



**Washington Health Benefit Exchange
Audit & Compliance Committee
Meeting Minutes
July 18, 2024
1:00pm – 2:30pm
Teams Meeting**

Audit & Compliance Committee Members Present:

Len Sorrin, Acting Chair
Hiroshi Nakano
Dr. Janice Greene

Audit & Compliance Committee Members Absent:

Don Conant, Chair

Washington Health Benefit Exchange (WAHBE or Exchange) Staff Present:

Leah Hole-Marshall, General Counsel and Chief Strategist	Wynne McHale, Chief of Staff
Jim Crawford, Transition Advisor	Christine Gibert, Director of Policy & Market Strategy
Joanna Donbeck, Compliance Officer	Raquel Miller, Assistant Controller
Ruchi Shewaramani, Chief Information Security Officer	James Brackett, Compliance Manager
Addie Gray, Associate Director of Finance	Carly Christiansen, Executive Assistant

Guests Present:

Mark LaPrade, Principal, BerryDunn; Nathan Dunlap, Senior Manager, BerryDunn

Welcome and Introductions

Acting Committee Chair, Len Sorrin called the Committee meeting to order at 1:01pm.

Approval of the February 1, 2024, and May 2, 2024, Meeting Minutes

The February 1, 2024, and the May 2, 2024, meeting minutes were both approved as presented.

**FY2024 Financial Audit Entrance Conference – Mark LaPrade, Principal, BerryDunn
Nathan Dunlap, Senior Manager, BerryDunn**

Jim Crawford provided a brief background of the Exchange's Financial and Programmatic yearly audits and noted that the Exchange has contract with BerryDunn to conduct both audits. Jim introduced both Mark LaPrade and Nathan Dunlop and noted that BerryDunn makes sure to turn over audit managers every few years to ensure impartiality and a fresh perspective.

Mark LaPrade began the presentation on the start of the Fiscal Year (FY) 2024 Financial Audit by highlighting the responsibilities of management and of the auditors, the general approach to

test in different key areas from year to year and that the auditors consider internal controls, but do not express an opinion on it.

Nathan Dunlap provided a look at the key audit areas for FY2024. Nathan noted that the risk areas had not changed significantly from the previous year. Nathan walked through the timing of the audit and pointed out that some interim work had already begun. Nathan stated that draft reports, including financial statements, Yellow Book report, and the required communications letter would be due in September, with final reports due to the Audit & Compliance Committee in early October.

Mark LaPrade provided a preview of communications that would occur at the conclusion of the financial audit and highlighted that the qualitative aspects of accounting practices would be the biggest area. This area would include a summary of any accounting changes, estimates and the work done around them and any sensitive disclosures. Mark added that last item, the management representation letter, is an affirmation of all the representation received during the audit and is standard as part of the regular audit.

Mark asked Committee members if there were any instances of fraud, changes in policy, or areas of concern or other matters that they wished to share with the auditors in advance of the audit. Committee members did not have any risks to share.

Security & Risk Update – Ruchi Shewaramani, Chief Information Security Officer

Ruchi Shewaramani provided a broad look at security compliance and several technical security updates. Ruchi first focus areas were the March 25, 2025, renewal date for the Exchange's Authority to Connect (ATC) with the Center for Medicaid & Medicare (CMS), which required several stage gates and was on track to submit the ATC package by December 25, 2024. Another area of focus was compliance with CMS and the IRS, where she noted all required plans were on track to meet upcoming due dates.

Ruchi highlighted several areas that security had targeted with recent updates including kicking off enhancing the Exchange's monitoring, detection, response and recovery capabilities; continuing to implement safeguards for sensitive information; cyber incident response planning, education and tabletop exercises; and reviewing access controls.

Board Member's had questions regarding how to assess the Exchange's preparedness for a cyber incident. Ruchi noted that the Security Team was planning to present to the Board at an upcoming meeting on this topic.

General Compliance Report – Joanna Donbeck, Compliance Officer

Joanna Donbeck began by presenting recent updates made to how the Exchange manages compliance and risk as a program. Joanna noted that the recent changes while not significant, were made in the spirit of continued improvement and refinement. Joanna noted that CMS require that the Exchange have a compliance governance structure and walked through an overview of how compliance and risk is managed within the Exchange.

Joanna stepped through the recent updates to the Executive Risk and Compliance Committee (ERCC) charter, which she noted has also not changed substantially. Joanna reviewed the different plans and reports for compliance and risk management; the Exchange's risk registers to

assist with coordination and prioritization of activities; the standards of conducts and policies and procedures to promote compliance; and the Exchange's response to incidents.

General Counsel Update - Leah Hole-Marshall, General Counsel and Chief Strategist

Leah Hole-Marshall provided an update on the ongoing activities around the possible infringement of copyright of several fonts embedded in *Healthplanfinder* and the organization. Leah reported that the software and fonts in question had been removed from the platform and was currently being removed from individual desktops and documents, which Leah noted is a time-consuming process. Leah added that the Exchange continues to work with its vendors to try and find alternatives.

Leah reported that the purchase of this software was in the early days of the Exchange and that the Exchange now has a formal tracking process for tracking leased intellectual property and works with an outside vendor to track all Exchange related intellectual property.

Public Comment

No public comment was provided.

Adjourn

Len Sorrin adjourned the meeting at 1:55pm.