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DC Health Benefit Exchange Authority
PROPOSED BUDGET FY16

April 28, 2015 – 10:00 am
John A. Wilson Building



Proposed Budget FY16

- ORGANIZED TO REFLECT FUNCTION AREAS
- IDENTIFIES **ACA REQUIRED FUNCTIONS**
- EFFICIENCY: LEVERAGE DC GOV'T AGENCIES; PHASE-OUT USE OF CONSULANTS AND TRANSITION FTEs
- FY 2016 PROPOSED BUDGET \$32,513,186

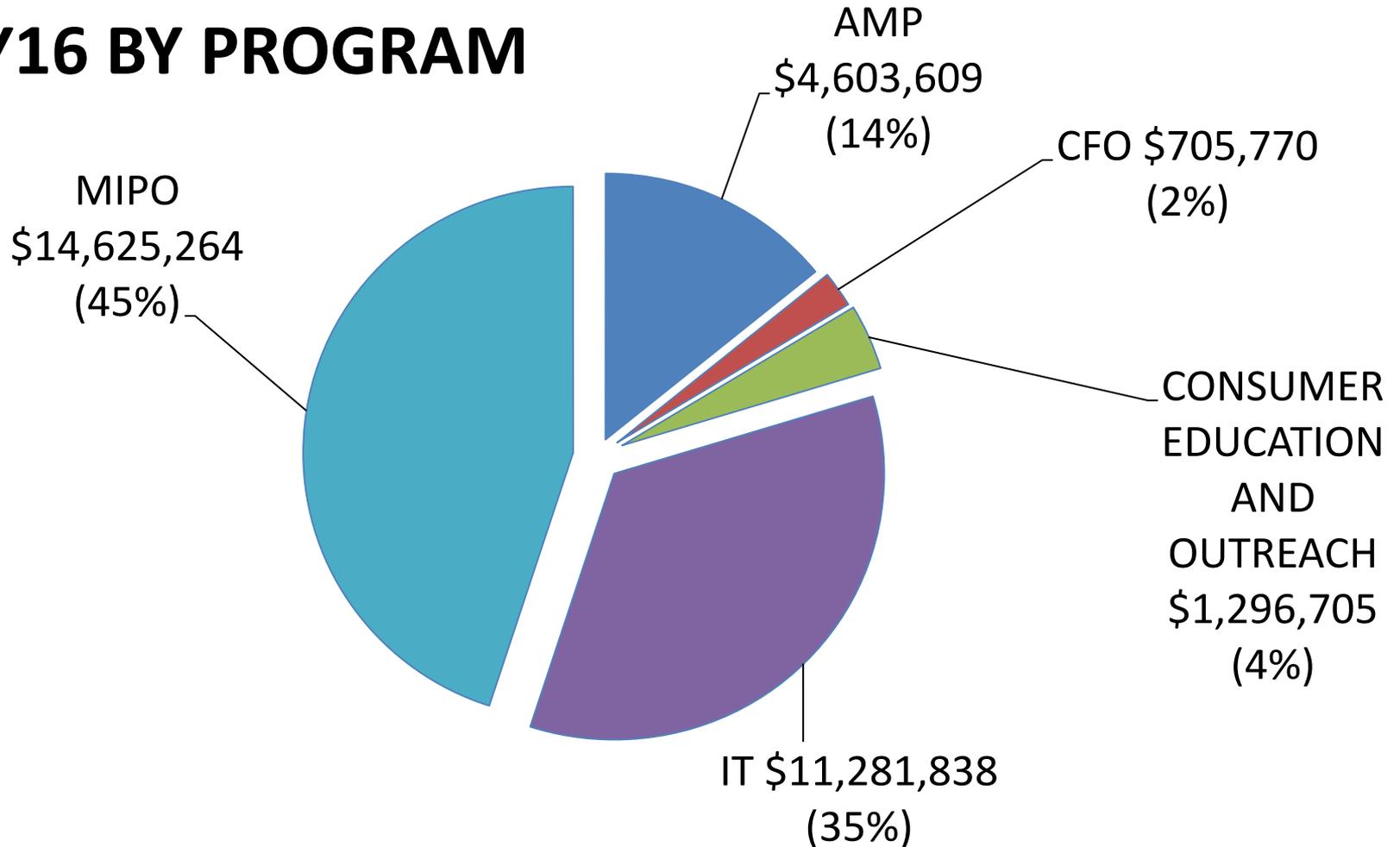


SUMMARY PROPOSED FY16 BUDGET BY PROGRAM AND FTE'S

	FY16 PROPOSED BUDGET	FTE'S
AGENCY MANAGEMENT PROGRAM	\$4,603,609	16
AGENCY FINANCIAL OPERATIONS	\$705,770	4
MARKETPLACE INNOVATION, POLICY & OPERATIONS	\$14,625,264	36.5
CONSUMER EDUCATION AND OUTREACH	\$1,296,705	5.5
IT (DCHealthLink)	\$11,281,838	11
TOTALS	\$32,513,186	73

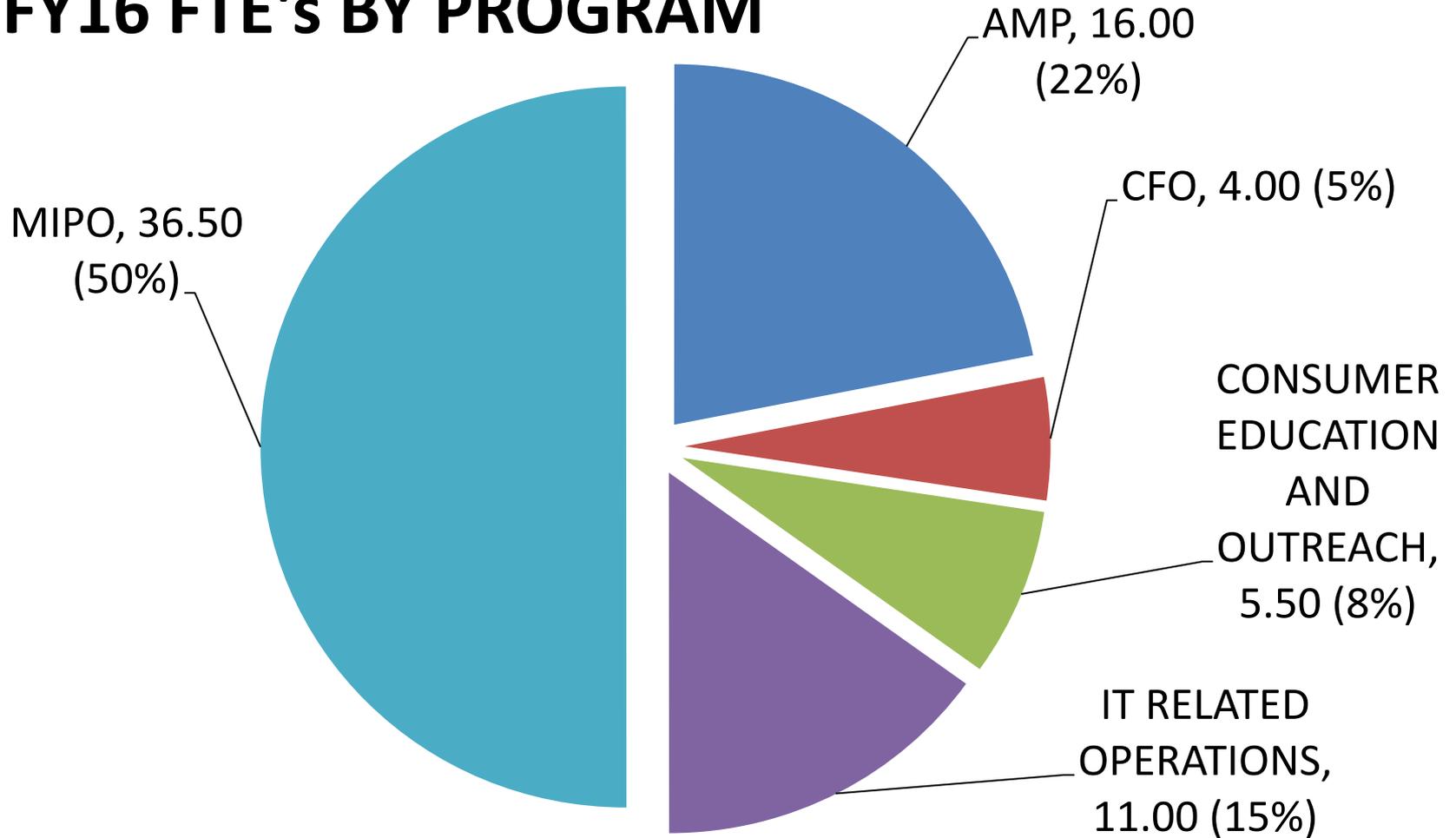


FY16 BY PROGRAM





FY16 FTE's BY PROGRAM





Proposed New FTE's by Area

Program Area/Functions	
AGENCY MANAGEMENT PROGRAM	3
INFORMATION TECHNOLOGY (IT)	8
MIPO: PLAN MANAGEMENT	1
MIPO: ELIGIBILITY AND ENROLLMENT	3
MIPO: S.H.O.P	1
MIPO: MEMBER SERVICES	1
MIPO: DATA AND REPORTING	2



Marketplace Innovation, Policy & Operations (MIPO) FY16 Proposed Budget: \$14,625,264

- **FY16 PERSONNEL SERVICES BUDGET FOR 36.5 FTE's
(INCLUDING 8 NEW FTE's) =\$4,421,823**
- **NON-PERSONNEL SERVICES=\$10,203,441**

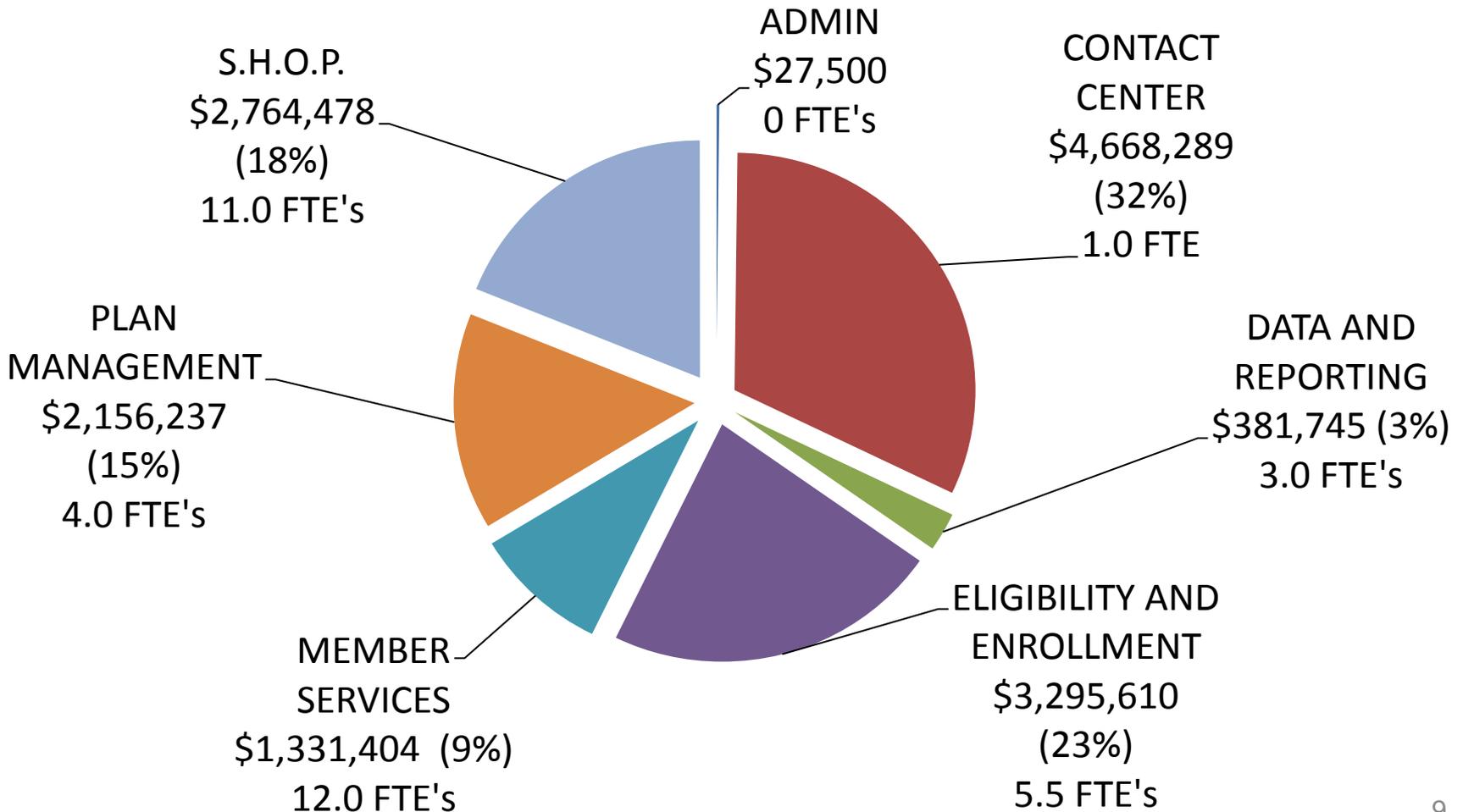


MIPO Cont. FUNCTION AREAS

- **CONTACT CENTER (ACA REQUIREMENT): \$4,668,289**
- **ELIGIBILITY AND ENROLLMENT (ACA REQUIREMENT): \$3,295,610**
- **MEMBER SERVICES: \$1,331,404**
- **PLAN MANAGEMENT (ACA REQUIREMENT): \$2,156,238**
- **S.H.O.P. (ACA REQUIREMENT): \$2,764,478**
- **DATA AND REPORTING (ACA REQUIREMENT): \$381,745**



MIPO BUDGET BY FUNCTION AREAS





MIPO: CONTACT CENTER

CONTACT CENTER FY16 BUDGET = \$4,668,289

- PERSONNEL SERVICES BUDGET FOR 1 FTE = \$127,348
- *NON-PERSONNEL SERVICES BUDGET = \$4,540,941:
 - MAXIMUS CONTRACT- \$3,948,339
 - SALESFORCE LICENSES - \$87,100
 - RENT- \$425,906 (L'ENFANT PLAZA)
 - LANGUAGE LINE - \$33,500
 - COST ALLOCATION PLAN - \$16,750
 - ADMIN COSTS - \$ 29,346

*ONLY HBX portion. Cost allocated with DHS.



MIPO: ELIGIBILITY & ENROLLMENT

ELIGIBILITY AND ENROLLMENT FY16 BUDGET = \$3,295,610

- PERSONNEL SERVICES BUDGET FOR 5.5 FTE'S (INCLUDES 3 NEW FTE'S) = \$622,610
- NON-PERSONNEL SERVICES BUDGET = \$2,673,000:
 - MOA WITH DHS FOR ESA: ELIGIBILITY DETERMINATION - \$2,000,000
 - MOA WITH OAH: ELIGIBILITY APPEALS - \$50,000
 - OFFICE OF DISABILITY RIGHTS: SIGN LANGUAGE INTERPRETATION - \$3,000
 - NOTICE PRINTING/MAILING - \$300,000
 - RECORD RETENTION (10 years federal requirement) - \$250,000
 - AMHARIC AND SPANISH TRANSLATION - \$70,000



MIPO: MEMBER SERVICES

MEMBER SERVICES FY16 BUDGET = \$1,331,404

- **PERSONNEL SERVICES BUDGET FOR 12 FTE'S (INCLUDES 1 NEW FTE) = \$1,281,404**
- **NON-PERSONNEL SERVICES BUDGET = \$50,000:**
 - **TEMP SERVICES - \$50,000**



MIPO: PLAN MANAGEMENT

PLAN MANAGEMENT FY16 BUDGET = \$2,156,238

- PERSONNEL SERVICES BUDGET FOR 4 FTE'S (INCLUDES 1 NEW FTE)= \$556,238
- NON-PERSONNEL SERVICES BUDGET = \$1,600,000:
 - ACTUARIAL - \$250,000
 - DOCTOR DIRECTORY, COST CALCULATOR, CONSUMER DECISION SUPPORT TOOLS - \$500,000
 - CERTIFICATION PROCESS - \$550,000
 - QUALITY RATINGS - \$300,000



MIPO: S.H.O.P.

S.H.O.P FY16 BUDGET = \$2,764,478

- PERSONNEL SERVICES BUDGET FOR 11 FTE'S (INCLUDES 1 NEW FTE)= \$1,452,478
- NON-PERSONNEL SERVICES BUDGET = \$1,312,000:
 - PREMIUM AGGREGATION SERVICES - \$990,000
 - CONSULTING SERVICES - \$300,000
 - BUSINESS PARTNER FOR BROKER TRAINING (NAHU) - \$22,000



MIPO: DATA & REPORTING

DATA AND REPORTING FY16 BUDGET = \$381,745

- PERSONNEL SERVICES BUDGET FOR 3 FTE'S
(INCLUDES 2 NEW FTE's)= \$381,745



AGENCY MANAGEMENT PROGRAM(AMP)

AMP FY16 BUDGET= \$4,603,609

- PERSONNEL SERVICES FOR 16.0 FTE'S (INCLUDING 3 NEW FTE'S)= \$2,429,960
- NON-PERSONNEL SERVICES BUDGET= \$2,173,649
 - FIXED COST - \$1,478,287 (INCLUDES RENT, TELEPHONE)
 - INSURANCE AND OTHER EXECUTIVE BOARD EXPENSES - \$115,000 (reimbursement)
 - LEGAL CONSULTANTS - \$217,500
 - MOA WITH DCHR: HR SUPPORT SERVICES - \$160,562
 - MOA WITH DISB: ASSESSMENT SERVICES - \$85,000
 - MOA WITH CONTRACT APPEALS BOARD - \$20,000
 - EMPLOYEE TRAINING - \$10,000
 - MEMBERSHIP (including NASHP) - \$30,000
 - ADMIN COSTS - \$57,300 (computers)



CONSUMER EDUCATION AND OUTREACH

CONSUMER EDUCATION AND OUTREACH FY16 BUDGET =
\$1,296,705

- PERSONNEL SERVICES FOR 5.50 FTE's = \$746,705
- NON-PERSONNEL SERVICES BUDGET = \$550,000:
 - NAVIGATOR PROGRAM - \$150,000
 - DC CHAMBER OF COMMERCE/HISPANIC CHAMBER/RESTAURANT ASSOCIATION - \$200,000
 - COMMUNITY OUTREACH AND MARKETING - \$200,000



IT (DCHealthLink)

IT FY16 BUDGET= \$11,281,838

- PERSONNEL SERVICES FOR 11 FTE's (INCLUDING 8 NEW FTE's)
= \$1,815,019
- NON- PERSONNEL SERVICES BUDGET=\$9,466,819
 - IT CONSULTANTS - \$2,020,176 (O & M)
 - SOFTWARE COSTS - \$5,980,741 (licenses)
 - OCTO IT ASSESSMENT - \$1,458,202
 - ADMIN COSTS - \$7,700



AGENCY FINANCIAL OPERATIONS (AFO)

AFO FY16 BUDGET = \$705,770

- **PERSONNEL SERVICES FOR 4 FTE's = \$555,970**
- **NON-PERSONNEL SERVICES BUDGET = \$149,800**
 - **CAFR/SMART AUDIT - \$143,000**
 - **ADMIN COSTS - \$6,800**



Oversight, audits, and other reviews

- Bert Smith HBX self-initiated 2013
- U.S. HHS OIG began in 2014 – current (all state marketplaces):
 - Eligibility and enrollment
 - Financial including grant drawdown, procurement, and cost-allocation
- U.S. Treasury OIG (coordinated with HHS OIG)
- KPMG Comprehensive Annual Financial Report (CAFR) 2013 and 2014



Oversight, Audits cont.

- KPMG A133 Single Audit 2014 and 2015
- CCIIO 2014; 2015 including financial sustainability, grants -- financial and procurement, and IT review (to begin May 2015)
- CCIIO privacy and security review (to begin May 2015)
- CMS State-based Marketplace Annual Reporting Tool (CMS “SMART” Audit) new annual audit 2015 (required submissions and outside audits -- financial audit KPMG; programmatic audit includes eligibility, enrollment, privacy, security, appeals, certification of QHPs, etc (Bert Smith and HHS OIG)
- Insurance Regulatory Trust Fund audit (BSA 2014) (to be scheduled; coordinated)



Oversight, Audits cont.

- IRS Review (2013 initial and once every 3 years)
- IRS Annual Safeguard Security Report (SSR) (report submitted annually in March and includes security controls)
- DC OIG Office of Integrity and Oversight: assessment of the HBX financial processes and reporting systems 2015
- GAO reports
- U.S. House of Representatives Committee on Oversight & Government Reform (document productions: privacy & security, consumer assistance programs) 2014



Oversight, Audits cont.

- U.S. Senate Small Business Committee (document requests related to Congressional enrollment) 2015
- Senators Hatch and Grassley (U.S. Senate Finance Committee and U.S. Senate Judiciary Committee document production related to grants) 2014
- OCP procurement audit (started and terminated)
- FOIA
- CMS required data reporting
- IRS required data reporting
- Non gov't research requests



Efficiency & Sustainability: Leveraging purchasing power of state-based marketplaces

- Denver April 2015 state-based marketplaces meeting focused on more cost effective purchasing of goods and services (sustainability)
 - Formal joint purchasing or joint negotiations
 - Sharing vendor price structure to achieve better deals with current vendors
- CCIIO Summer 2015 meeting on sustainability
- Leavitt Partners April 2015 meeting on sustainability



Efficiency and Sustainability

- Reviewing current contracts including:
 - Maximus
 - NFP
- Potential revenue:
 - VSP (vision insurance)



October 1, 2013 to April 26, 2015 (includes open enrollment and SEPs), **106,364 people**:

- **22,354** people enrolled in private health plans through the DC Health Link individual and family marketplace;
- **67,761** people determined eligible for Medicaid coverage through DC Health Link; and
- **16,249** people enrolled through the DC Health Link small business marketplace (includes Congressional enrollment)



**Open Enrollment begins
Nov 1, 2015
for individuals and families**



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