS</b> 078498962  <b>3b. EIN</b> 1454340164A1	<b>4. Reporting Period End Date</b> 06/30/2013
<b>A. Core Area with associated Milestones</b>			

### A. Core Areas

(1) Question	(2) Response
<b>Core Area and Business Function</b>	Contracting, Outsourcing, and Agreements
<b>What are the primary strategies your Program has used to approach this Core Area?</b>	<p>AHCT has utilized a number of different strategies to support its contracting and outsourcing efforts. Through its advisory committees and Board of Directors, AHCT has made decisions to outsource to a third party vendor major support functions including Individual Marketplace Call Center, the development and implementation of the Small Business Health Options Program, and the system solution development and integration. Other support services have been contracted and are managed within AHCT.</p> <p>Key strategies AHCT has used to reduce contract costs and the time required between starting the procurement process and contract execution include leveraging the State of Connecticut's prequalified vendor list and the State's existing contracts, where practicable to do so. For example, AHCT leveraged an existing state contract to secure Deloitte, Consulting LLP as its System Integrator. Specifically, AHCT first prequalified vendors, by requiring each vendor to have a current state of Connecticut contract for a substantially similar information technology service. In addition, each vendor was required to agree to accept all the Terms and Conditions of their current state contract, in order to be considered for system integrator contract with AHCT. By utilizing this strategy, AHCT substantially reduced the amount of time required to negotiate the contract which allowed the focus to shift to defining the very complex Statement of Work (SOW). Based on qualifications, Deloitte was selected as the vendor of choice. AHCT was then able to contract with Deloitte through an AHCT purchase order referencing the state Department of Administrative Services contract.</p> <p>AHCT also routinely seeks price quotes from prequalified vendors from a vendor list maintained by the state Department of Administrative Services. AHCT may still require a separately executed contract with the selected vendor, but the state's preferred contract pricing may be leveraged by AHCT, thereby maximizing purchasing power. In addition, AHCT uses a contract template to facilitate the incorporation of both Federal and State contracting required terms and conditions.</p> <p>During this reporting period, AHCT developed and implemented a formal Vendor Management Program, with enhanced procurement guidelines and processes. Detailed contract and purchase order processes have been incorporated in the Accounting Policies and Procedures Manual with additional guidelines for requiring competitive quotes and/or conducting formal Requests for Proposals (RFPs).</p> <p>In addition to Vendor contracts, AHCT has partnered with several state agencies through the execution of Memorandums of Understanding and/or Memorandums of Agreement which detail the relationships with AHCT state partners such as the Connecticut Insurance Department (CID), the Department of Social Service (DSS), and the Office of the Healthcare Advocate (OHA).</p>
