



Southern Skyland Regional Health Insurance Fund

2021 Audit Results May 10, 2022

This report is intended solely for the information and use of the Board of Commissioners and management and is not intended to be and should not be used by anyone other than these specified parties.



Agenda

Scope of Services

Audit Process & Results

Required Communications

Scope of Services



Report on Financial Statements

Report on Supplementary Info

**Audit in accordance with DoBI, GAS and
DLGS**

Audit Process

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- Risk-based approach

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- Evaluation of internal controls over financial reporting and compliance

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- Detail testing and financial statement draft

Audit Results

Opinion

- Unmodified or “Clean” opinion on the financial statements US GAAP basis for 12/31/2021
- No opinion on IBNR reserve

GAS

- No findings – Internal control over financial reporting.
- No findings – noncompliance with laws, regulations, contracts and agreements

Financial Highlights

- Total assets increased (\$4.2M in FY21 vs. \$4.1M in FY20)
- Total liabilities increased (\$3.9M in FY21 vs. \$2.6M in FY20)
 - IBNR reserve increased \$553,000
- Operating revenues and expenses slightly up from prior year (3% and 7% respectively) but in line with budget
- Limited impacts from COVID in 2021 on SSRHIF operations and financial results

Management Recommendations

- None noted

Required Communications

Overall

- No changes to the planned audit procedures
- No changes in scope of audit
- No new accounting standards adopted
- No audit adjustments
- No uncorrected misstatements

Estimates

- Evaluated significant estimates & related assumptions (Claims expense and related reserves)
- No changes to estimates from the prior year
- Management's estimates are reasonable

Cooperation

- Received full cooperation of management
- No disagreements with management
- No other findings to report

Industry or Accounting Changes

- GASB 87 – Leases. Applicable for the year ended June 30, 2022
- NJ DoBI bulletins related to COVID and insurance impacts

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Our Core Values

INTEGRITY

Conducting our affairs honestly & ethically & doing what's right, regardless of the cost or consequence.

EXCELLENCE

Striving to be the best in everything we do, being a part of something special & enabling ourselves & others to reach the highest potential.

RESPONSIBILITY

Being accountable for the success, development & improvement of our families, our firm, ourselves, our clients, colleagues & community.

CREATIVITY

Embracing change & continually seeking out & developing innovative ways to serve our families, our firm, ourselves, our clients, colleagues & community, recognizing that failure is an integral part of success.

RESPECT

Appreciating, understanding & supporting ourselves & others, our colleagues, our clients & community.

Firm Contact Information

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