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# DC Health Benefit Exchange Authority

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DRAFT Staff proposed budget FY18

Standing Advisory Board Presentation Nov 3, 2016



## DRAFT STAFF PROPOSED BUDGET- FY18

- PROCESS: Staff, Board Finance Committee, Standing Advisory Board (diverse stakeholders) & HBX Executive Board
- Organized to Reflect Function Areas
- **RED Identifies ACA Required Functions**
- Efficiency: Renegotiate contracts for cost savings; leverage DC gov't agencies; phase-out consultants and transition to FTEs
- FY 2018 STAFF DRAFT PROPOSED BUDGET \$28,161,557
- Funded through an assessment on health carriers (1%)



# SUMMARY PROPOSED FY18

	<b>FY18 PROPOSED BUDGET</b>	<b>FTE'S</b>
MARKETPLACE INNOVATION, POLICY AND OPERATIONS (Marketplace Operations)	\$9,343,617	41
CONSUMER EDUCATION AND OUTREACH	\$2,373,440	5
IT (DCHealthLink.com)	\$10,458,458	25
AGENCY MANAGEMENT PROGRAM	\$5,327,202	18
AGENCY FINANCIAL OPERATIONS	\$658,840	3
<b>TOTAL</b>	<b>\$28,161,557</b>	<b>92</b>



## BUDGET COMPARISON: FY17 & FY18

	<b>FY17 APPROVED BUDGET</b>	<b>FY18 STAFF DRAFT PROPOSED BUDGET</b>
MARKETPLACE INNOVATION, POLICY AND OPERATIONS (Marketplace Operations)	\$12,126,997	\$9,343,617
CONSUMER EDUCATION AND OUTREACH	\$1,976,510	\$2,373,440
IT (DCHealthLink.com)	\$14,121,230	\$10,458,458
AGENCY MANAGEMENT PROGRAM	\$5,588,236	\$5,327,202
AGENCY FINANCIAL OPERATIONS	\$708,294	\$658,840
<b>TOTAL BUDGET</b>	<b>\$34,521,266</b>	<b>\$28,161,557</b>

