G. BUDGET NARRATIVE

G-1. Budget Overview

This section describes our Level Two Establishment Grant budget request and the assumptions and key variables underlying the development of this budget.

Our Level Two Establishment Grant request for the 2012-2014 establishment grant period, net of Medicaid allocable cost and the applicable Level One Establishment Grant Supplement offset, is **$107,358,676**.

A summary-level breakdown of this request follows in Tables 1 and 2.

The Level Two Establishment Grant budget reflected in Tables 1 and 2 includes certain salaries and fringe costs that were requested in the recently submitted Level One Establishment Grant Supplement, which is pending approval from CCIIO. As a result, we are reducing the total Level Two Establishment Grant budget request for the amount of this overlap. The summary level adjustment is reflected in Tables 1 and 2, and the exact amount of the salary and fringe overlap is noted below in the narrative in *Section G-2 Budget Line Item Detail*.

As the tables below reflect, the majority of the budget will be allocated to information technology systems and related support. These costs are highly dependent upon future activities, such as the structure of procurements, vendor proposals, and the actual reusability of technology components. Connecticut anticipates an iterative process of vendor assessment and negotiation where a maximum technical budget is established and fine-tuned, with functional and operational requirements scaled to converge. We intend to maximize every opportunity to leverage outputs from within state government as well as from other states throughout this integrated process allowing Connecticut to be dynamic in its response to changes in the marketplace, as well as be responsive to unexpected changes in funding/revenue streams.

Table 1. Connecticut Level Two Establishment Grant – Summary

Non-IT Related Expenses	Amount	% of Net Grant Request
Salaries & Fringe	$ 14,075,650	13%
Consulting & Professional	$ 10,029,667	9%
Marketing & Advertising	$ 8,000,000	7%
Project Management – Non IT	$ 2,850,000	3%
Other	$ 3,129,877	3%
Total Non-IT Related Expenses	$ 38,085,194	35%

IT Related Expenses	Amount	% of Net Grant Request
Salaries and Fringe	$ 3,536,503	3%
Consultants	$ 15,799,200	15%
Hardware and Software	$ 11,937,979	11%
Design, Development, and Implementation	$ 44,326,677	41%
Other	$ 494,300	0%
Grant Period Operating Cost	$ 17,258,669	16%
Total IT	$ 93,353,328	87%

Adjustments	Amount	% of Net Grant Request
Total Expenses	$ 131,438,522	122%
Less: Level One Supplement	$ (1,461,500)	-1%
Less: Medicaid Allocable	$ (22,618,346)	-21%
Net Grant Request	$ 107,358,676	100%

Table 2. Connecticut Level Two Establishment Grant - Line Item Detail

Index	Category	2012	2013	2014	Total
A	Salaries	$ 1,448,333	$ 4,542,116	$ 4,836,974	$ 10,827,423
B	Fringe	$ 434,500	$ 1,362,635	$ 1,451,092	$ 3,248,227
C	Consultants	$ 4,790,310	$ 9,745,850	$ 6,343,507	$ 20,879,667
D	Equipment	$ 475,925	$ 146,355	$ 29,277	$ 651,557
E	Supplies	$ 2,370	$ 8,100	$ 8,460	$ 18,930
F	Travel	$ 40,275	$ 54,854	$ 37,808	$ 132,937
G	Other	$ 346,496	$ 848,145	$ 1,131,812	$ 2,326,453
H	Contractual Costs (IT Budget)	$ 13,573,286	$ 38,945,618	$ 40,834,424	$ 93,353,328
I	Total Direct Costs	$ 21,111,495	$ 55,653,673	$ 54,673,354	$ 131,438,522
J	Indirect Costs	$ -	$ -	$ -	$ -
K	Total Direct and Indirect Cost	$ 21,111,495	$ 55,653,673	$ 54,673,354	$ 131,438,522
	Less: Level One Supplement	$ (730,750)	$ (730,750)	$ -	$ (1,461,500)
	Less: Medicaid Allocable	$ (4,034,518)	$ (10,550,188)	$ (8,033,640)	$ (22,618,346)
	Total Costs	$ 16,346,227	$ 44,372,735	$ 46,639,714	$ 107,358,676

G-2. Budget Line Item Detail

A. Salaries

Total non-IT salary cost for the grant period is estimated to be $10,827,423. The amount funded through the Level Two Exchange Establishment Grant is $9,607,423, as $1,220,000 of the total will be funded through the Level One Establishment Grant Supplement.

The Exchange has included permanent IT staff positions in the Salaries line item. We have not included these permanent IT staff positions in the Contractual Costs line item so as not to confuse these roles with the larger, but temporary, IT design-and-build staffing needs expected when the Exchange procures its system integrator and other temporary IT consultants. The expected costs for temporary IT personnel are included under *Section H. Contractual*.

The Exchange will ramp-up staff quickly during the last quarter of 2012, with 30 FTEs expected by year end. During calendar year 2013, we anticipate hiring an additional 13 staff completing the hiring process in 2014 with a total count of 47 permanent employees. The Table 3 below illustrates personnel levels and salaries by program area. Salary costs are assumed to be subject to inflation at a rate of 3% annually in 2013 and 2014.

Table 3. Internal Year-End FTEs and Salaries by Program Area and Year

Program Area	2012 FTEs	2012 FTEs	2012 FTEs	2012	2013	2014	Total
Accounting	3	3	3	$ 105,832	$ 278,813	$ 287,294	$ 671,939
Administration	3	3	3	$ 119,167	$ 248,397	$ 255,952	$ 623,516
Budget	1	1	1	$ 33,333	$ 101,387	$ 104,470	$ 239,190
Finance	1	1	1	$ 102,500	$ 207,842	$ 214,164	$ 524,506
Grievances & Appeals	0	2	2	$ -	$ 197,704	$ 203,717	$ 401,421
IT	3	8	8	$ 101,667	$ 638,735	$ 658,163	$ 1,398,565
Legal	3	4	4	$ 150,833	$ 420,754	$ 433,552	$ 1,005,139
Marketing	2	2	2	$ 55,000	$ 167,288	$ 172,376	$ 394,664
Operations	8	8	8	$ 462,917	$ 1,059,489	$ 1,091,715	$ 2,614,121
Outreach	1	6	6	$ 46,667	$ 471,447	$ 485,787	$ 1,003,901
Plan Management	2	2	2	$ 69,583	$ 162,218	$ 167,152	$ 398,953
Policy	1	1	1	$ 56,667	$ 86,179	$ 88,800	$ 231,646
Reporting and Analysis	1	1	3	$ 31,667	$ 96,317	$ 255,952	$ 383,936
Senior Executives	1	1	1	$ 112,500	$ 228,120	$ 235,057	$ 575,677
SHOP	0	2	2	$ -	$ 177,426	$ 182,823	$ 360,249
Total	30	45	47	$ 1,448,333	$ 4,542,116	$ 4,836,974	$ 10,827,423

B. Fringe Benefits

Total Fringe Benefits cost for the grant period is estimated to be $3,248,227. The amount funded through the Level Two Exchange Establishment Grant is expected to be $3,006,727, as $241,500 will be funded through the Level One Establishment Grant Supplement. Fringe benefits are estimated using a factor of 30% of salaries.

C. Consultants (Non-IT)

Total consultant cost for the grant period is estimated to be $20,879,667. These projects costs are associated with advisory and professional services beyond those related specifically to IT. The amount funded through the Level Two Exchange Establishment Grant is expected to be $20,879,667. The most significant consulting costs include $8,000,000 or 38% for Marketing & Communications, including broad-based outreach and expected media buys; $6,554,667 or 31% for the design and development of an All-Payer Claims Database (APCD); $2,850,000 or 14% for Consulting Project management services to assist the Exchange staff in coordination, planning, and managing integration activities with other state agencies; $700,000 or 3% for general consultant reports and briefings such as essential health benefits and qualified health plan solicitation; $550,000 or 3% for temporary staff and recruitment services; $500,000 or 2% for outreach and education training program; $350,000 or 2% for web design services; and the remaining $1,375,000 or 7% for legal, financial and operational audit services, and professional services to assist in the development of an evaluation plan and SHOP procurement. See Table 4 below for consulting details by project and year. A description of the consulting work to be performed and relevance to the project is included in Appendix I.

Table 4. Consulting Costs by Project and Year

Non-IT Consultants	2012	2013	2014	Total
Marketing & Advertising				
Advertising Campaign – Vendor	$ 1,200,000	$ 3,600,000	$ 3,200,000	$ 8,000,000
Web Design and Development	$ 87,500	$ 262,500	$ -	$ 350,000
Consulting & Professional				
Auditing Services	$ 60,000	$ 250,000	$ 190,000	$ 500,000
APCD	$ 786,560	$ 2,949,600	$ 2,818,507	$ 6,554,667
Reports / Briefings	$ 350,000	$ 350,000	$ -	$ 700,000
Legal Support	$ 82,500	$ 82,500	$ 85,000	$ 250,000
SHOP Procurement Strategy	$ 93,750	$ 281,250	$ -	$ 375,000
Temporary Help / Staff Recruiting	$ 400,000	$ 150,000		$ 550,000
Project Management	$ 1,425,000	$ 1,425,000		$ 2,850,000
Outreach and Education	$ 150,000	$ 300,000	$ 50,000	$ 500,000
Exchange Evaluation Plan	$ 155,000	$ 95,000		$ 250,000
Total Consultants	$ 4,790,310	$ 9,745,850	$ 6,343,507	$ 20,879,667

D. Equipment

Total equipment cost for the grant period is estimated to be $651,557. The amount funded through the Level Two Exchange Establishment Grant is expected to be $651,557. Estimated equipment and costs are described below:

Computers (Laptop or Desktop)	$2,200 per new FTE for desktop or laptop computer, monitor, keyboard, and mouse.
Software	$2,700 per new FTE, based on estimated retail price for Microsoft Office Professional 2010 and Windows 7.
Infrastructure Cables, Switches, etc.	May need to retrofit Exchange office space with infrastructure cables, switches, electrical work, and other communications and information technology needs. The total estimated cost of this activity is $212,000.
Telephone Equipment	One time cost of $340 per new FTE.