<b>What are some of your Program's significant accomplishments or strengths in this Core Area?</b>	<p>AHCT has several agreements and contracts currently, and plans to partner with firms in the future to address key requirements during continued Marketplace development. Below is a brief summary of major partner agreements and vendor contracts that are currently active or in process of being executed in support of this grant:</p> <p>State Partner Agreements Executed:</p> <ul style="list-style-type: none"> <li>• AHCT negotiated and executed Memoranda of Understanding (MOUs) with CID and with DSS. These agreements document the specific roles and responsibilities each agency will undertake to support the successful implementation of AHCT</li> <li>• In 2012, AHCT collaborated closely with the Office of Health Reform and Innovation (OHRI) on the development of an all payer claims database (APCD), to support a number of AHCT activities. As a result of changes to OHRI at the beginning of 2013, AHCT became more involved in the administration of the APCD. An MOU was executed by AHCT and the Office of the Lt. Governor for the temporary administration of the APCD from March through June of 2013. OHRI was officially dissolved by the Connecticut General Assembly (CGA) in June of 2013, and the CGA transferred responsibility for the operation of the APCD directly to AHCT.</li> <li>• AHCT has executed an MOU with the Office of the Healthcare Advocate (OHA) for the management and administrative support of the Navigator and Assister programs.</li> <li>• AHCT is in the process of finalizing an MOU with the Connecticut Department of Administrative Services' (DAS) Bureau of Enterprise Systems &amp; Technology (BEST) to document the technology hosting and operational support roles that BEST will serve for AHCT.</li> <li>• AHCT executed an MOU with the Department of Corrections (DOC) for data sharing to allow AHCT to perform electronic verifications for eligibility.</li> </ul> <p>Major Vendor Contracts Executed:</p> <ul style="list-style-type: none"> <li>• Connecticut's technical assistance contractor, KPMG LLP (KPMG), began work under the Level I establishment grant in February 2012 and continues to support Marketplace development today. KPMG has conducted assessments of business and technical requirements, assisted in defining a strategy for an integrated eligibility solution for Connecticut, making recommendations for a procurement strategy, estimating costs, and providing procurement support. KPMG has conducted an assessment of existing consumer assistance capabilities as well as developed the business and technical requirements for the customer service center. In addition, KPMG is supporting the IEPMO and management of AHCT's work plan consisting of thousands of individual tasks.</li> <li>• Deloitte Consulting LLP was contracted in October 2012 to develop and implement AHCT's extensive operating technology and Internet website. This system will be used to determine eligibility and to enroll individuals, families, and small businesses in health care coverage through the AHCT's online marketplace.</li> <li>• The marketing and communications firm, Pappas MacDonnell (Pappas) was selected to develop and implement a comprehensive consumer outreach and engagement plan to successfully reach and engage Connecticut consumers. Specifically, Pappas has supported the development and implementation of AHCT's marketing plan, including the majority of consumer outreach efforts, brand development and launch, advertising purchasing, and the overall execution of AHCT's Go-To-Market Plan.</li> <li>• Wakely Consulting was contracted in October 2012 to assist AHCT with analysis and technical assistance with respect to the Qualified Health Plan Solicitation and standard benefit design for the four metal tiers. AHCT later expanded the scope of work to include an analysis of the carrier's rate filings with CID for products to be offered through the marketplace.</li> <li>• In October 2012, Connecticut issued a Request for Proposal (RFP) to qualified Call Center Vendors to support AHCT. This RFP sought proposals from Call Center Vendors with business process outsourcing (BPO) solutions to provide customer support for the Marketplace and Integrated Eligibility (IE) solutions to establish the Call Center, to include a supporting Interactive Voice Response</li> </ul>

