



November 21, 2024

Berry Dunn McNeil & Parker, LLC
Certified Public Accountants
1000 Elm Street, 4th Floor
Manchester, New Hampshire 03101

To the Principals

This representation letter is provided in connection with your audit of the financial statement of Rhode Island Health Benefits Exchange d/b/a HealthSource RI (the Exchange), which comprises the statement of revenues and expenditures for the year ended June 30, 2024, and the related notes to the financial statement, for the purpose of expressing opinions as to whether the financial statement is presented fairly, in all material respects, in accordance with U.S. generally accepted accounting principles (U.S. GAAP).

With the exception of representations that describe management's responsibilities and representations related to fraud, representations in this letter are described as being limited to matters that are material. Items are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter the following representations made to you during your audit.

Financial Statement

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated September 26, 2024, including our responsibility for the preparation and fair presentation of the financial statement in accordance with U.S. GAAP.
- 2) The financial statement referred to above is fairly presented in conformity with U.S. GAAP and includes all financial information of the Exchange..
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, reasonable in accordance with U.S. GAAP.
- 6) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statement that would require adjustment to or disclosure in the financial statement.
- 7) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

Information Provided

- 8) We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statement, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the Exchange from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the Advisory Board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 9) All material transactions have been recorded in the accounting records and are reflected in the financial statement.
- 10) We have disclosed to you the results of our assessment of the risk that the financial statement may be materially misstated as a result of fraud.
- 11) We have no knowledge of any fraud or suspected fraud that affects the Exchange, including financial reporting related to compliance with existing laws and regulations governing reimbursement from third-party payors, and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statement.
- 12) We have no knowledge of any allegations of fraud or suspected fraud affecting the Exchange's financial statement communicated by employees, former employees, regulators, or others.
- 13) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing the financial statement.
- 14) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statement.
- 15) We have disclosed to you the names of the Exchange's related parties and all the related party relationships and transactions, including any side agreements.
- 16) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 17) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 18) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 19) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statement.

- 20) We have identified and disclosed to you all instances, that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 21) We have identified and disclosed to you all instances, that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statement or other financial data significant to the audit objectives.
- 22) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statement, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 23) As part of your audit, you assisted with preparation of the financial statement. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for the financial statement.
- 24) The Exchange has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
- 25) Expenditures have been appropriately classified in the statement of revenues and expenditures, and allocations have been made on a reasonable basis.
- 26) Revenues are appropriately classified in the statement of revenues and expenditures.
- 27) The financial statement properly discloses all other related organizations.

Sincerely,



Lindsay Lang, Director



Allison Shippee (Dec 2, 2024 14:23 EST)

Allison Shippee, Chief Financial Officer











2024 HSRI Management Rep Letter

Final Audit Report

2024-12-03

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