Mobile Devices Purchase of mobile devices estimated at $43 per month per FTE.

Voice/Data Wiring Voice and data wiring are estimated at $750/FTE.

Copier/Fax Annual lease of a copier and fax. Based on number staff assumed 2 units at an estimated cost of $450 per month per unit.

Printers Estimate the need for 1 Color Printer at an annual cost of $205, as well as 2 Black & White printers at an annual cost of $130. Assume annual renewal due to high usage.

Workstations Assumes an annual hardware lease of $2,500 per FTE.

Table 5. Equipment Costs by Year

D. Equipment	2012	2013	2014	Total
Voice/Data Wiring	$ 22,500	$ 11,250	$ 1,500	$ 35,250
Computers / Laptops	$ 66,000	$ 33,000	$ 4,400	$ 103,400
Mobile Devices	$ 5,160	$ 7,740	$ 1,032	$ 13,932
Telephone - Equipment	$ 10,200	$ 5,100	$ 680	$ 15,980
Copier / Fax	$ 3,600	$ 10,800	$ 10,800	$ 25,200
Infrstructure Cables/Wiring/Switches	$ 212,000	$ -	$ -	$ 212,000
Printers	$ 465	$ 465	$ 465	$ 1,395
Workstation Hardware (Lease)	$ 75,000	$ 37,500	$ 5,000	$ 117,500
Software	$ 81,000	$ 40,500	$ 5,400	$ 126,900
Total Equipment	$ 475,925	$ 146,355	$ 29,277	$ 651,557

E. Supplies

Total supply cost for the grant period is estimated to be $18,930. The amount funded through the Level Two Exchange Establishment Grant is expected to be $18,930. General office supplies are estimated at $180/FTE/Year, or $15/FTE/Month.

Table 6. Supplies Cost by Year

E. Supplies	2012	2013	2014	Total
General Office Supplies	$ 2,370	$ 8,100	$ 8,460	$ 18,930
Total Supplies	$ 2,370	$ 8,100	$ 8,460	$ 18,930

F. Travel

Total travel cost for the grant period is estimated to be $132,937. The amount funded through the Level Two Exchange Establishment Grant is expected to be $132,937.

This amount is inclusive of estimated out of state trips taken by Exchange personnel for conferences hosted by CCIIO or other federal agencies, professional development, and consultation with other states and the federal government as appropriate. It also includes in-state travel for Board meetings, stakeholder meetings and conferences. The travel budget assumes 12 board of directors meetings per year, four out of state trips per year for four staff members, and four in state trips per year for four staff members.

Table 7. Travel Reimbursement Assumptions

Travel Type	Drivers	Flyers	Days	Mileage	Cost per Mile	Round Trip Airfare	Ground Transport	Hotel	Per Diem	Total Cost per Event
BOD Meetings	12	0	1	10	$ 0.52	$ -	$ -	$ -	$ -	$ 62
Out of State Travel	0	5	4	0	$ 0.52	$ 400	$ 75	$ 211	$ 75	$ 7,040
In State Travel	4	0	2	40	$ 0.52	$ -	$ -	$ 200	$ 75	$ 1,483

Table 8. Travel Costs by Year

F. Travel	2012	2013	2014	Total
In-State	$ 11,866	$ 11,866	$ 8,899	$ 32,631
Out-of-State	$ 28,160	$ 42,240	$ 28,160	$ 98,560
BOD Meetings - Travel	$ 249	$ 749	$ 749	$ 1,747
Total Travel	$ 40,275	$ 54,854	$ 37,808	$ 132,937

G. Other

Total other cost for the grant period is estimated to be $2,326,453. The amount funded through the Level Two Exchange Establishment Grant is expected to be $2,326,453.

The amount estimated for other expenses is inclusive of facilities costs and other ancillary business and staff expenses required for the Exchange.

Detailed assumptions for other administrative expenses are itemized below:

Rent and Utilities — Assumed $20/ sq. ft. for 90 FTEs (includes internal and external staff) @ $200/ sq. ft per FTE. Two year lease beginning 10-1-12 and ending 6-30-14. Space includes conference rooms, kitchen areas, restrooms, file areas, copier and other equipment and a public area.

Moving Expenses — $50,000 to relocate to new office space on 10/1/2012. Expense assumes the cost of moving, infrastructure modifications, furniture & fixtures for public space and signage.

Project Manager – Relocation — Cost of a resource to coordinate and assist in relocation of office space. Assumed two months of activity at $5,000 per month.

Printing & Reproduction — $40 per month per FTE.

Postage and Delivery — $96 per month per FTE.

Telephone Usage — $27 per month per FTE.

Dues & Subscriptions — Fees for professional associations and subscriptions estimated at $504 per year per FTE.

Professional Development	$83 per month per FTE.
Office Furniture and Fixtures	One-time cost for furniture and fixtures of $2,785 per FTE.
Data Processing	Miscellaneous data processing costs include email, internet access and other related costs. Estimated cost is $110 per year per FTE.
Board of Directors Meetings	Twelve BOD meetings per year at a cost of $3,500 each. This cost covers the rental of a meeting facility and ancillary printing, materials, and equipment costs. Travel for board meetings is included in the travel reimbursement line item.
Stakeholder Meetings	Three stakeholder meetings a year at a cost of $3,500 each. This cost covers the rental of a meeting facility and ancillary printing, materials, and equipment costs.
Property and Liability Insurance	Annual cost of $20,000 for property and professional liability insurance.
Appeals (Hearing Officers, Rooms, Interpreters)	Hearing rooms, hearing officers, interpreters, and other non-Exchange staff expenses to administer and adjudicate appeals. Estimated cost is benchmarked from Massachusetts and is assumed to be $340,000 annually.
Building Repairs and Maintenance	Total cost of this service is $3,000.
Payroll	Annual cost for this service is $6,000.
Bank Fees/Line of Credit	Annual cost of this service is $7,000.
Tech Service Support	Annual cost of this service is $4,000.
Printing and Collateral	Annual cost of this service is $100,000. We anticipate a staggered introduction of this expense based on the introduction of promotional materials regarding the Exchange.
Mailings and Promotional	Annual cost of this service is $120,000. We anticipate a staggered introduction of this expense based on the need for promotional material regarding the Exchange establishment.

Table 9. Other Administrative Costs by Year

G. Other Administrative	2012	2013	2014	Total
Lease of Office Space for Establishment Period	$ 90,000	$ 360,000	$ 180,000	$ 630,000
Long-Term Lease of Office Space	$ -	$ -	$ 50,000	$ 50,000
Employee parking	$ 21,330	$ 72,900	$ 76,140	$ 170,370
Moving Expenses	$ 50,000	$ -	$ -	$ 50,000
Office Move Project Manager	$ 10,000	$ -	$ -	$ 10,000
Printing & Reproduction	$ 2,107	$ 21,600	$ 22,560	$ 46,267
Postage & Delivery	$ 5,056	$ 51,840	$ 54,144	$ 111,040
Telephone Usage	$ 1,422	$ 14,580	$ 15,228	$ 31,230
Dues & Subscriptions	$ 2,212	$ 22,680	$ 23,688	$ 48,580
Professional Development	$ 4,371	$ 44,820	$ 46,812	$ 96,003
Office Furniture & Fixtures	$ 83,550	$ 41,775	$ 5,570	$ 130,895
Data Processing	$ 1,448	$ 4,950	$ 5,170	$ 11,568
BOD Meetings	$ 14,000	$ 42,000	$ 42,000	$ 98,000
Stakeholder Meetings	$ 21,000	$ 21,000	$ 10,500	$ 52,500
Property & Liability Insurance	$ 20,000	$ 20,000	$ 20,000	$ 60,000
Appeals (Hearing Officers, Rooms, Interpreters)	$ -	$ -	$ 340,000	$ 340,000
Building Repairs & Maintenance	$ 3,000	$ 3,000	$ 3,000	$ 9,000
Payroll	$ 6,000	$ 6,000	$ 6,000	$ 18,000
Bank Fees/Line of Credit	$ 7,000	$ 7,000	$ 7,000	$ 21,000
Tech Service Support	$ 4,000	$ 4,000	$ 4,000	$ 12,000
Printing and Collateral	$ -	$ 50,000	$ 100,000	$ 150,000
Mailings and Promotional	$ -	$ 60,000	$ 120,000	$ 180,000
Total Other Administrative	$ 346,496	$ 848,145	$ 1,131,812	$ 2,326,453

H. Contractual Costs

Total contractual costs are estimated to be $93,353,328. The total amount funded by the Exchange Level Two Establishment Grant will be $70,734,982. The total amount offset through a Medicaid cost allocation is $22,618,346. The amount reflects the projected expenses for IT system design, development and implementation (DDI) as well as establishment of an operations capability, stabilizing operational systems, customer service contractual expenses, and contracted staff compensation.

The approach to determining the contractual cost relies on reuse from the market, Connecticut agencies, and other states' IT solutions. Based on this reuse approach we were able to achieve a reduction in the request for contractual cost of approximately $15 million in DDI expenses as well as a $2 million reduction in grant period operational expenses.