	<p>(IVR) system. Seven Proposals were received in November, and after an extensive proposal evaluation which included oral presentations and site visits with the two vendor finalists, a successful vendor was identified in December, 2012. A contract was signed with Maximus Health Services in February 2013, and work began immediately for the establishment of an AHCT Call Center. Maximus will be providing customer support for both AHCT consumers as well as Medicaid and CHIP clients in support of the dual eligibility system. Maximus will be taking telephonic applications for enrollment in QHPs, as well as Medicaid and CHIP programs.</p> <ul style="list-style-type: none"> <li>• KardasLarson was contracted in November 2012 to review employee benefits and recommend a program competitive with that of other quasi-public agencies in the state of Connecticut and the private market, so that AHCT would be able to offer a competitive benefits package for the recruitment and retention of staff.</li> <li>• In December 2012 AHCT issued a Request for Proposal (RFP) to qualified SHOP Exchange vendors. This RFP sought proposals from qualified Business Process Outsourcing (BPO) Vendors to assist with the design, development, and implementation of a Small Business Health Options Program (SHOP) Exchange solution. AHCT received three proposals in response to its RFP, and after an extensive proposal evaluation which included oral presentations and site visits with the three vendor finalists, a contract was executed with HealthPass NewYork in April 2013. The progress with SHOP is further detailed in the SHOP section of this progress report.</li> <li>• AHCT finalized its lease agreement for permanent office space on the 15th floor of 280 Trumbull Street, in downtown Hartford, CT. A project management firm was contracted to oversee logistics, office build-out, and the move. As a result, AHCT vacated its space within the state's OPM building in mid-January 2013. AHCT partnered with the BEST network and telephony teams in support of the technical infrastructure in the new office space, and leveraged the state-approved furniture vendor and state government pricing for all office space furnishings.</li> <li>• In April 2013, AHCT contracted with Freedman HealthCare LLC to aid in the development and implementation of the All Payer Claims Database (APCD).</li> <li>• As detailed in the Reinsurance Section of this progress report, AHCT is currently in the process of finalizing a contract with HRA and Pool Administrators for administration of AHCT's Transitional Reinsurance Program.</li> <li>• AHCT executed a limited contract with KBM for the creation of a CRM database, use of KBM's proprietary database of Connecticut consumers and a limited amount of analytic work to support its marketing and outreach efforts. AHCT is currently exploring privacy issues related to the integration of consumer lead data from AHCT.</li> <li>• State Contracts have been leveraged in support to the operations of AHCT specific to notice and forms issuance (Sir Speedy) and the scanning of paper applications and other documents (Scan Optics). In addition, AHCT will be leveraging an existing DSS Contract with Xerox for other operational support services. This will not require a contract directly with Xerox, however, AHCT will be cost sharing these services with DSS based on volume of use applicable to AHCT.</li> </ul> <p>In addition to vendor contracts executed or in the process of being executed and noted above, AHCT will be contracting with approximately 6 Navigator Organizations and a total of approximately 200 additional organizations supporting the Assister Programs. Navigators and Assisters will be working directly with individuals and families to help them enroll in health care coverage, and will have access to their clients' personally identifiable information (PII) through their work. AHCT is performing criminal background checks on all assisters and navigators, and will be providing them with secure computer devices to use for their work, in addition to a rigorous training program addressing privacy, security, confidentiality and conflict of interest issues.</p>
<p><b>What are some of the significant barriers your Program has encountered?</b></p>	<p>No significant barriers have been encountered to date in this area.</p>
<p><b>What strategies has your Program employed to deal with these barriers?</b></p>	<p>Not Applicable</p>