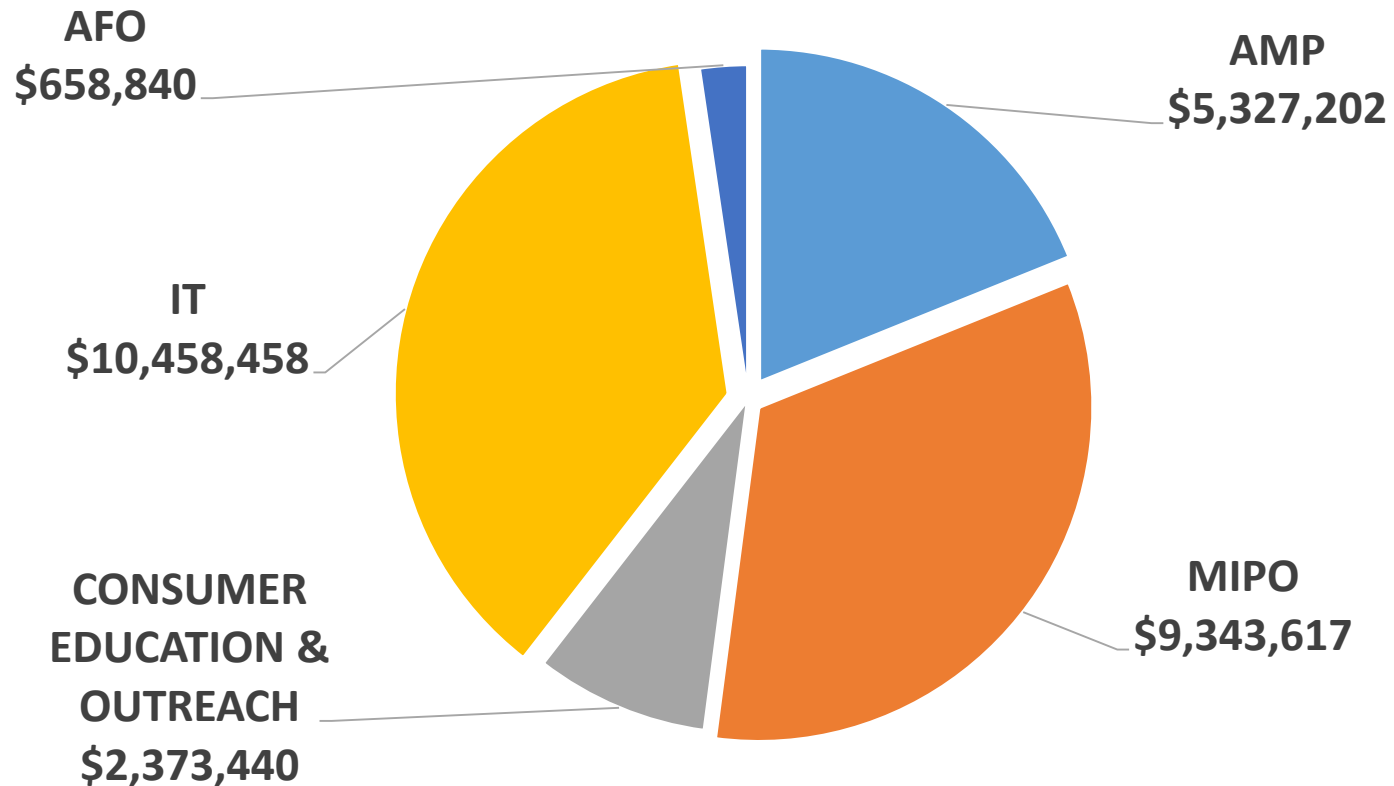


## BUDGET COMPARISON: FY17 & FY18 FTEs

	FY17 APPROVED FTE	FY18 PROPOSED FTE	DIFFERENCE
MARKETPLACE INNOVATION, POLICY AND OPERATIONS (Marketplace Operations)	41.0	41.0	0.0
CONSUMER EDUCATION AND OUTREACH	5.0	5.0	0.0
IT (DCHealthLink.com)	25.0	25.0	0.0
AGENCY MANAGEMENT PROGRAM	18.0	18.0	0.0
AGENCY FINANCIAL OPERATIONS	3.0	3.0	0.0
<b>TOTAL FTE</b>	<b>92.0</b>	<b>92.0</b>	<b>0.0</b>