Table 10. Overview of Contractual Costs by Category and Year

Contractual Category	2012	2013	2014	Total
Salaries and Fringe	$ 136,603	$ 1,699,950	$ 1,699,950	$ 3,536,503
Consultants	$ 1,983,600	$ 6,907,800	$ 6,907,800	$ 15,799,200
Hardware and Software	$ 9,557,642	$ 1,190,168	$ 1,190,168	$ 11,937,979
Design, Development, and Implementation	$ 1,817,394	$ 25,487,839	$ 17,021,444	$ 44,326,677
Other	$ 78,047	$ 208,126	$ 208,126	$ 494,300
Contractor Design and Build Subtotal	$ 13,573,286	$ 35,493,884	$ 27,027,489	$ 76,094,659
Grant Period Operating Cost	$ -	$ 3,451,734	$ 13,806,935	$ 17,258,669
Total Contractor Cost	$ 13,573,286	$ 38,945,617	$ 40,834,424	$ 93,353,328
Less: Medicaid Allocable *	$ (4,034,518)	$ (10,550,187)	$ (8,033,640)	$ (22,618,345)
Grans Request Contractor Costs	$ 9,538,768	$ 28,395,430	$ 32,800,784	$ 70,734,982

* Associated with Design and Build Subtotal

IT Salaries and Fringe

Total labor cost for resources committed to the IT Budget for the grant period is shown in the Table 11 below. Connecticut's current plan is to staff the majority of IT roles with external specialist contractors. The use of IT contractors is warranted due to the temporary nature of the engagement and the need to attract personnel with the required experience with new technologies -- skill sets that are not readily and sufficiently available in the state workforce and not able to be recruited under the state's existing salary structure. The estimated average annual salary is $80,950 and the fringe is estimated at 50%.[1]

Table 11. Internal IT FTEs, Salary, and Fringe by Year

IT Salary and Fringe	**2012**	**2013**	**2014**	**Total**
Average Internal FTE's	3	14	14	
Total IT Salary and Fringe	$ 136,100	$ 1,699,950	$ 1,699,950	$ 3,536,000

IT Consultants

Table 12 provides the total cost for IT Consultants for the grant period. These costs are separate from the business Consulting costs in the overall budget, and separate from the DDI costs (Table 14). The estimates assume 1,740 billable hours per resource per year. The fully burdened labor rate (inclusive of travel and expenses) for IT resources with PMO and quality assurance skills is estimated to be $190 per hour. The fully burdened labor rate for IT resources with testing skills is estimated to be $155 per hour.

[1] The 50% fringe factor is estimated for external resources associated with the IT DDI and is not the same resource pool as the Exchange, which is the reason for the higher fringe factor rate.

Table 12. IT Related Consulting Costs by Subproject and Year

IT Related Consulting Project	2012	2013	2014	Total
Mobilization Support	$ 773,604	$ 69,078	$ -	$ 842,682
Release 1 - Design Support	$ 1,209,996	$ 276,312	$ -	$ 1,486,308
Release 1 - Development Support	$ -	$ 4,075,602	$ -	$ 4,075,602
Release 1 - Implementation Support	$ -	$ 828,936	$ -	$ 828,936
Release 2 - Design Support	$ -	$ 621,702	$ -	$ 621,702
Release 2 - Development Support	$ -	$ 1,036,170	$ 6,217,020	$ 7,253,190
Release 2 - Implementation Support	$ -	$ -	$ 690,780	$ 690,780
Total IT Related Consulting Costs	$ 1,983,600	$ 6,907,800	$ 6,907,800	$ 15,799,200

Hardware and Software Costs

The total hardware and software costs for the grant period are estimated to be $11,937,979, including hardware, software licenses, and annual software maintenance. The majority of hardware and software required to support and configure the IT solutions required for the Exchange must be purchased in the fall of 2012 to meet required implementation dates. The foundational software includes workflow and rules engines, an integration broker, and unified communication packages. The Commercial off the Shelf (COTS) software includes content information, and customer resource management components.

Table 13. Hardware and Software Costs by Year

Hardware and Software Category	2012	2013	2014	Total
Hardware	$ 3,606,800	$ -	$ -	$ 3,606,800
Foundational Software	$ 4,025,526	$ 805,105	$ 805,105	$ 5,635,736
COTS Software	$ 1,925,316	$ 385,063	$ 385,063	$ 2,695,442
Total Hardware and Software Cost	$ 9,557,642	$ 1,190,168	$ 1,190,168	$ 11,937,979

Design, Development, and Implementation (DDI) Costs

The DDI costs include systems integration services needed to build the CTHIX IT solution. DDI costs will be relatively low in 2012, due to vendor selection and startup activities, but will escalate quickly in 2013 and 2014.

In estimating the IT Budget we assumed that the CTHIX would have two major releases of the solution. Two major releases would be supported by some number of minor releases to provide full functionality by the end of 2014. CTHIX is planning on an iterative process to development supported by robust regression testing, deployment planning, and documentation of the solution at each major release.

Table 14. DDI Costs by Subproject and Year

Subproject	2012	2013	2014	Total
DDI Mobilization	$ 1,418,454	$ 354,613	$ -	$ 1,773,067
Design - Release 1	$ 1,108,167	$ 1,108,167	$ -	$ 2,216,334
Development - Release 1	$ -	$ 15,071,070	$ -	$ 15,071,070
Implement - Release 1	$ -	$ 3,102,867	$ -	$ 3,102,867
Design - Release 2	$ -	$ 2,216,334	$ -	$ 2,216,334
Development - Release 2	$ -	$ 3,812,094	$ 15,248,377	$ 19,060,471
Implement - Release 2	$ -	$ -	$ 886,534	$ 886,534
Total	$ 2,528,633	$ 25,667,159	$ 16,136,924	$ 44,326,677

Medicaid Allocation Methodology

This grant budget will fund an integrated project that supports both Connecticut's Health Insurance Exchange and the State's Medicaid and related programs. The DDI costs must be allocated proportionately among these programs. Our allocation methodology is comprised of three steps.

Step 1 – Assess the User Population

Assess the number and characteristics of Connecticut residents that are currently uninsured, underinsured, and Medicaid eligible to develop estimates of potential enrollees in the Exchange and Medicaid.

Step 2 – Identify System Functions and Function Points

Identify the set of IT system functions needed to support the Exchange initiatives. For each functional area, we determined the number of function points involved.

Step 3 – Allocate Functions and Function Points to Programs

Analyze which programs were supported by the function and allocate function points accordingly. *Table 15 Exchange-Medicaid Program-Based Cost Allocation Methodology* illustrates the allocation approach.

Table 15. Exchange-Medicaid Program-Based Cost Allocation Methodology

	Allocation	
Programs Supported	**Exchange**	**Medicaid**
Exchange Only	100%	0%
Exchange and Medicaid	Shared Based on Estimated User Population	
Medicaid Only	0%	100%

To arrive at the overall program split, the number of function points for all components were totaled by program and a program split was calculated. *Table 16. Exchange-Medicaid Program Allocations by Functional Component* provides the result. The Medicaid Allocation for Connecticut is 29.72%.

Table 16. Exchange-Medicaid Program Allocations by Functional Component

Functional Component	Function Point Count	Exchange Allocation	Medicaid Allocation
Appeals Management	121	67	54
Comparison Shopping	97	97	0
Eligibility Assessment	638	357	281
Enrollment Processing	1044	585	459
Insurance Plan Management	105	105	0
Risk Management	129	129	0
Premium & Tax Credit Processing	565	565	0
Broker / Navigator Relationship Management	586	586	0
Business Process Management	188	188	0
Marketing and Outreach	140	140	0
Customer Service & Account Management	316	177	139
Financial Tax Processing	156	156	0
Financial Accounting & Reporting	160	160	0
Master Person Index	225	126	99
Knowledge Management	226	127	99
Information Management	1010	566	444
Integration Management	50	28	22
Integration Content Processing	678	380	298
Integration Adapters	123	69	54
Total	6557	4608	1949
Allocation Percentage		70.28%	29.72%

Other Expenses

Other expenses include travel, supplies and training facilities as outlined in Table 16. The travel expense is associated with IT resources traveling to locations other than the primary work location. This includes six gate reviews and three certification reviews for five staff over four days. Supplies include general office supplies and are estimated at $60 per resource per month. The balance of the expense is associated with training facilities for Exchange staff to learn how to use the system.

Table 17. Other Expenses by Year

Other Expenses	2012	2013	2014	Total
Travel	$ 10,004	$ 26,678	$ 26,678	$ 63,360
Supplies	$ 5,400	$ 22,320	$ 30,960	$ 58,680
Training Facilities	$ 62,643	$ 159,128	$ 150,488	$ 372,260
Total Other Expenses	$ 78,047	$ 208,126	$ 208,126	$ 494,300

G-3. Self-Sustainability Analysis

The Connecticut Health Insurance Exchange Board of Directors (BOD), working with the Governor, Legislature, and key stakeholders, is planning for the financial self-sustainability of Exchange operations by January 1, 2015. While the Exchange BOD has not yet determined a specific methodology for financing the ongoing operations of the Exchange, the Exchange enabling legislation (Public Act 11-53) requires the Exchange CEO to report to the Governor and Legislature with a plan to ensure the Exchange is financially self-sustaining by 2015. Methods to raise revenue include, but are not limited to, an assessment or user fee charged to carriers.

For the purposes of our ongoing planning and this Level Two Establishment Grant budget request, we have assessed self-sustainability in 2015, focusing our analysis on whether the overall cost of operating the organization is reasonable for the market. We have generally tested sustainability by comparing our overall cost of operating the Exchange entity as a percentage of two specific market-driven metrics: (1) the estimated Qualified Health Plan (QHP) premium levels for policies sold through the Exchange in 2015; and (2) the total value of small and non-group premium revenue in Connecticut in 2015. Given the significant level of uncertainty as to market conditions in 2015, our estimates are preliminary and rely on a series of assumptions that have been outlined below. The Exchange recognizes the importance of appropriate contingency planning and cost management strategies to ensure that the Exchange is viable in the event of unforeseen market developments.

A. Expense Estimates

The estimates for total Exchange expenses are based on a combination of methodologies. For certain expense items, such as staffing (number of staff and salary levels), operating an appeals function, Navigator grants, advisory and professional support, and general and administrative costs, our estimates are based on detailed, line item build-up. For other expense items, such as operation of the eligibility rules-engine, call center/enrollment system, website, and invoicing and collections processing (costs that are likely to be directly impacted by the scale of enrollment), our cost estimates are based on scalable, enrollment-based cost projections. This enrollment-based approach allows us to evaluate a range of potential costs based on low, moderate, and high enrollment scenarios. As these enrollment-based costs are assumed to be all-inclusive (hardware, software, and human capital such as call center representatives), and are not reflective of any shared services, we did not need to cost-allocate these expense items to Medicaid.

A description of expenses by detailed line item follows:

Salary (FOA Category A)

Total salary expense in 2015 is estimated to be $4,984,096, or between $3.03 and $3.87 per member per month (PMPM). The number of salaried FTEs represented in this expense line is 47.

Fringe (FOA Category B)

Fringe benefits for Exchange staff in 2015 are estimated to be $1,495,229, based on applying a 30% fringe factor[2] for Exchange salaries.

[2] The fringe factor for employees of the Connecticut Health Insurance Exchange is estimated to be 30%. This rate is different that the Connecticut state employee rate due to differences in the cost of benefits.

Consultants (FOA Category C)

Consulting costs for 2015 include $750,000 allocated to support Marketing and Outreach initiatives, and $675,000 to support a number of important services that are outlined in the table below. These projects are further described in *Appendix I – Consulting Project Descriptions and Relevance*.

Table 18. 2015 Consulting Costs

Consulting Cost Category	Amount	% of Total
Marketing & Communications	$ 750,000	53%
Policy Reports	$ 250,000	18%
APCD Services	$ 150,000	11%
Audit	$ 125,000	9%
Website enhancements	$ 100,000	7%
Legal support	$ 50,000	4%
Total estimated cost	$ 1,425,000	100%

Equipment, Supplies, Travel, & Other Administrative Expenses (FOA Categories D, E, F, G)

The total cost for Equipment, Supplies, Travel, and Other expenses in 2015 is estimated to be $2,385,915. Assumptions remain largely the same as those outlined above.

Table 19. 2015 General and Administrative Costs

General and Administrative Cost Category	Amount	% of Total
Supplies	$ 8,460.00	1%
Travel	$ 37,808.00	3%
Other Administrative	$ 919,932.00	70%
Appeals	$ 339,436.00	26%
Total	$ 1,305,636.00	100%

Contractual Expenses (FOA Category H.)

Total IT and Systems Operations Contractual Expenses in 2015 are estimated to be $15,911,262, $16,451,008, and $17,260,627 in the low, moderate, and high enrollment scenarios, respectively. This cost includes both fixed costs related to the maintenance and operations of core Exchange operating systems, including both the Exchange portion of the eligibility system as well as ongoing system maintenance costs related to enrollment, premium aggregation, SHOP, and other Exchange functionality. Ongoing contractual costs include the customer service and call center functions of the Exchange, as well as the variable operating costs (e.g., fulfillment, enrollment, and premium billing). In addition, the contractual cost estimate includes funds to support required updates, refinements, or remediation to the Exchange system. It is important to note that the contractual expenses itemized in the table below represent the Exchange-only costs for these items.

Table 20. 2015 Estimated Contractual Cost Detail – IT & Systems Operations, 2015 (Moderate Enrollment) – Category H

Contractor Cost Category	Amount	% of Total
Eligibility Determination rules-engine	$ 5,301,555	32%
Website maintenance & enhancements	$ 1,295,036	8%
Call Center & Enrollment	$ 6,879,880	42%
Invoicing & Collections (Premium Billing)	$ 2,974,537	18%
Total	$ 16,451,008	100%

Non-IT Contractual Expenses total $1,000,000 for the estimated costs of Navigator Grants in 2015. The Exchange has not yet finalized its policy and operating model relative to Navigators, and the budget for this line item will likely change based on the results of the work to be performed in this area.

B. Revenue Requirements

Estimated revenue requirements for Sustainability, expressed as a percentage of QHP premiums, are based on the level of enrollment expected in 2015 and the anticipated premiums. These variables inform our estimate of overall cost expressed as a percentage of premiums.

Enrollment Estimates

The Exchange modeled revenue and expense estimates under a range of enrollment scenarios to identify the upper and lower bounds of expenses, expressed in absolute terms, on PMPM basis, and as a percentage of the two relevant market metrics noted above.

The Exchange commissioned two separate, external studies that informed our estimates of Exchange enrollment. The first analysis was performed by Mercer Health and Benefits and finalized in January 2012; the second was performed by Thomson Reuters in May 2012. Building on these studies, Wakely Consulting Group incorporated an estimate for the potential range of Exchange enrollment in 2015 by anchoring the Thomson Reuters estimates[3] as the moderate pick, and developing both a low and high range for financial modeling purposes. The split of individual to small group enrollment was assumed to be 80% and 20%, respectively.

The total 2015 small and non-group enrollment for the low, moderate, and high scenarios are provided in Table 21 below. The majority of enrollees are estimated to come from the non-group market.

Table 21. 2015 Enrollment Range by Market Segment

Market Segment	Low	Moderate	High
Non Group	97,200	108,000	124,200
Small Group	24,300	27,000	31,050
Total Enrollment	121,500	135,000	155,250

[3] Thomson Reuters Insurance Coverage Estimates Report dated May 27, 2012.

Exchange Premium Level Assumptions

Premium assumptions were estimated separately for the individual and small group markets for 2015, based upon the Mercer report. In addition, we utilized a total premium estimate for the individual and small group markets for 2015 to model the percentage assessment required to offset the expected expense load of the Exchange in 2015.

C. Summary of Exchange Financial Self-Sustainability

Table 22 below summarizes the analysis of Exchange financial self-sustainability in 2015 based on the three enrollment scenarios outlined above (Table 20).

The total revenue requirements for the operation of the exchange in 2015 are estimated to be between $16.79 PMPM and $20.41 PMPM.

As a percent of QHP premiums, this total revenue requirement reflects a potential assessment of between 3.92% and 4.76% in 2015. As a percent of the total insured individual and small group markets, this represents between 0.90% and 0.95%.

Based on the analysis presented in this Level Two Establishment Grant budget request, we believe that Exchange costs presented are sustainable utilizing the more conservative QHP assessment on Exchange enrollment.

As a useful benchmark, the Health Connector in Massachusetts initially assessed a 5% fee on participating health plans, and was subsequently able to reduce this fee over time as the organization grew in scale and identified opportunities for greater efficiency. Using this 5% as an initial yardstick, the cost level of the Exchange is supportable in 2015 in each of our enrollment scenarios.

Although we believe the cost estimates and revenue assumptions presented here represent a financially sustainable Exchange, we also recognize there are risks. To mitigate and manage financial risk most effectively, the Exchange will employ strategies that include:

- Structure expenses and vendor contracts with sufficient scalability to reduce expense loads at low enrollment levels;
- Actively manage discretionary spending;
- Renegotiate or re-procure key vendor contracts;
- Reduce marketing and outreach expenses; and
- Ensure that staffing loads and consulting expenses are supportable.

Table 22. 2015 Exchange Self-Sustainability Analysis

	Total Estimated PMPM Cost - 2015			Total Estimated Cost - 2015		
Cost Item	Low	Moderate	High	Low	Moderate	High
Members	121,500	135,000	155,250			
Member Months	1,289,115	1,432,350	1,647,203			
Total Exchange Premiums	$ 428	$ 428	$ 428	$ 552,174,363	$ 613,527,070	$ 705,556,130
QHP Surcharge %	4.76%	4.38%	3.92%			
Operating revenues:						
QHP Administrative Fee	$ 20.41	$ 18.74	$ 16.79	$ 30,255,992	$ 31,205,487	$ 32,428,878
Operating expenses:						
Eligibility Determination	$ 3.98	$ 3.70	$ 3.38	$ 5,127,615	$ 5,301,555	$ 5,562,465
Website	$ 0.97	$ 0.90	$ 0.82	$ 1,252,547	$ 1,295,036	$ 1,358,770
Call Center & Enrollment	$ 5.16	$ 4.80	$ 4.38	$ 6,654,156	$ 6,879,880	$ 7,218,466
Premium Billing	$ 2.23	$ 2.08	$ 1.89	$ 2,876,944	$ 2,974,537	$ 3,120,925
Subtotal - Systems Dev. & Support	$ 12.34	$ 11.49	$ 10.48	$ 15,911,262	$ 16,451,008	$ 17,260,627
Salary & Fringe	$ 5.11	$ 4.60	$ 4.00	$ 6,584,281	$ 6,584,281	$ 6,584,281
Consultants	$ 0.52	$ 0.47	$ 0.41	$ 675,000	$ 675,000	$ 675,000
Marketing & Advertising	$ 0.58	$ 0.52	$ 0.46	$ 750,000	$ 750,000	$ 750,000
Equipment	$ 0.06	$ 0.06	$ 0.05	$ 80,260	$ 80,260	$ 80,260
Supplies	$ 0.01	$ 0.01	$ 0.01	$ 8,460	$ 8,460	$ 8,460
Travel	$ 0.03	$ 0.03	$ 0.02	$ 37,808	$ 37,808	$ 37,808
Other Administrative	$ 0.71	$ 0.64	$ 0.56	$ 919,932	$ 919,932	$ 919,932
Appeals Program	$ 0.26	$ 0.24	$ 0.21	$ 339,436	$ 339,436	$ 339,436
Navigators	$ 0.78	$ 0.70	$ 0.61	$ 1,000,000	$ 1,000,000	$ 1,000,000
Subtotal - Program Operations	$ 8.06	$ 7.26	$ 6.31	$ 10,395,177	$ 10,395,177	$ 10,395,177
Total Operating	$ 20.41	$ 18.74	$ 16.79	$ 26,306,439	$ 26,846,185	$ 27,655,804

Appendix I. Consulting Project Descriptions and Relevance

Consulting Project Descriptions

CTHIX is planning to execute eleven consulting projects to support the successful implementation of an Exchange in Connecticut. These projects involve advisory and professional services beyond the IT specific consulting projects described in the following section. The consultant and organization affiliations are yet to be determined. A summary of the duration, budget, and accountability of each anticipated project are presented in Table 23 below.

Table 23. Summary of Consulting Projects

Project Number	Consulting Projects	Total Budget	Duration in Days	Accountable To
Marketing & Communications				
1	Advertising Campaign – Vendor	$ 8,000,000	867	Director of Consumer Marketing and Communcation
2	Web Design and Development	$ 350,000	487	Director of Consumer Marketing and Communcation
Consulting & Professional				
3	Auditing Services	$ 500,000	867	Chief Financial Officer
4	APCD	$ 6,554,667	867	Chief Operating Officer
5	Reports / Briefings	$ 700,000	867	Chief Operating Officer
6	Legal Support	$ 250,000	867	General Counsel
7	SHOP Procurement Strategy	$ 375,000	867	Chief Operating Officer
8	Temporary Help / Staff Recruiting	$ 550,000	365	Chief Operating Officer
9	Project Management	$ 2,850,000	867	HIX Engagement Director
10	Outreach and Education	$ 500,000	411	Director of Consumer Marketing and Communcation
11	Exchange Evaluation Plan	$ 250,000	867	Chief Operating Officer
	Total	$ 20,879,667		

Consulting Project 1 – Advertising Campaign

Planned Services Development and implementation of a statewide marketing campaign, including content as well as media buys in key outlets to effectively promote the Exchange to individuals and small businesses; facilitation of stakeholder engagement activity; and development of strategy to support outreach and communications plan to educate citizens.

Relevance of Service An effective marketing campaign will be a critical element to promote awareness of options through the Exchange and reach enrollment goals. Planning of statewide campaign will be necessary to effectively boost Exchange visibility with key constituencies and assist in providing understanding and acceptance of the healthcare options and benefits under ACA.

Consulting Project 2 – Web Design & Development

Planned Services Provide web design and development support to provide an initial web-portal to provide information and start the education process for the Health Insurance Exchange. The initial concepts and branding will be carried forward to the Exchange's transactional portal.

Relevance of Service Developing an intuitive and instinctive web design is critically important to the success of a health exchange website's adoption as a web based health insurance channel.

Consulting Project 3 – Auditing Services

Planned Services Connecticut has identified the need for a robust financial accounting and management reporting system, as well as a commercial-like system of internal controls and program integrity measures. The scope of this work will consist of a readiness assessment of the accounting and financial reporting system and development of the necessary processes and systems to ensure the Exchange can meet the federal requirements for minimizing fraud, waste, and abuse of grant funds and the bona fide delivery of benefits from the Exchange system.

Relevance of Service Exchanges are required to have in place systems for accurate accounting as well as processes to protect again fraud, waste, and abuse.

Consulting Project 4 – APCD

Planned Services The Connecticut Health Insurance Exchange Board recently approved the use of Exchange grant funds to support the development of an all payer claims database (APCD). The APCD will compile administrative claims data from insurers into a statewide data repository that can then be used to provide Exchange customers with information on health care costs and quality. The APCD may also be used by Connecticut to administer the risk adjustment program, pursuant to the requirements of the ACA. The scope of this project is to coordinate and support Connecticut's goal to implement the APCD with the efforts of the Exchange and the Office of Health Reform & Innovation (OHRI).

Relevance of Service It is important for the Exchange to have access to "service-level" data based on claims processed by health insurers to inform cost containment and quality improvement efforts. It is equally important that the implementation of an APCD in Connecticut fully support the goals of the Exchange while not inhibiting meeting the timeframes associated with the CTHIX implementation.

Consulting Project 5 – Reports/Briefs

Planned Services The Exchange will need support to develop unique reports and data extracts that are not anticipated or included in the anticipated CTHIX technology procurement. In addition, the Exchange will need to develop executive briefings and reports on qualitative measures, plan QHP rating results, etc. from time to time to meet management and oversight information expectations. Presentation of these materials to the Exchange Board and other oversight agencies may also be required as necessary.

Relevance of Service	It is important that the Exchange have access to resources that can develop methods/processes to generate unique information via specialized reports, data extracts and quality outputs in a format that is beneficial to the CTHIX management and various oversight entities.

Consulting Project 6 – Legal Support

Planned Services	Specialized/distinctive legal advice and support in addition to the capabilities of the Exchange's General Counsel or other State of Connecticut legal resources.
Relevance of Service	Will provide specialized legal advice (as necessary) to ensure compliance with the ACA and all other state and federal statutes and regulations.

Consulting Project 7 – SHOP Procurement Strategy

Planned Services	This project intends to develop an approach/strategy for multi-state SHOP Service Bureau/Utility and other Multi-State Collaborative Procurements and Reuse. This includes procuring technical assistance activities to originate and facilitate specific multi-state sharing and reuse efforts and collaborative innovations. Resources largely consist of subject matter experts (SMEs) with specific, hands-on operating experience in State HHS and commercial health benefits operations, IT, legal, finance, regulatory, compliance and quality. Initial focus will be on standardization of specific operational, quality assurance and compliance activities, and collaborative procurement. The effort explores the feasibility for multiple states to work together in pooling a purchasing decision and/or co-purchase of back-office operational functions from an outsourced SHOP Service Bureau/Utility. This is a natural area of collaboration given low volume and the commodity nature of the fulfillment activities. Success here requires participating states to align requirements, accept transitive (piggyback) procurement, develop a method for paying/coordinating within a Buyer Group format, and to achieve regulatory cooperation among their various regulatory agencies.
Relevance of Service	Allows CTHIX to create better efficiency and lower cost in operating its SHOP exchange and identifying other required areas of Exchange function, and an opportunity to improve the quality of delivery to consumers by leveraging national best practices. This approach creates many benefits to Connecticut, CCIIO and other States.

Consulting Project 8 – Temporary Help and Staff Recruitment

Planned Services	The Exchange will need to have access to resources with unique skills/capabilities that are not part of the core staffing or consulting teams from time to time to support the implementation of the Exchange or to support its successful ongoing operations. This project gives the Exchange access to funding to either recruit new CTHIX resources (assuming the role is longer term) for or obtain these skills/capabilities quickly through existing Master Services Agreements (MSA) or other appropriate procurement methods (which give the CTHIX the flexibility to discontinue their support as warranted). Skills that could be required include actuarial resources (or other health insurance marketplace experts), training staff or additional testing support (as an example).

Relevance of Service Given the tight timeframes and sequential foundational milestones associated with this effort, it is vital for the CTHIX to have prompt access to resources to support unique needs as they transpire.

Consulting Project 9 – Integrated Eligibility Program Management Office

Planned Services The Integrated Eligibility Program Management Office (IEPMO) will provide the following resources to support the dual immersion and implementation objectives of:

- Establishing an integrated, independent and dedicated team tasked with managing the IT build and coordinating with the Exchange operational organization to prepare the CTHIX for sustained success
- Coordinating activities with other Connecticut agencies, other states and federal agencies
- Providing project management and domain SMEs
- Supporting the immersion and on-boarding of new CTHIX leadership and key staff by aligning IEPMO SMEs with key CTHIX management roles
- Managing the systems integrator and other contractual relationships associated with the IT build

The IEPMO will be jointly directed by senior DSS and CTHIX officials.

Additional tasks of the IEPMO vendor include:

- Facilitate effective coordination and implementation of program management principles
- Develop project management and performance processes and metrics
- Establish a sound process basis to promote continued improvement
- Increase the efficiencies in project delivery and overall quality of the resulting products in a cost effective manner
- Develop templates and project standards to support the processes
- Develop an implementation plan to roll out the processes to the Exchange managers
- Train the project managers in the processes
- Mentor the Exchange project managers in the processes as they proceed with their projects
- Evaluate the processes to determine if they meet the needs of the Exchange, and then revise the processes accordingly.

Relevance of Service CTHIX will utilize an Integrated Eligibility Program Management Office (IEPMO) in order to position the Exchange to meet operational benchmarks for state-based Exchange development. Additionally, the IEPMO approach will allow for successful knowledge transfer and immersion between the IEPMO staff and the team required to operate the Exchange going forward.

Consulting Project 10 – Navigator Program Design and Training

Planned Services Development of Navigator program, training and grant-making to qualified organizations.

Relevance of Service Identification and training of Navigator organizations will be an important element to reach Exchange-eligible individuals.

Consulting Project 11 – Exchange Evaluation Plan

Planned Services This plan will enable the state to track the performance of the Exchange as well as other aspects of health reform implementation.