## B. Exchange Activity

	Exchange Activity	Target Completion	Status of Exchange Activity	Documentation
1	Contracting and outsourcing agreements	Q4 - CY2012	5. Complete	This activity approved as Complete by CMS 9/27/2012 Contract Listing updated as of 06/30/2013 doc-100050 Contracts are posted on the AHCT website once executed

## A. Core Areas State Partnership Exchange Activities

<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	<b>3a. DUNS</b> 078498962  <b>3b. EIN</b> 1454340164A1	<b>4. Reporting Period End Date</b> 06/30/2013
<b>A. Core Area with associated Milestones</b>			

### A. Core Areas

(1) Question	(2) Response
<b>Core Area and Business Function</b>	State Partnership Exchange Activities
<b>What are the primary strategies your Program has used to approach this Core Area?</b>	<p>At this time, AHCT is on track to implement a stand-alone state wide marketplace, including administering local plan management and consumer assistance activities. As such, no formal agreements or arrangements have been made with other States to partner on any specific aspect of marketplace functionality. However different states have been consulted when developing AHCT specific internal processes in order to effectively administer and operate core functions of the marketplace.</p> <p>The system solution is being developed and implemented by Deloitte utilizing a transferrable solution from the State of Washington. Washington has actively shared design, development, and implementation artifacts with AHCT, as well as the cross sharing of lessons learned throughout the process.</p> <p>While no formal agreements are planned related to the design and build of AHCT's state based marketplace, the AHCT staff and other stakeholders do actively engage with representatives from other state based marketplaces to share ideas and best practices, while helping to establish relationships which aid in building a national community of marketplace focused individuals. As an example, and guided by the principles of state collaboration and knowledge sharing, AHCT has researched consumer support models that other states have chosen to develop and facilitate their outreach efforts. Connecticut has finalized its In-Person Assister program, which was enhanced by review of the consumer assistance models selected by Arkansas, Nevada, and New York.</p> <p>AHCT is committed to leveraging the excellent work being done by other marketplace teams across the country, as well as actively sharing any findings and experiences personally derived with other states in an effort to promote the success of all marketplace operations at the national level.</p>
<b>What are some of your Program's significant accomplishments or strengths in this Core Area?</b>	<p>Efforts in this area include broad participation in national events such as CCIIO's system wide meetings, as well as participation in regional events such as those coordinated by The New England States Consortium Systems Organization (NESCSO).</p> <p>To align its business processes with the developments around Federally Facilitated Exchanges (FFE), AHCT has been following the FFE's progress intently, including but not limited to, reviewing published draft FFE interface specifications, incorporating SERFF plan management templates and standards into plan management design, and reviewing FFE communication with the issuers to identify processes that can be streamlined.</p> <p>CT remains committed to fostering and promoting engagement and reuse of all strategies and tactics related to our marketing and outreach plans. Some of the elements planned are directly accessible and usable in the current period, with the goal of impacting the upcoming open enrollment period, while others will be designed and developed this year, and will likely become more useful and transferable in future periods.</p> <p>In the area of immediate reuse, there are several examples which offer strong illustration of CT's focus on reuse. With CT residing in one of the only blocks of contiguous SBE states (including RI, MA, and VT), we have had both formal and informal collaboration on sharing ideas and program elements. This includes both broader sharing opportunities such as the SBE marketing event in Denver in May 2012, as well as a New England states marketing gathering coordinated by the RI Exchange team and regional CMS office in Providence. Coming out of these meetings, the New England states have shared and utilized items such as training curriculum for Navigator and In Person Assister programs, as well as media planning concepts and creative approaches. Additionally, CT recently shared its code for its online savings calculator with the RI Exchange as well. As a last example, our marketing plan (which includes both broad based media approaches as well as deep community level outreach such as retail stores and a heavy community event focus) has been shared with states as far away as Hawaii.</p> <p>In the category of future enhancements which may benefit states in subsequent years, the work we are currently doing on building a CRM database with KBM to track our marketing effectiveness is a solid example. While the data asset itself will not be fully operational until close to October 1<sup>st</sup>, the work done could be directly transferred and reused by other states in future periods who wish to have a full, 360 degree system to track marketing promotion, response, and enrollment. CT fully intends to document our progress on the building of this system, with the goal of providing a blue print, and potentially a scalable technical platform, for use by other states in years ahead.</p>
<b>What are some of the significant barriers your Program has encountered?</b>	<p>No significant barriers have been encountered to date in this area.</p> <p>It is interesting to note that sharing, or "reuse," is a challenge when all other state based marketplaces are striving to meet the October 1, 2013 deadline, with solutions which are tailored to their individual states.</p>
<b>What strategies has your Program employed to deal with these barriers?</b>	AHCT will continue to work with CCIIO and other states to ensure best practices are shared.

### B. Exchange Activity

	Exchange Activity	Target Completion	Status of Exchange Activity	Documentation
1	Plan Management Agreements		1. No Activity Planned	
2	Capacity to interface with the Federally-facilitated Exchange		1. No Activity Planned	
3	Consumer assistance Agreements		1. No Activity Planned	



### C. Overall Project

<b>1. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> HBEIE130139	<b>3a. DUNS</b> 078498962  <b>3b. EIN</b> 1454340164A1	<b>4. Reporting Period End Date</b> 06/30/2013
<b>A. Milestones (continued) Complete questions for each Milestone.</b>			