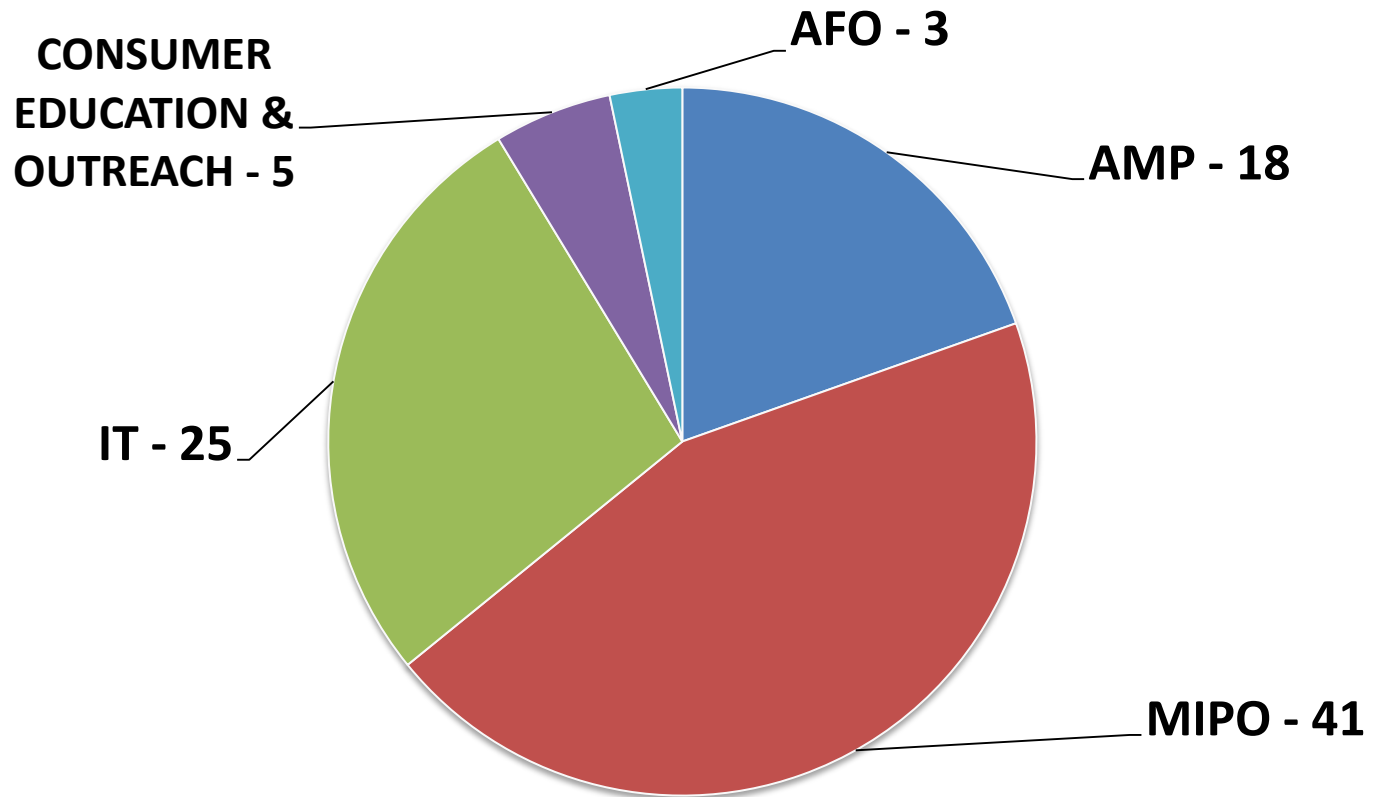


## FY18 BUDGET BY PROGRAM





## FY18 FTEs BY PROGRAM





## **MARKETPLACE INNOVATION, POLICY AND OPERATIONS (MIPO)**

**PROPOSED FY18 BUDGET = \$9,343,617**

- **FY18 PERSONNEL SERVICES BUDGET FOR 41 FTEs = \$4,737,279**
- **NON-PERSONNEL SERVICES = \$4,606,338**



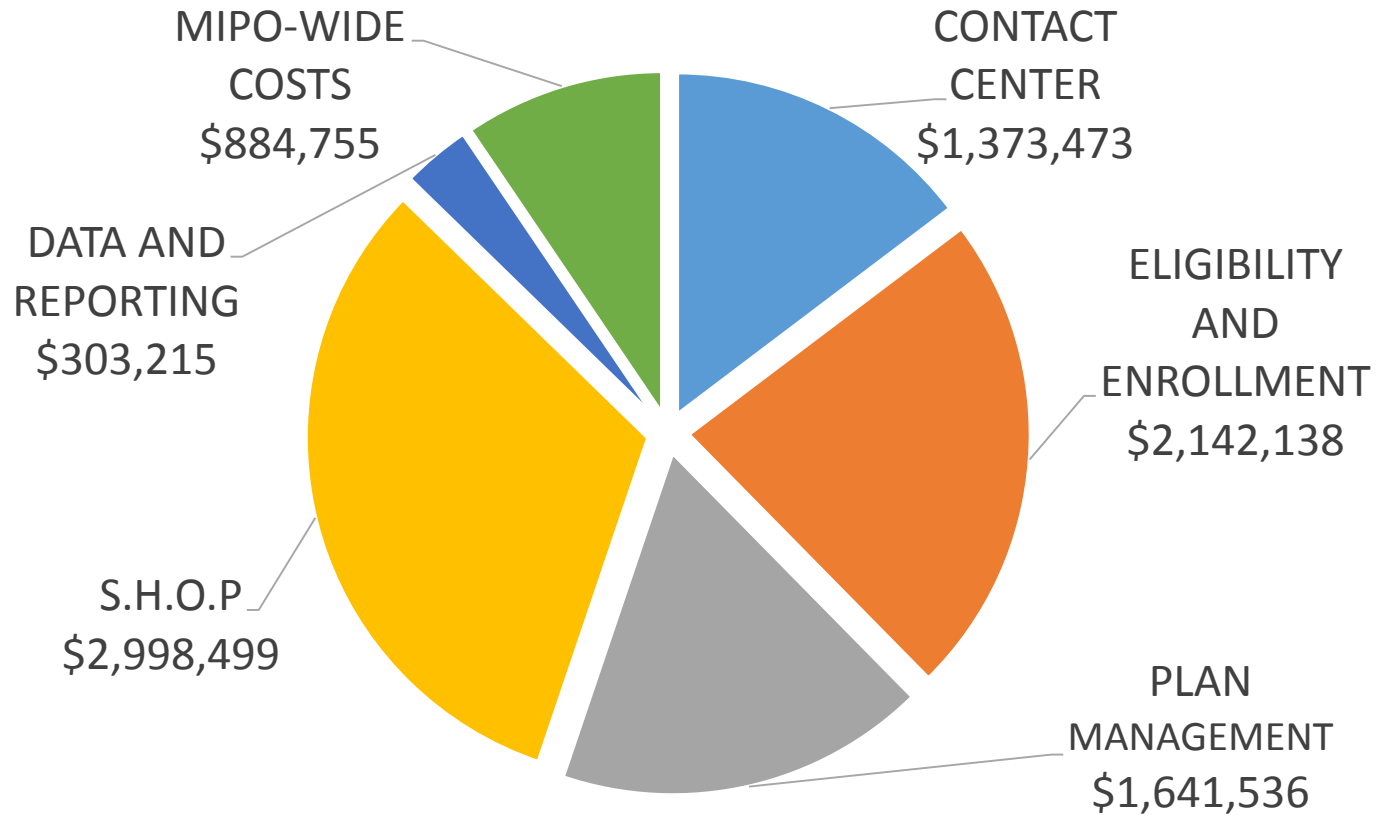


## MIPO Cont. FUNCTION AREAS

- **CONTACT CENTER** (ACA REQUIREMENT): \$1,373,473
- **ELIGIBILITY AND ENROLLMENT** (ACA REQUIREMENT): \$2,142,138
- **PLAN MANAGEMENT** (ACA REQUIREMENT): \$1,641,536
- **S.H.O.P.** (ACA REQUIREMENT): \$2,998,499
- **DATA AND REPORTING** (ACA REQUIREMENT): \$303,215
- **MIPO-WIDE COSTS: (SOFTWARE, SUPPLIES, SALARIES NOT INCLUDED IN CATEGORIES ABOVE, TRAINING): \$884,755**



## MIPO BUDGET BY FUNCTION AREAS





## **MIPO: CONTACT CENTER (ASSUMES 94/6 COST ALLOCATION W/MEDICAID)**

**CONTACT CENTER** FY18 BUDGET = \$1,373,473

- NON-PERSONNEL SERVICES = \$1,373,473:
  - CONTACT CENTER SERVICE CONTRACT- \$420,000 (only HBX cost allocated portion)
  - CALL CENTER SALESFORCE LICENSES - \$9,616 (only HBX cost allocated portion)