Relevance of Service A robust measurement and evaluation program will provide data to demonstrate success, identify issues needing mid-course correction, continually improve its programs, and identify unmet public health and programmatic needs.

IT Related Consultant Projects Descriptions

CTHIX is planning to execute seven project specifically related to IT activities to support the successful implementation the Exchange. The consultant and organization affiliations are yet to be determined. A summary of the duration, budget, and accountability of each anticipated project are presented in Table 24 below.

Table 24. Summary of IT Related Consulting Projects

Project Number	IT Related Consulting Project	Total Budget	Duration in Days	Accountable To
1	Mobilization Support	$ 842,682	243	HIX Engagement Director
2	Release 1 - Design Support	$ 1,486,308	243	HIX Engagement Director
3	Release 1 - Development Support	$ 4,075,602	365	HIX Engagement Director
4	Release 1 - Implementation Support	$ 828,936	183	HIX Engagement Director
5	Release 2 - Design Support	$ 621,702	243	HIX Engagement Director
6	Release 2 - Development Support	$ 7,253,190	365	HIX Engagement Director
7	Release 2 - Implementation Support	$ 690,780	243	HIX Engagement Director
	Total	$ 15,799,200		

IT Project 1 – Mobilization Support

Planned Services Mobilization includes defining standards and methodologies for the key components of the project over the full systems development life cycle including requirements definition, logical design, physical design, development, testing, and quality assurance. It includes development of detailed project plans, resource mobilization, procurement and deployment of project team equipment including servers and other necessary infrastructure to support the implementation of the project; including, tools to support the documentation of the designs, interfaces, configuration management and a project documentation repository.

Relevance of Service This is a critical enabler of project success. The IT project plan calls for a large project team over multiple years. A standard methodology, deliverable standards, effective CASE and deliverable documentation tools, and an enterprise architecture capability are essential to support successful Exchange implementation.

IT Project 2 – Release 1 Design Support

Planned Services Release 1 Design Support includes all of the work necessary to perform Business Requirements elaboration and development of Functional Designs for Release 1 of the project. It includes use case specifications, logical data modeling, interface and interoperability specifications, and non-functional requirements specifications, for security, privacy, scalability and audit. All functional requirements will be clearly mapped to the business architecture, to ensure they are aligned with the business design of the exchange and with Federal guidance. In summary, this is the project where the strategic level architecture completed for planning purposes is elaborated in program segments and detailed capability architecture partitions. This work package will also include a refinement of the release schedule to identify potential sub-releases.

Relevance of Service A comprehensive logical architecture and requirements specification is essential to ensure that software packages selected will fit the needs of the organization and that the design is optimized.

IT Project 3 – Release 1 Development Support

Planned Services This function ensures that all business, application, information, technology, and security architecture components are consistently developed and documented, interoperate properly, and are properly aligned between domains (i.e., the information architecture must support the information needed by business applications). The function ensures that all components of the design are traceable to Connecticut requirements and Federal standards and conditions. This function provides guidance and support to team members working on component designs and implementations, to achieve the required integration goals of the project.

Relevance of Service Architecture integration will reduce overall project risk by ensuring that all components work together to perform the required functions supporting the Exchange business. It also contributes to optimizing the flexibility of the integrated solution in adapting to new or changed business rules or requirements. A flexible, integrated solution optimizes the life cycle cost of building, maintaining and operating the solution, and thus supports the long term sustainability of the Exchange

IT Project 4 – Release 1 Implementation Support

Planned Services

Release 1 implementation support includes reviewing in greater detail the progress of other states in developing their Exchange solutions to identify opportunities to potentially leverage/reuse them, determining options for procurement of software and systems integration services, and deciding on how to package procurements, assessing implementation strategy options such as the number and scope of releases, setting interoperability standards between the exchange and all key parties, and developing an operations and support strategy for the Exchange to determine who will operate and maintain the systems once implemented. This function includes performing a threat assessment and privacy impact analysis, an update of the implementation plan and cost estimate, using the more detailed architecture produced in a previous step to enable more accurate estimating and planning.

Relevance of Service

It is necessary to do more in-depth analysis of options for procurement and implementation to minimize risk and optimize value for funds from the FOA investment. Establishing business benefit targets will enable an objective evaluation of the Exchange once implemented. Interoperability standards are also critical to ensure the Exchange functions reliably and effectively with insurance companies and other stakeholders. An updated implementation plan is essential to ensure that the project meets its commitments.

IT Project 5 – Release 2 Design Support

Planned Services

This project includes all of the work necessary to perform business requirements elaboration and development of functional designs for Release 2 of the project. It includes use case specifications, logical data modeling, interface and interoperability specifications, and non-functional requirements specifications, for security, privacy, scalability and audit. All functional requirements will be clearly mapped to the business architecture, to ensure they are aligned with the business design of the Exchange and with Federal guidance. In summary, this is the project where the strategic level architecture completed for planning purposes is elaborated in specific program segments and detailed capability architecture partitions. Comprehensive specifications are developed for all of the functional and technical application components defined in the conceptual level architecture for Release 2 including required extensions and enhancements to the Release 1 functionality

Relevance of Service

A comprehensive and well structured logical architecture and requirements specification is essential to ensure that software packages selected via reuse or procurement will fit the needs of the organization, that the design is optimized so no unnecessary functionality, overlaps, or gaps in system functionality are developed or acquired. It also supports maximum flexibility and agility of the systems that are acquired and configured, or built. This translates into sustainable ongoing support, maintenance and enhancement of systems, supporting the sustainability of the Exchange.

IT Project 6 – Release 2 Development Support

Planned Services

This function ensures that all business, application, information, technology, and security architecture components are consistently developed and documented, interoperate properly, and are consistently aligned between domains (i.e., the information architecture must support the information needed by business applications). The function ensures that all components of the design are traceable to the final validated Connecticut requirements and Federal standards and conditions. This function also provides guidance and support to team members working on component designs and implementations, to achieve the required integration goals of the project.

Relevance of Service

Architecture integration will reduce overall project risk by ensuring that all components work together to perform the required functions supporting the Exchange business. It also contributes to optimizing the flexibility of the integrated solution in adapting to new or changed business rules or requirements. A flexible, integrated solution optimizes the life cycle cost of building, maintaining and operating the solution, and thus supports the long term sustainability of the Exchange

IT Project 7 – Release 2 Implementation Support

Planned Services

Implementation planning includes reviewing in greater detail the progress of other states in developing their Exchange solutions to identify potential to leverage/reuse them, assessing implementation strategy options such as the number and scope of releases, finalizing interoperability standards between the exchange and all key parties, and developing an operations and support strategy for the Exchange to determine who will operate and maintain the systems once implemented. This function includes updating the implementation plan and cost estimates, using the more detailed architecture produced in a previous step to enable more accurate estimating and planning.

Relevance of Service

It is necessary to do more in-depth analysis of implementation options to minimize risk and optimize value from the investment. Establishing traceable business benefit targets will enable an objective evaluation of the Exchange once implemented. Moreover, robust interoperability standards are critical to ensure the Exchange functions reliably and effectively with insurance companies and other stakeholders. An updated implementation plan is essential to ensure that the project meets its commitments.