### C. Overall Project

(1) Question	(2) Response
<b>Status of Project</b>	4. On Schedule
<b>Percentage Completed</b>	4. 50-74%
<b>Overall Progress Narrative</b>	<p>AHCT has made significant progress in the planning and establishment of the Connecticut Health Insurance Marketplace.</p> <p>The Establishment Planning Grant awarded to the state of Connecticut in September 2010 provided funds necessary to begin researching the variables and complexities involved in organizing a new health insurance marketplace, as well as exploring the dynamics of improving system affordability, quality and delivery for the state's residents and businesses.</p> <p>To build on the work conducted under the Planning Grant, Connecticut applied for a Level One Establishment Grant and was awarded \$6.7M in August 2011, and an administrative supplement in June 2012 in the amount of \$1.5M for a total Level One Establishment Grant of \$8.2M. These funds allowed Connecticut to shape strategy successfully and meet necessary development milestones and benchmarks. The funds were primarily allocated to the following areas:</p> <ul style="list-style-type: none"> <li>• Establishment of organizational structure and leadership staffing</li> <li>• Assessment and analysis of business operations and IT systems</li> <li>• Assessment of consumer support capabilities and requirements</li> <li>• Market research and strategy development</li> </ul> <p>The Exchange has made significant progress since the submission of the Level One Establishment application in planning for future business operations and developing an implementation plan that describes specific goals, milestones, and timeframes. Specifically, AHCT leveraged the Level One grant to fund core staff positions required to set up and establish the Exchange Marketplace. AHCT created a dynamic approach to staffing the organization, utilizing both consultants and AHCT staff, to ensure coverage and resources for successful ongoing operations while simultaneously managing the design, development, and implementation of the AHCT solution. Early on, AHCT utilized existing state contracts to facilitate temporary-to-permanent hiring to obtain staff.</p> <p>In February 2012, the Exchange was established as a freestanding entity. This milestone allowed AHCT to transition from under OPM's "umbrella" to an AHCT "owned and operated" administration, completing an extensive start-up effort that was executed in accordance with federal and state guidelines.</p> <p>As a result of that progress, the State of Connecticut applied for a Level Two Establishment Grant and was awarded \$107.3M in August of 2012, this current grant. These funds have allowed AHCT to further its development, design, and build of a Health Insurance Marketplace through the hiring of additional staff and consultants to manage the activities related to the development and on-going operations of the Marketplace through calendar year 2014. A substantial portion of these funds continues to be used to develop an IT system that facilitates critical functionality including eligibility, enrollment, and information exchange among individual consumers, employers, insurance carriers, and state and Federal government agencies.</p> <p>AHCT has worked diligently to ensure the necessary financial processes and procedures were developed and implemented in order for AHCT to assume management responsibility for all grant funds. In October, 2012, AHCT filed a Grantee change application to change the grantee on the Level One and Level Two grants from the State of Connecticut's OPM directly to AHCT. AHCT received approval through issuance of new establishment grants (both Level One and Level Two) in December, 2012. In addition, AHCT has recently submitted a Level 2 administrative supplement request which is currently under review.</p> <p>During the reporting period of June 30 to December 31, 2012, AHCT:</p> <ul style="list-style-type: none"> <li>• Engaged and on-boarded a system integrator (Deloitte)</li> <li>• Completed the Requirements Confirmation project phase.</li> <li>• Completed 21 joint design sessions.</li> <li>• Validated all core functionality required for 10/1/13, based on</li> </ul>

- initial confirmed business requirements.
- Procured all critical path hardware and third-party software.
- Released a Call Center RFP and evaluated potential third party vendors.
- Released a SHOP RFP and reviewed vendor proposals.

During this reporting period of January 1 to June 30, 2013, AHCT:

- Contracted with and on-boarded the individual Call Center vendor, MAXIMUS, in February 2013. MAXIMUS will provide call center services that will serve QHP, MAGI Medicaid and CHIP by assisting consumers in their eligibility determination.
- Participated in a Final Detailed Design Review (FDDR) with the Centers for Medicare & Medicaid Services (CMS) March 27<sup>th</sup> and 28, 2013.
- Launched an extensive marketing and branding campaign to promote consumer awareness regarding the Affordable Care Act (ACA) and the mission of AHCT to serve the people of Connecticut.
- Contracted with and on-boarded the selected SHOP vendor, HealthPass with its technology partner, bswift, in April 2013.
- Deployed System Release 1.0 Plan Management functionality in June 2013. This release includes plan management functionality including related screens, notifications, and other related functionalities.
- Contracted and on-boarded the SHOP Vendor, Health Pass New York. Healthpass will provide the Small Business Health Options Program solution with its technology solution being provided by bSwift.
- Contracted and on-boarded the printing vendor, Scan Optics, in May and the scanning vendor, Sir Speedy, in June. These two vendors will support the AHCT paper channel for eligibility determination and verifications.
- Developed an Accounting Policy and Procedure Manual, which details procedures for the following AHCT cost categories: Administration and Financial Oversight; Budgeting; Reporting; Bank Reconciliations; Capital Assets; Procurement; Accounts Payable; Payroll; Travel and Expense Reimbursement; and Journal Entries.
- Continued working on CMS suggested metrics and outcomes for Marketplaces to accommodate the need for periodic Federal reporting and identifying a means for automated or manual reporting of required metrics.