  - ADMIN - \$3,387 (only HBX cost allocated portion)
  - RENT - \$837,470 (L'ENFANT PLAZA)\*
  - LANGUAGE LINE - \$103,000\*

\*FULL COST BILLED TO HBX. WILL BE REDUCED SUBJECT TO COST ALLOCATION AGREEMENT



## **MIPO: ELIGIBILITY AND ENROLLMENT** (INDIVIDUAL MARKETPLACE)

**FY18 BUDGET = \$2,142,138**

- **PERSONNEL SERVICES BUDGET FOR 13.5 FTEs = \$1,263,138**
  - **ELIGIBILITY AND ENROLLMENT STAFF: 3.5 FTEs = \$488,578**
  - **MEMBER SERVICES STAFF: 10.0 FTEs = \$774,560**
- **NON-PERSONNEL SERVICES = \$879,000**



## **MIPO: ELIGIBILITY AND ENROLLMENT (CONT.)**

- NON-PERSONNEL SERVICES = \$879,000
  - MOA WITH DHS FOR ESA: \$100,000
  - MOA WITH OAH FOR ELIGIBILITY APPEALS: \$25,000
  - MOA WITH OFFICE OF DISABILITY RIGHTS FOR SIGN LANGUAGE INTERPRETATION: \$1,500
  - NOTICE PRINTING/MAILING: \$250,000\*\*
  - AMHARIC/SPANISH TRANSLATION OF NOTICES: \$250,000
  - CONSULTING SERVICES: \$250,000
  - DOCUMENT IMAGING (ESA): \$2,500

\*\*FULL COST BILLED TO HBX. WILL BE REDUCED SUBJECT TO COST ALLOCATION AGREEMENT FOR NOTICES THAT ARE COST ALLOCATED. SOME NOTICES ARE HBX ONLY.