Appendix II. Allocation of Costs by Core Area and Business Operations Area

Table 25. Total Fixed and Variable Costs for Grant Period

	A	B	C	D	E	F	G	H	I			
Core Exchange Functions	Salaries	Fringe	Consultants	Equipment	Supplies	Travel	Other	Contractual	Total Direct Costs	Level One Supplement	Medicaid Allocation	Total
Exchange IT Systems	$ 1,723,329	$ 516,999	$ -	$ 103,704	$ 3,013	$ 21,159	$ 370,286	$ 76,094,659	$ 78,833,149	$ (1,461,500)	$ (22,618,346)	$ 54,753,303
Oversight & Program Integrity	$ 705,549	$ 211,665	$ 3,677,334	$ 42,457	$ 1,234	$ 8,663	$ 151,599		$ 4,798,499			$ 4,798,499
Financial Management	$ 972,298	$ 291,689	$ 350,000	$ 58,510	$ 1,700	$ 11,938	$ 208,914		$ 1,895,049			$ 1,895,049
Program Integration	$ 440,934	$ 132,280	$ -	$ 26,534	$ 771	$ 5,414	$ 94,742		$ 700,675			$ 700,675
Assistance to Ind/Small Biz	$ 842,160	$ 252,648	$ 205,000	$ 50,678	$ 1,472	$ 10,340	$ 180,952		$ 1,543,251			$ 1,543,251
Governance	$ 446,536	$ 133,961	$ -	$ 26,871	$ 781	$ 5,483	$ 95,946		$ 709,576			$ 709,576
Background Research	$ 324,765	$ 97,429	$ 175,000	$ 19,543	$ 568	$ 3,987	$ 69,781		$ 691,074			$ 691,074
Stakeholder Consultation	$ 464,621	$ 139,386	$ 2,575,000	$ 27,959	$ 812	$ 5,705	$ 99,832		$ 3,313,315			$ 3,313,315
Legislative/ Regulatory Action	$ 446,536	$ 133,961	$ 125,000	$ 26,871	$ 781	$ 5,483	$ 95,946		$ 834,576			$ 834,576
Insurance Mkt Reforms	$ 446,536	$ 133,961	$ 175,000	$ 26,871	$ 781	$ 5,483	$ 95,946		$ 884,576			$ 884,576
Business Operations	$ 4,014,161	$ 1,204,249	$ 13,597,334	$ 241,558	$ 7,018	$ 49,284	$ 862,510	$ 17,258,669	$ 37,234,783			$ 37,234,783
QHP Certification	$ 249,340	$ 74,802	$ 885,467	$ 15,004	$ 436	$ 3,060	$ 53,575	$ 1,015,216	$ 2,296,901			$ 2,296,901
Call Center	$ 110,622	$ 33,187	$ 217,500	$ 6,657	$ 193	$ 1,358	$ 23,769	$ 1,015,216	$ 1,408,502			$ 1,408,502
Website	$ 110,622	$ 33,187	$ 445,000	$ 6,657	$ 193	$ 1,358	$ 23,769	$ 1,015,216	$ 1,636,002			$ 1,636,002
Tax Credit and Subsidy	$ 110,622	$ 33,187	$ 217,500	$ 6,657	$ 193	$ 1,358	$ 23,769	$ 1,015,216	$ 1,408,502			$ 1,408,502
Quality Rating System	$ 249,341	$ 74,802	$ 872,967	$ 15,004	$ 436	$ 3,061	$ 53,575	$ 1,015,216	$ 2,284,403			$ 2,284,403
Navigator Program	$ 390,335	$ 117,101	$ 600,000	$ 23,489	$ 682	$ 4,792	$ 83,870	$ 1,015,216	$ 2,235,486			$ 2,235,486
HIX/Medicaid Eligibility,	$ 110,622	$ 33,187	$ 200,000	$ 6,657	$ 193	$ 1,358	$ 23,769	$ 1,015,216	$ 1,391,002			$ 1,391,002
Seamless Eligibility Processes	$ 249,341	$ 74,802	$ 235,000	$ 15,004	$ 436	$ 3,061	$ 53,575	$ 1,015,216	$ 1,646,436			$ 1,646,436
Enrollment Process	$ 110,622	$ 33,187	$ 200,000	$ 6,657	$ 193	$ 1,358	$ 23,769	$ 1,015,216	$ 1,391,002			$ 1,391,002
Applications and Notices	$ 422,449	$ 126,735	$ 212,500	$ 25,422	$ 739	$ 5,187	$ 90,770	$ 1,015,216	$ 1,899,016			$ 1,899,016
Individidual Responsibility	$ 329,625	$ 98,888	$ 225,000	$ 19,836	$ 576	$ 4,047	$ 70,826	$ 1,015,216	$ 1,764,013			$ 1,764,013
Administration of Tax Credits	$ 110,622	$ 33,187	$ 225,000	$ 6,657	$ 193	$ 1,358	$ 23,769	$ 1,015,216	$ 1,416,002			$ 1,416,002
Adjudication of Eligibility	$ 190,906	$ 57,272	$ 225,000	$ 11,488	$ 334	$ 2,344	$ 41,019	$ 1,015,216	$ 1,543,579			$ 1,543,579
Notification and Appeals of	$ 158,793	$ 47,638	$ 225,000	$ 9,556	$ 278	$ 1,950	$ 34,119	$ 1,015,216	$ 1,492,549			$ 1,492,549
Outreach and Education	$ 670,048	$ 201,014	$ 5,055,467	$ 40,321	$ 1,171	$ 8,227	$ 143,971	$ 1,015,216	$ 7,135,436			$ 7,135,436
Risk Adjustment and	$ 249,341	$ 74,802	$ 890,467	$ 15,004	$ 436	$ 3,061	$ 53,575	$ 1,015,216	$ 2,301,903			$ 2,301,903
SHOP Exchange - specific	$ 190,906	$ 57,272	$ 2,665,467	$ 11,488	$ 334	$ 2,344	$ 41,019	$ 1,015,216	$ 3,984,046			$ 3,984,046
TOTAL	$ 10,827,423	$ 3,248,227	$ 20,879,667	$ 651,557	$ 18,930	$ 132,937	$ 2,326,453	$ 93,353,328	$ 131,438,522	$ (1,461,500)	$ (22,618,346)	$ 107,358,676

Table 26. Fixed Costs for Grant Period

	A	B	C	D	E	F	G	H	I			
Core Exchange Functions	Salaries	Fringe	Consultants	Equipment	Supplies	Travel	Other	Contractual	Total Direct Costs	Level One Supplement	Medicaid Allocation	Total
Exchange IT Systems	$ 1,723,329	$ 516,999	$ -	$ 63,784	$ -	$ 21,159	$ 276,685	$ 76,094,659	$ 78,696,615	$ (1,461,500)	$ (22,618,346)	$ 54,616,769
Oversight & Program Integrity	$ 705,549	$ 211,665	$ 3,677,334	$ 26,114	$ -	$ 8,663	$ 113,278		$ 4,742,601			$ 4,742,601
Financial Management	$ 972,298	$ 291,689	$ 350,000	$ 35,987	$ -	$ 11,938	$ 156,105		$ 1,818,016			$ 1,818,016
Program Integration	$ 425,387	$ 127,616	$ -	$ 16,320	$ -	$ 5,414	$ 70,793		$ 645,529			$ 645,529
Assistance to Ind/Small Biz	$ 702,124	$ 210,637	$ 205,000	$ 31,170	$ -	$ 10,340	$ 135,211		$ 1,294,483			$ 1,294,483
Governance	$ 446,536	$ 133,961	$ -	$ 16,527	$ -	$ 5,483	$ 71,692		$ 674,198			$ 674,198
Background Research	$ 324,765	$ 97,429	$ 175,000	$ 12,020	$ -	$ 3,987	$ 52,142		$ 665,344			$ 665,344
Stakeholder Consultation	$ 464,621	$ 139,386	$ 2,575,000	$ 17,197	$ -	$ 5,705	$ 74,596		$ 3,276,505			$ 3,276,505
Legislative/ Regulatory Action	$ 446,536	$ 133,961	$ 125,000	$ 16,527	$ -	$ 5,483	$ 71,692		$ 799,198			$ 799,198
Insurance Mkt Reforms	$ 446,536	$ 133,961	$ 175,000	$ 16,527	$ -	$ 5,483	$ 71,692		$ 849,198			$ 849,198
Business Operations	$ 3,482,298	$ 1,044,689	$ 13,597,334	$ 148,572	$ -	$ 49,285	$ 644,484	$ -	$ 18,966,662			$ 18,966,662
QHP Certification	$ 194,013	$ 58,204	$ 885,467	$ 9,229	$ -	$ 3,061	$ 40,032	$ -	$ 1,190,006			$ 1,190,006
Call Center	$ 102,391	$ 30,717	$ 217,500	$ 4,094	$ -	$ 1,358	$ 17,761	$ -	$ 373,822			$ 373,822
Website	$ 102,391	$ 30,717	$ 445,000	$ 4,094	$ -	$ 1,358	$ 17,761	$ -	$ 601,322			$ 601,322
Tax Credit and Subsidy	$ 102,391	$ 30,717	$ 217,500	$ 4,094	$ -	$ 1,358	$ 17,761	$ -	$ 373,822			$ 373,822
Quality Rating System	$ 194,013	$ 58,204	$ 872,967	$ 9,229	$ -	$ 3,061	$ 40,032	$ -	$ 1,177,506			$ 1,177,506
Navigator Program	$ 382,104	$ 114,631	$ 600,000	$ 14,447	$ -	$ 4,792	$ 62,669	$ -	$ 1,178,644			$ 1,178,644
HIX/Medicaid Eligibility,	$ 102,391	$ 30,717	$ 200,000	$ 4,094	$ -	$ 1,358	$ 17,761	$ -	$ 356,322			$ 356,322
Seamless Eligibility Processes	$ 194,013	$ 58,204	$ 235,000	$ 9,229	$ -	$ 3,061	$ 40,032	$ -	$ 539,539			$ 539,539
Enrollment Process	$ 102,391	$ 30,717	$ 200,000	$ 4,094	$ -	$ 1,358	$ 17,761	$ -	$ 356,322			$ 356,322
Applications and Notices	$ 398,573	$ 119,572	$ 212,500	$ 15,636	$ -	$ 5,187	$ 67,825	$ -	$ 819,292			$ 819,292
Individidual Responsibility	$ 235,184	$ 70,555	$ 225,000	$ 12,200	$ -	$ 4,047	$ 52,922	$ -	$ 599,909			$ 599,909
Administration of Tax Credits	$ 102,391	$ 30,717	$ 225,000	$ 4,094	$ -	$ 1,358	$ 17,761	$ -	$ 381,322			$ 381,322
Adjudication of Eligibility	$ 143,563	$ 43,069	$ 225,000	$ 7,066	$ -	$ 2,344	$ 30,651	$ -	$ 451,692			$ 451,692
Notification and Appeals of	$ 127,094	$ 38,128	$ 225,000	$ 5,877	$ -	$ 1,950	$ 25,495	$ -	$ 423,544			$ 423,544
Outreach and Education	$ 661,817	$ 198,545	$ 5,055,467	$ 24,800	$ -	$ 8,227	$ 107,578	$ -	$ 6,056,434			$ 6,056,434
Risk Adjustment and	$ 194,013	$ 58,204	$ 890,467	$ 9,229	$ -	$ 3,061	$ 40,032	$ -	$ 1,195,006			$ 1,195,006
SHOP Exchange - specific	$ 143,563	$ 43,069	$ 2,665,467	$ 7,066	$ -	$ 2,344	$ 30,651	$ -	$ 2,892,159			$ 2,892,159
TOTAL	$ 10,139,977	$ 3,041,993	$ 20,879,667	$ 400,745	$ -	$ 132,938	$ 1,738,370	$ 76,094,659	$ 112,428,349	$ (1,461,500)	$ (22,618,346)	$ 88,348,503

