

**Summary of Independent External Audit
Maryland Health Benefit Exchange Plan Year 2019**

The Affordable Care Act requires state-based exchanges to have an annual external independent audit of financial and program activities in accordance with 45 CFR 155.1200-1210, Subpart M – Oversight and Program Integrity Standards for State Exchanges. Maryland Health Benefit Exchange (MHBE) underwent its Plan Year 2019 audit, which was based upon Governmental Auditing Standards and examined MHBE’s accounting of expenditures and regulatory standards for general functions of state-based exchanges. Specific areas of examination included, but were not limited to, certification of Qualified Health Plans (QHPs), enrollment in QHPs, Medicaid, data reporting, information disclosures, and quality improvement strategies.

One significant deficiency related to how MHBE accounts for rent expenses was found, even though the accounting of rent expense when it was paid led to a de minimis understatement of rent expense when compared to the overall budget. The audit firm did not identify any exceptions during the programmatic review. The review found MHBE complied with the state-based exchange regulations 45 CFR Part 155, Subparts C, D, E, K, and M.