Please see the Core Area summaries for a more detailed review of Exchange progress and activities during the grant periods of performance.

**Document approved changes to your Program's work plan**

**Comments:**

After a successful Design Review with CMS in September 2012, AHCT submitted its Blue Print Application Package with all applicable attestations and overall work plan in October 2012. Based on this submission, AHCT received conditional approval from CMS on December 7, 2012, as a state-based Exchange for the plan year 2014.

In March of 2013 the System Integrator and AHCT submitted a detailed technical design deliverable for the AHCT system. This deliverable which included details on the system architecture components, the data base components, middleware components, security architecture, and the integration architecture components, was submitted to the Centers for Medicare & Medicaid Services (CMS) in support of the Final Detailed Design Review (FDDR) on March 27, 2013. AHCT shared proposed metrics and measurements to be used to track Marketplace performance once operational. Based on this FDDR, CMS recognized Connecticut for its strong operational progress to date, including the following key achievements: securing a call center vendor, finalizing the Qualified Health Plan (QHP) contract and solicitation, issuing a Request for Proposal (RFP) for Navigator and In Person Assistors, participating in a CMS Security Review, and completing Wave 1 of the federal Hub testing.

Since March, AHCT successfully completed testing of five services that are planned to be used for the targeted system and demonstrated AHCT's ability to interact with the Federal Hub. AHCT is currently preparing for the final CMS design review, the Operational Readiness Review (ORR), which will take place in August of 2013. This review will be the summation of all of the planning, design, documentation, and effort that has gone into the development of the AHCT Marketplace system.

For the purposes of the January to June 2013 report, the overall Work Plan is displayed in a summary work plan for Level Two grant specific activities. The Level Two Grant Work Plan is entitled "Level 2 Tasks from Work Plan 063013" with progress updated as of June 30, 2013. Overall Program Progress, based on the entire work plan, was 54% complete at the end of June 2013. It is important to note that the AHCT program methodology does not strictly adhere to the waterfall model of sequential design, but instead utilizes an iterative rolling wave planning methodology, where phases overlap. Adjustments are made each week to

	<p>accurately articulate program progress across the various System Delivery Life Cycle (SDLC) Phases. The overall progress percentage is a variable figure that evolves with the progressive elaboration of program activities and the addition of resources.</p>
<p><b>Please describe any changes to key personnel assigned to this project, including contractual staff</b></p>	<p><b>Comments:</b></p> <p>The Exchange has developed a dynamic approach to staffing the organization, utilizing both consultant support and AHCT staff to ensure successful ongoing operations while simultaneously managing the design, development, and implementation of the evolving AHCT solution.</p> <p>The recruitment of skilled and experienced staff to lead AHCT has been fundamental to the success and progress of the AHCT to date. All executive leadership positions were filled in 2012, including CEO, COO, CFO, CIO, Chief Marketing Officer, and a Director of Plan Management. In 2013, AHCT added an Operations Manager, Security Manager, Testing Manager and an extended Legal and Policy team.</p> <p>In addition, key contractual partners have been on-boarded since the last reporting period including:</p> <ul style="list-style-type: none"> <li>• Pappas MacDonnell</li> <li>• MAXIMUS</li> <li>• Healthpass New York</li> <li>• Sir Speedy</li> <li>• ScanOptics</li> </ul>
<p><b>Request CCHIO consultation</b></p>	<p>Yes <input checked="" type="checkbox"/> No</p> <p><b>Comments:</b></p>