Table 27. Variable Costs for Grant Period

	A	B	C	D	E	F	G	H	I	J			
Core Exchange Functions	Salaries	Fringe	Consultants	Equipment	Supplies	Travel	Other	Contractual	Total Direct Costs	Indirect Cost	Level One Supplement	Medicaid Allocation	Total
Exchange IT Systems	$ -	$ -	$ -	$ 39,920	$ 3,013	$ -	$ 93,601	$ -	$ 136,534	$ -	$ -	$ -	$ 136,534
Oversight & Program Integrity	$ -	$ -	$ -	$ 16,344	$ 1,234	$ -	$ 38,321	$ -	$ 55,899	$ -			$ 55,899
Financial Management	$ -	$ -	$ -	$ 22,523	$ 1,700	$ -	$ 52,810	$ -	$ 77,032	$ -			$ 77,032
Program Integration	$ 15,547	$ 4,664	$ -	$ 10,214	$ 771	$ -	$ 23,949	$ -	$ 55,145	$ -			$ 55,145
Assistance to Ind/Small Biz	$ 140,036	$ 42,011	$ -	$ 19,508	$ 1,472	$ -	$ 45,741	$ -	$ 248,768	$ -			$ 248,768
Governance	$ -	$ -	$ -	$ 10,344	$ 781	$ -	$ 24,253	$ -	$ 35,378	$ -			$ 35,378
Background Research	$ -	$ -	$ -	$ 7,523	$ 568	$ -	$ 17,639	$ -	$ 25,730	$ -			$ 25,730
Stakeholder Consultation	$ -	$ -	$ -	$ 10,763	$ 812	$ -	$ 25,236	$ -	$ 36,811	$ -			$ 36,811
Legislative/ Regulatory Action	$ -	$ -	$ -	$ 10,344	$ 781	$ -	$ 24,253	$ -	$ 35,378	$ -			$ 35,378
Insurance Mkt Reforms	$ -	$ -	$ -	$ 10,344	$ 781	$ -	$ 24,253	$ -	$ 35,378	$ -			$ 35,378
Business Operations	$ 531,864	$ 159,559	$ -	$ 92,986	$ 7,018	$ -	$ 218,026	$ 17,258,669	$ 18,268,122	$ -			$ 18,268,122
QHP Certification	$ 55,328	$ 16,598		$ 5,776	$ 436	$ -	$ 13,543	$ 1,015,216	$ 1,106,897	$ -			$ 1,106,897
Call Center	$ 8,231	$ 2,469	$ -	$ 2,563	$ 193	$ -	$ 6,008	$ 1,015,216	$ 1,034,680	$ -			$ 1,034,680
Website	$ 8,231	$ 2,469	$ -	$ 2,563	$ 193	$ -	$ 6,008	$ 1,015,216	$ 1,034,680	$ -			$ 1,034,680
Tax Credit and Subsidy Calculator	$ 8,231	$ 2,469	$ -	$ 2,563	$ 193	$ -	$ 6,008	$ 1,015,216	$ 1,034,680	$ -			$ 1,034,680
Quality Rating System	$ 55,328	$ 16,598	$ -	$ 5,776	$ 436	$ -	$ 13,543	$ 1,015,216	$ 1,106,897	$ -			$ 1,106,897
Navigator Program	$ 8,231	$ 2,469	$ -	$ 9,042	$ 682	$ -	$ 21,201	$ 1,015,216	$ 1,056,841	$ -			$ 1,056,841
HIX/Medicaid Eligibility, Advance	$ 8,231	$ 2,469	$ -	$ 2,563	$ 193	$ -	$ 6,008	$ 1,015,216	$ 1,034,680	$ -			$ 1,034,680
Seamless Eligibility Processes	$ 55,328	$ 16,598	$ -	$ 5,776	$ 436	$ -	$ 13,543	$ 1,015,216	$ 1,106,897	$ -			$ 1,106,897
Enrollment Process	$ 8,231	$ 2,469	$ -	$ 2,563	$ 193	$ -	$ 6,008	$ 1,015,216	$ 1,034,680	$ -			$ 1,034,680
Applications and Notices	$ 23,876	$ 7,163	$ -	$ 9,786	$ 739	$ -	$ 22,945	$ 1,015,216	$ 1,079,724	$ -			$ 1,079,724
Individidual Responsibility	$ 94,441	$ 28,332	$ -	$ 7,636	$ 576	$ -	$ 17,903	$ 1,015,216	$ 1,164,104	$ -			$ 1,164,104
Administration of Tax Credits and	$ 8,231	$ 2,469	$ -	$ 2,563	$ 193	$ -	$ 6,008	$ 1,015,216	$ 1,034,680	$ -			$ 1,034,680
Adjudication of Eligibility Appeals	$ 47,344	$ 14,203	$ -	$ 4,422	$ 334	$ -	$ 10,369	$ 1,015,216	$ 1,091,888	$ -			$ 1,091,888
Notification and Appeals of	$ 31,699	$ 9,510	$ -	$ 3,678	$ 278	$ -	$ 8,625	$ 1,015,216	$ 1,069,005	$ -			$ 1,069,005
Outreach and Education	$ 8,231	$ 2,469	$ -	$ 15,521	$ 1,171	$ -	$ 36,393	$ 1,015,216	$ 1,079,002	$ -			$ 1,079,002
Risk Adjustment and Transitional	$ 55,328	$ 16,598	$ -	$ 5,776	$ 436	$ -	$ 13,543	$ 1,015,216	$ 1,106,897	$ -			$ 1,106,897
SHOP Exchange - specific	$ 47,344	$ 14,203	$ -	$ 4,422	$ 334	$ -	$ 10,369	$ 1,015,216	$ 1,091,888	$ -			$ 1,091,888
TOTAL	$ 687,447	$ 206,234	$ -	$ 250,812	$ 18,930	$ -	$ 588,083	$ 17,258,669	$ 19,010,175	$ -	$ -	$ -	$ 19,010,175

Appendix III. Exchange Staffing Detail

Table 28. Exchange Staffing Costs by Position

Position	Name	Annual Salary	Start Date
Senior Executives			
Chief Executive Officer	Kevin Counihan	$ 225,000.00	7/3/2012
Chief Operating Officer	To Be Hired (TBH)	$ 205,000.00	9/1/2012
Chief Financial Officer	TBH	$ 205,000.00	6/15/2012
Chief Information Officer	Jim Wadleigh	$ 180,000.00	7/9/2012
Director of Consumer Marketing & Comm.	Jason Madrak	$ 165,000.00	5/21/2012
Director of Policy & Plan Management	Julie Lyons	$ 160,000.00	5/15/2012
General Counsel	Virginia Lamb	$ 150,000.00	5/15/2012
Administration/ HR Manager	TBH	$ 110,000.00	6/15/2012
Operations			
Project Manager	TBH	$ 85,000.00	9/1/2012
Business Analyst	TBH	$ 75,000.00	9/1/2012
Administration Assistant	Amy Tibor	$ 65,000.00	5/1/2012
Policy & Plan Management			
Plan Manager	TBH	$ 95,000.00	9/1/2012
SHOP Manager	TBH	$ 95,000.00	1/1/2013
Sr. Analyst	Grant Porter	$ 85,000.00	5/1/2012
Business Analyst	TBH	$ 80,000.00	1/1/2013
Administration Assistant	David Lynch	$ 65,000.00	6/1/2012
Marketing & Communications			
Marketing Communications Mgr	TBH	$ 100,000.00	9/1/2012
Navigator Outreach Manager	TBH	$ 95,000.00	1/1/2013
Consumer Outreach Manager	TBH	$ 90,000.00	1/1/2013
Outreach Associate: Brokers	TBH	$ 70,000.00	1/1/2013
Outreach Associate	TBH	$ 70,000.00	1/1/2013
Outreach Associate	TBH	$ 70,000.00	1/1/2013
Analyst	Kecia Stauffer	$ 70,000.00	5/1/2012
Marketing Administration	TBH	$ 65,000.00	9/1/2012

Position	Name	Annual Salary	Start Date
Finance			
Accounting Manager	TBH	$ 100,000.00	9/1/2012
Budget Manager	TBH	$ 100,000.00	9/1/2012
Reporting Manager	TBH	$ 95,000.00	9/1/2012
Accountant	TBH	$ 90,000.00	9/1/2012
Sr. Analyst	Ann Marie Chatman	$ 85,000.00	7/1/2012
Analyst	TBH	$ 75,000.00	1/1/2014
Business Analyst	TBH	$ 75,000.00	1/1/2014
Information Technology			
Quality Assurance Manager	TBH	$ 100,000.00	9/1/2012
IT Operations Manager	TBH	$ 100,000.00	1/1/2013
Project Manager	TBH	$ 100,000.00	9/1/2012
Compliance Security Manager	TBH	$ 95,000.00	1/1/2013
Technical Support Lead	TBH	$ 95,000.00	9/1/2012
Web Master/Analyst	TBH	$ 85,000.00	1/1/2013
IT Administration	TBH	$ 70,000.00	9/1/2012
Analyst	TBH	$ 70,000.00	1/1/2013
Administration			
Office Manager	TBH	$ 90,000.00	8/1/2012
Human Resources Manager	Bette Jenak	$ 90,000.00	5/1/2012
Administration Associate	TBH	$ 65,000.00	9/1/2012
Legal			
Staff Lawyer - Regulations & Plan Mgmt	TBH	$ 110,000.00	9/1/2012
Manager of Grievances and Appeals	TBH	$ 100,000.00	1/1/2013
Grievances and Appeals Analyst	TBH	$ 95,000.00	1/1/2013
Security Compliance Associate	TBH	$ 80,000.00	9/1/2012
Legal Assistant	TBH	$ 75,000.00	1/1/2013