MEMORANDUM OF UNDERSTANDING
BETWEEN THE OFFICE OF POLICY AND MANAGEMENT
AND THE
CONNECTICUT HEALTH INSURANCE EXCHANGE

WHEREAS, pursuant to the federal Patient Protection and Affordable Care Act (ACA) each state, by January 2014, will establish an Exchange to help individuals and small employers obtain health insurance coverage;

WHEREAS, the State of Connecticut through the Office of Policy and Management (OPM) has applied for planning grant and the level one grant funds through the federal Health and Human Services agency for the establishment of the Exchange;

WHEREAS, the Connecticut General Assembly adopted and the Governor signed Public Act 11-53 which established the Connecticut Health Insurance Exchange (CHIE);

WHEREAS, the CHIE Board of Directors has been appointed and the Exchange has begun the work required to fully establish and implement the provisions of the ACA;

WHEREAS, the grant funds are currently held by OPM and administered by OPM in accordance with the grant award for the benefit of the CHIE;

WHEREAS, the CHIE Board of Directors is authorized to enter into contracts and authorize expenditures on behalf of CHIE;

WHEREAS, the CHIE Board of Directors has approved a budget for the expenditure of the level one grant funds; and

WHEREAS, the CHIE has not become fully staffed, has not opened a banking account and does not yet have procedures in place to provide for the authorization of payments or an accounting system for the expenditure of funds.

NOW THEREFORE, OPM and the CHIE mutually agree to the following:

A. OPM will charge previously approved planning grant expenditures to Account 22440 and level one grant funds to Account 22482 in accordance with the budget (attached hereto) and based upon authorization from the Board of Directors of CHIE or the Chief Executive Officer including the Acting Chief Executive Officer;

B. CHIE may designate one or more staff people to authorize expenditures below $5,000.00;

C. In order to simplify the payment of bills, CHIE hereby authorizes OPM to directly charge accounts 22440 and 22482 as necessary and appropriate to pay the expenses of the CHIE and to fund the salary, benefits and indirect costs of OPM staff assigned to work with the CHIE as specified in the federal grant award;

D. CHIE delegates to OPM the authority to act as the CHIE's paying agent to make direct payments for contracts to which OPM is not a signatory and upon approval of invoices by the designated CHIE authority including but not limited to the following:

1. Legal Services
2. Consumer Outreach
3. Executive Search Firm
4. Business Operations, IT, and Consumer Assistance
5. Contracts assigned by OPM to the Exchange (HES Advisors Inc., and Mercer)

E. OPM shall provide the CHIE space in its building at 450 Capitol Avenue, Hartford, Connecticut until the CHIE obtains other adequate space or December 31, 2013 whichever comes first, unless extended by mutual agreement. The State of Connecticut reserves the right to charge rent to CHIE on or after July 1, 2013;

F. OPM will permit CHIE to utilize available desktop computers, associated software and telephones for a period of time not to exceed three months while CHIE is located at 450 Capitol Avenue, but in no event shall CHIE be permitted to remove or otherwise obtain an ownership interest in such equipment. OPM will assist CHIE in determining what services, including network hardware, it can utilize through the existing infrastructure and assist in any communications with DAS/BEST;

G. CHIE shall take action to identify and acquire peripherals to provide the CHIE print, copy and scanning functions not later than sixty days from the date of this MOU;

H. CHIE shall identify and acquire technology services including but not limited to file servers, print services, email and internet access, and on-going desktop support services; and

I. CHIE shall be responsible for the payment of any cost associated with work of DAS/BEST staff, any equipment repairs, rental of equipment specifically and exclusively for the use of staff supporting CHIE, copies, office supplies, telephone bills for any lines utilized by staff supporting the CHIE and the cost associated with any configuration or reconfiguration of space at 450 Capitol Avenue for staff.

The memorandum of understanding may be terminated by either party upon thirty (30) days written notice to the signatory below or such other person designated in writing by the Secretary of OPM or the Chair of the CHIE.

Office of Policy and Management

Benjamin Barnes
Secretary

1-25-12
Date

Connecticut Health Insurance Exchange

Theresa Cintron
Acting CEO

1-25-12
Date

January 19, 2012

To: Board of Directors, Connecticut Health Insurance Exchange

From: Tia Cintron, Acting CEO

Re: Level One Establishment Budget

Recommendation:
Reallocate $1,210,000 of Level One Establishment award to procure necessary professional services to support consumer outreach research, advisory committee research and policy recommendations, executive recruitment efforts, and general Exchange program development.

Reference	Budget Line Item	Amount Awarded (July 2011)	Reallocation (January 2012)
1	Salaries and Wages, includes Fringe and Indirect	$2,396,886	$400,000
2	Exchange Administrative Structure Development	$153,500	
3	Business Operations/IT Systems Development	$3,554,063	$600,000
4	Customer Assistance Program Assessment	$265,782	
5	Office Space	$230,000	$200,000
6	Equipment	$38,002	
7	Office Supplies	$3,100	
8	Travel	$46,601	$10,000
	Total	$6,687,934	$1,210,000

Notes:

Professional Services

- Consumer Outreach Research: Mintz & Hoke
- Advisory Committee Research support: To be determined
- Executive Search Recruitment: Fitzgerald Associates
- General Exchange development consultation: HES Advisors Inc.