

11.0 OVERSIGHT, MONITORING AND REPORTING

Blueprint Application

November, 2012

11.1 Routine oversight and monitoring of the Exchange's activities

11.3 Uphold financial integrity provisions including accounting, reporting, and auditing procedures

Description

The Minnesota Health Insurance Exchange (“Exchange”) is committed to maintaining public confidence in the Exchange by conducting a broad range of oversight and monitoring activities, including, but not limited to: creating policies and procedures to assure Exchange activities are carried out in full compliance with all applicable state and federal law; identifying, preventing, and eliminating instances of fraud, waste, and abuse; and providing an accurate accounting of all Exchange activities, receipts, and expenditures according to generally accepted government accounting principles. To this end, acknowledging that additional federal guidance is forthcoming, the Exchange plans to fulfill the above stated objectives through the implementation of appropriate and effective internal controls including, where appropriate written policies and procedures.

The Exchange, in cooperation with other Minnesota state agencies, has begun the process of establishing a comprehensive oversight and monitoring system that will use or leverage any existing Minnesota state agency internal controls where applicable, use or leverage existing internal controls contained within any COTS software within the Exchange Solution where applicable, and, where no applicable internal controls are existing and available for use, create appropriate internal controls to meet the unique needs of the Exchange.

It is assumed that the Exchange will be expected to establish plans for oversight and monitoring based upon standard compliance principles. Therefore, while additional federal guidance related to oversight and monitoring may be forthcoming prior to the 10/01/2013, the approach and vision for a comprehensive oversight and monitoring system for the Exchange should be readily compatible with this future guidance. To that end, any future guidance, when provided, will be included in the Exchange’s oversight and monitoring system.

Exchange Operational Readiness Activities:

1. The Exchange has created and convened an interagency Compliance Work Group with membership selected to include various areas of expertise including: internal auditing; internal controls; investigation; enforcement; compliance; and legal. This Work Group has responsibility for identification and/or creation of internal controls related to Exchange oversight and monitoring. In some instances, the tactical planning and implementation of these internal controls will be carried out by the Work Group as well. Finally, the Work Group serves in an advisory role on all aspects of oversight and monitoring of Exchange activities, thereby leveraging the wealth of compliance and other expertise existent within the Minnesota state agencies. To ensure the successful completion of its charge, the Compliance Work Group will continue to meet weekly with assigned work group leads, structured agendas and timelines, and access to appropriate resources to complete action items and tasks.

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2. Through the Compliance Work Group, the Exchange has begun the process of creating and implementing the internal controls which will ensure appropriate oversight and monitoring of Exchange activities. The process that the Compliance Work Group is engaged in includes the following activities:
 - a) Reviewing all Exchange business processes to identify activities which may require oversight and monitoring
 - b) Conducting a gap analysis to identify internal controls that would provide proper oversight and monitoring to any Exchange activities that will require oversight and monitoring. This gap analysis will include:
 - Creation of an inventory of applicable, existing Minnesota state agency internal controls and applicable, existing internal controls contained within any COTS software within the Exchange Solution.
 - Identification of any internal controls not currently in existence which would need to be developed by October 1, 2013.
 - c) Creating or leveraging existing internal controls as identified in the the gap analysis.
 - d) Identifying or establishing, for the all of the internal controls, clearly defined cross-agency roles, responsibilities, and accountability, including developing appropriate communication and reporting mechanisms between the Exchange and appropriate Minnesota state agencies and/or appropriate federal agencies.
 - e) Working with appropriate staff or contractors to ensure the identified internal controls are implemented, as applicable, within the Exchange Solution, including participating in the Exchange Solution development process (analysis, design, testing, and implementation of the Exchange Solution).
3. The Exchange has created a specific project related to oversight and monitoring. A project team is in place, including a business owner, subject matter experts, project manager, and business analyst, to develop and implement this project as the Exchange becomes operational.
4. The Exchange has created, and will be implementing a hiring plan for permanent employees to support, manage and oversee the Exchange oversight and monitoring functions:
 - a) Internal Audit and Program Integrity Supervisor to hired by the Exchange by the end of 2012. Within the Exchange operational readiness period, this position will take on primary responsibility for coordinating all efforts related to creating, leveraging and implementing internal controls and business processes to ensure appropriate oversight and monitoring for the Exchange.
 - b) The Exchange will assess the need for additional staff to support ongoing oversight and monitoring once additional internal controls and business processes become finalized.

Documentation

<u>Document</u>	<u>Description</u>
Timeline	Visual representation of the the planned approached for key milestones and milestone delivery dates of the tasks required for development and implementation of the Exchange oversight and monitoring system
MN technical infrastructure contract	The Minnesota Health Insurance Exchange will leverage the technical infrastructure contract documents in support of evaluating, analyzing and bringing functionality to a level of operational readiness. Specific to <i>sections 11.1 and 11.3</i> , the areas within the Contract referenced for this area are:

	<p>Exhibit A – Business Functional Requirements</p> <p><i>Page 3, Section II.4, 8, 10-11</i></p> <p><i>Page 4, Section III.b.2</i></p> <p><i>Page 14, Section III.f.5, 10-13</i></p> <p><i>Page 16, Section IV.c.1-6</i></p> <p><i>Page 33, Section VIII.c.1-2</i></p> <p><i>Page 34-35, Section VIII.d.6-8</i></p> <p><i>Page 36, Section IX.a.4</i></p> <p><i>Page 38-39, Section IX.f.6, 8</i></p>
Current State Policy or Procedure	A list including descriptions of and links to current Minnesota state policies and procedures that will be utilized and/or leverage during the development of the Exchange oversight and monitoring system.

Open Policy Decisions (if applicable)

None for this section

11.2 Track/report performance and outcomes metrics related to Exchange activities

Description

The capacity to collect data and related to a wide range of operational and administrative activities of the Exchange shall be built into the Exchange Solution. Additionally, the capacity to identify, collect, and track appropriate metrics for reporting or for continuous performance improvement shall be supported with the Exchange Solution and within Exchange operations. To this end, all Exchange business units will identify those data or metrics which may be required to be tracked or reported under state or federal law and those data or metrics which might be relevant to quality or performance measurement. At this time, however, the specific metrics or performance measures that will be comprise any ongoing quality control programs or continuous improvements shall be determined by future policy decisions. Once all open policy decisions regarding performance measures are determined, information will be collected, reviewed and reported to the appropriate audiences.

Documentation

<u>Document</u>	<u>Description</u>
MN technical infrastructure contract	<p>The Minnesota Health Insurance Exchange will leverage the technical infrastructure contract documents in support of evaluating, analyzing and bringing functionality to a level of operational readiness. Specific to <i>section 11.2</i>, the areas within the Contract referenced for this area are:</p> <p>Exhibit A – Business Functional Requirements</p> <p><i>Page 9, Section III.d.25</i></p> <p><i>Page 13, Section III.f.3,5</i></p> <p><i>Page 16, Section IV.c.1-6</i></p> <p><i>Page 35-36, Section VIII.f.1-2</i></p> <p><i>Page 39, Section IX.g.2-4</i></p>

Open Policy Decisions

1. The establishment of quality control and performance improvement standards for the Exchange and a determination of the specific metrics that will be used to track and report quality and performance of the Exchange will be completed following governance and other policy issue decisions early in the 2013 legislative session.