

**MORAN & SMITH LLP**  
**Certified Public Accountants**

102 N. Adams Street, Quincy, FL 32351  
850-627-9528 • MoranSmithCPA.com

August 21, 2014

Board of Directors

Florida Health Maintenance Organization Consumer Assistance Plan

Suite 1200, 106 East College Avenue

Tallahassee, Florida 32301

We are pleased to confirm our understanding of the services we are to provide for Florida Health Maintenance Organization Consumer Assistance Plan (the Plan) for the year ended December 31, 2014.

I have attached an engagement letter for the year ending December 31, 2014; the fee quote is the same as the previous year. I am also happy to propose to do the December 31, 2015 audit as well for the same fee. I have attached the one year letter, as well as a multiyear engagement letter.

Some organizations prefer to approve multiyear contracts and yet still sign annual engagement letters, either way is fine with me.

Thank you

*Christopher Moran*

Chris Moran

Audit Partner

Moran and Smith LLP

August 21, 2014

Board of Directors

Florida Health Maintenance Organization Consumer Assistance Plan

Suite 1200, 106 East College Avenue

Tallahassee, Florida 32301

We are pleased to confirm our understanding of the services we are to provide for Florida Health Maintenance Organization Consumer Assistance Plan (the Plan) for the year ended December 31, 2014.

We will audit the statement of financial position of Florida Health Maintenance Organization Consumer Assistance Plan as of December 31, 2014, and the related statements of activities and changes in net assets, and cash flows for the year then ended.

We will also prepare the Organization's federal form IRS 990 information return for the year ended December 31, 2014.

#### **Audit Objective**

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with generally accepted auditing standards established by the Auditing Standards Board (United States) and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion is other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

#### **Audit Procedures**

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from the Organization's attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization.

Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the Organization and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance, internal control related matters that are required to be communicated under professional standards.

### **Management Responsibilities**

You are responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee the tax services and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, changes in net assets, and cash flows in conformity with U.S. generally accepted accounting principles. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Organization involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring the Organization complies with applicable laws and regulations and for taking timely and appropriate steps to remedy any fraud, illegal acts, or violations of contracts or grant agreements that we may report.

### **Audit Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

Christopher H. Moran is the engagement partner and is responsible for supervising the engagement and signing the report. We expect to begin our audit on approximately February 1, 2015, and to complete your information returns and issue our report no later than March 31, 2015.

We estimate that our fees for these services will not exceed \$6,500 for the audit and for preparation of form IRS 990 information returns. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Moran & Smith LLP

RESPONSE:

This letter correctly sets forth the understanding of Florida Health Maintenance Organization Consumer Assistance Plan.

Officer signature:

Title:

Date:

August 21, 2014

Board of Directors

Florida Health Maintenance Organization Consumer Assistance Plan

Suite 1200, 106 East College Avenue

Tallahassee, Florida 32301

We are pleased to confirm our understanding of the services we are to provide for Florida Health Maintenance Organization Consumer Assistance Plan (the Plan) for the years ended December 31, 2014 and December 31, 2015.

We will audit the statement of financial position of Florida Health Maintenance Organization Consumer Assistance Plan as of December 31, 2014 and December 31, 2015, and the related statements of activities and changes in net assets, and cash flows for the years then ended.

We will also prepare the Organization's federal form IRS 990 information return for the years ended December 31, 2014 and December 31, 2015.

#### **Audit Objective**

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An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization.

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Our audit will include obtaining an understanding of the Organization and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance, internal control related matters that are required to be communicated under professional standards.

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Christopher H. Moran is the engagement partner and is responsible for supervising the engagement and signing the report. We expect to begin our audit for the December 31 2014 year on approximately February 1, 2015, and to complete your information returns and issue our report no later than March 31, 2015. We expect to begin our audit for the December 31 2015 year on approximately February 1, 2016, and to complete your information returns and issue our report no later than March 31, 2016.

We estimate that our fees for these services will not exceed \$6,500 for the audit and for preparation of form IRS 990 information returns for the December 31, 2014 year and the December 31, 2015 year. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

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Date: