GOVERNMENT OF THE DISTRICT OF COLUMBIA



**TESTIMONY**

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**District of Columbia health benefit exchange authority (HBX)**

**Before**

**Councilmember Vincent Orange**

**Council of the District of Columbia**

**Chair of the Committee on business, consumer and regulatory affairs**

**Public Oversight Roundtable**

**“review of district agencies’ compliance with certified business enterprise (CBE) expenditure goals for fiscal year 2015 and fiscal year 2016”**

**wednesday, march 9, 2016**

**panel 4: 11:00 AM**

Good morning Chairman Orange and members of the Committee on Business, Consumer and Regulatory Affairs. I am Ikeita Cantú Hinojosa, Senior Deputy for Operations and Chief Operating Officer for the DC Health Benefit Exchange Authority, or “HBX.” I am testifying on behalf of HBX, Executive Director Mila Kofman, and our HBX Board. We are committed to fostering economic growth and maximizing business opportunities within the District’s local small business community, and we thank you for the opportunity to present testimony on the DC Health Benefit Exchange Authority’s fiscal year 2015 and 2016 efforts to support and promote certified small business enterprises (CBEs) in the District of Columbia. As you know, HBX operates DC Health Link, the health insurance marketplace in the District of Columbia in accordance with the Affordable Care Act, thereby ensuring access to quality and affordable health coverage to all DC residents and small businesses and their employees.

Since we opened for business in 2013, HBX has either met or exceeded the District’s goal of procuring 50% of the agency expendable budget with CBEs. Our Fiscal Year 2015 expendable budget was $17,842,508. Spending reports certified by the Department of Small and Local Business Development (DSLBD) confirm that the DC Health Benefit Exchange Authority not only met but exceeded our small business spending requirement, spending $24,105,826 of our agency’s FY15 expendable budget with CBEs.

We are committed to continue our track record of agency compliance with CBE utilization goals again this year. Our HBX fiscal year 2016 expendable budget is $18,856,714. As documented in the DSLBD Quick Base System, our FY16 allocated expenditures for the first quarter total $14,744,101, well above our required CBE goal in FY16 of $9,428,357. We remain fully committed in achieving the FY16 target goal for expenditures within the local small business community, and we look forward to continued growth in our CBE spending.

HBX’s success is in part attributable to the local IT community and local talent that we are able to access through CBEs. In addition, CBEs are a cost-effective way for us to continue improving DC Health Link. During this open enrollment period, our customers see new features and a revamped, faster and easier to use online shopping and enrollment website. Almost all the work was performed by local IT tech “wizzes” through CBEs.

We are strongly committed to the CBE community and make purchasing decisions based on CBE status. Our goal is to exceed minimum requirements, and our staff is trained to do so. For example, staff considers CBE and District of Columbia Supply Schedule (DCSS) vendors first during acquisition planning and ensures that contracts include valid subcontracting plans. We purchase goods and services from CBEs whenever possible. We also monitor Purchase Card activities to ensure that P-Card purchases exceed our goals for business through CBEs.

Thank you, Mr. Chairman and members of the Committee, for the opportunity to testify on this vital initiative in the District of Columbia. I am available to answer any questions.