## MIPO: PLAN MANAGEMENT

**PLAN MANAGEMENT** FY18 BUDGET = \$1,641,536

- PERSONNEL SERVICES BUDGET FOR 3.5 FTEs = \$495,536
- NON-PERSONNEL SERVICES = \$1,146,000
  - ACTUARIAL SERVICES - \$250,000
  - DOCTOR DIRECTORY AND PLAN MATCH (INCLUDES PHARMACY TOOL & NEW NATIONWIDE DOCTOR DIRECTORY) - \$896,000



## MIPO: S.H.O.P.

**S.H.O.P** FY18 BUDGET = \$2,998,499

- PERSONNEL SERVICES BUDGET FOR 18.5 FTEs = \$1,948,499
  - SHOP STAFF: 3.5 FTEs = \$598,139
  - SHOP ACCOUNT MANAGERS: 15 FTEs = \$1,350,360
- NON-PERSONNEL SERVICES = \$1,050,000:
  - PREMIUM AGGREGATION - \$800,000
  - CONSULTING SERVICES - \$250,000



# MIPO: DATA AND REPORTING

## DATA AND REPORTING FY18 BUDGET = \$303,215

- PERSONNEL SERVICES BUDGET FOR 2 FTEs = \$299,675
- NON PERSONNEL SERVICES = \$3,540
  - INTERNAL SURVEY TOOL: \$3,540





## CONSUMER EDUCATION AND OUTREACH

CONSUMER EDUCATION AND OUTREACH FY18 BUDGET =  
\$2,373,440

- PERSONNEL SERVICES FOR 5 FTEs = \$714,640
- NON-PERSONNEL SERVICES = \$1,658,800:
  - BUSINESS PARTNERS - DC CHAMBER OF COMMERCE, GREATER WASHINGTON HISPANIC CHAMBER OF COMMERCE, RESTAURANT ASSOCIATION METROPOLITAN WASHINGTON - \$300,000
  - COMMUNITY OUTREACH AND MARKETING - \$583,000
  - HEALTH INSURANCE LITERACY CAMPAIGN - \$100,000
  - **NAVIGATOR PROGRAM/ASSISTERS** - \$650,000
  - ADMIN - \$25,800



## IT (DCHealthLink.com)

**IT** FY18 BUDGET= \$10,458,458

- PERSONNEL SERVICES FOR 25 FTEs = \$3,469,287 (CONVERSION OF IT CONSULTANTS TO FTE's)
- NON- PERSONNEL SERVICES = \$6,989,171
  - IT CONSULTANTS - \$4,942,080
  - SOFTWARE COSTS - \$827,499
  - SALESFORCE LICENSE - \$223,970
  - OCTO IT ASSESSMENT - \$111,952
  - ADMIN COSTS - \$36,200
  - FIXED COST (RENT & SUPPLEMENTAL HVAC) - \$847,470



## AGENCY MANAGEMENT PROGRAM(AMP)

AMP FY18 BUDGET= \$5,327,202

- PERSONNEL SERVICES FOR 18 FTEs = \$3,005,098
- NON-PERSONNEL SERVICES = \$2,322,103
  - FIXED COST - \$1,671,153 (INCLUDES RENT, TELEPHONES & SUPPLEMENTAL HVAC)
  - INSURANCE AND OTHER EXECUTIVE BOARD EXPENSES - \$103,000
  - LEGAL EXPENSES (CONSULTANTS, SUBSCRIPTIONS) - \$57,000
  - MOA WITH DCHR: HR SUPPORT SERVICES - \$168,950
  - MOA WITH DISB: ASSESSMENT SERVICES - \$85,000
  - MOA WITH CONTRACT APPEALS BOARD - \$25,000
  - EMPLOYEE TRAINING - \$25,000
  - TEMPORARY STAFFING AGENCY - \$20,000
  - MEMBERSHIP (INCLUDING NASHP) - \$19,000
  - ADMIN - \$148,000 (COMPUTERS, TRAVEL, OFFICE SUPPLIES, ETC.)



# AGENCY FINANCIAL OPERATIONS (AFO)

AFO FY18 BUDGET = \$658,840

- PERSONNEL SERVICES FOR 3 FTEs = \$499,940
- NON-PERSONNEL SERVICES = \$158,900
  - AUDITING SERVICES (INCLUDING CAFR, SINGLE AUDIT, SMART AUDIT)- \$150,000
  - ADMIN - \$8,900