
Health Benefit Exchange Authority

<http://dchbx.com>

Telephone: 202-715-7576

Description	FY 2013 Approved	FY 2014 Proposed	% Change from FY 2013
Operating Budget	\$0	\$66,140,499	N/A
FTEs	0.0	37.0	N/A

Note: The Health Benefit Exchange Authority is a newly established District of Columbia agency created by D.C. Council legislation under the Health Benefit Exchange Authority Establishment Act of 2011 (DC L19-0094).

The mission of the D.C. Health Benefit Exchange Authority is to implement a health care exchange program in the District of Columbia in accordance with the Patient Protection and Affordable Care Act, thereby ensuring access to quality and affordable health care to all District of Columbia residents.

Summary of Services

In March of 2010, the Patient Protection and Affordable Care Act of 2010 was signed into law with the central goal of ensuring that all Americans have access to quality, affordable health care. Beginning in 2014, significant health insurance reforms will be implemented including the establishment of Health Benefit Exchanges nationwide. The D.C. Health Benefit Exchange Authority is a quasi-governmental agency of the District of Columbia government charged with implementing and operating the District's Health Benefit Exchange. The Health Benefit Exchange is an online marketplace for District residents and small businesses to compare private health insurance plans, learn if they are eligible for tax credits or subsidies to purchase private insurance or qualify for public health programs such as Medicaid, and enroll in a health plan that best meets their needs. The Health Benefit Exchange will enable individuals and small employers to find affordable and easier-to-understand health insurance and assist small employers in purchasing qualified health plans for their employees. Enrollment in the District's Health Benefit Exchange will begin October 2013, with coverage starting January 1, 2014.

The agency's FY 2014 proposed budget is presented in the following tables:

FY 2014 Proposed Gross Funds Operating Budget, by Revenue Type

Table HI0-1 contains the proposed FY 2014 agency budget compared to the FY 2013 approved budget.

Table HI0-1

(dollars in thousands)

Appropriated Fund	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
General Fund				
Special Purpose Revenue Funds	0	66,140	66,140	N/A
Total for General Fund	0	66,140	66,140	N/A
Gross Funds	0	66,140	66,140	N/A

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to Schedule 80 Agency Summary by Revenue Source in the FY 2014 Operating Appendices located on the Office of the Chief Financial Officer's website.

FY 2014 Proposed Full-Time Equivalents, by Revenue Type

Table HI0-2 contains the proposed FY 2014 FTE level compared to the FY 2013 approved FTE level by revenue type.

Table HI0-2

Appropriated Fund	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change
General Fund				
Special Purpose Revenue Funds	0.0	370	370	N/A
Total for General Fund	0.0	370	370	N/A
Total Proposed FTEs	0.0	370	370	N/A

FY 2014 Proposed Operating Budget, by Comptroller Source Group

Table HI0-3 contains the proposed FY 2014 budget at the Comptroller Source Group (object class) level compared to the FY 2013 approved budget.

Table HI0-3
(dollars in thousands)

	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Percent Change*
Comptroller Source Group				
11 - Regular Pay - Continuing Full Time	0	3,946	3,946	N/A
14 - Fringe Benefits - Current Personnel	0	908	908	N/A
Subtotal Personal Services (PS)	0	4,853	4,853	N/A
20 - Supplies and Materials	0	22	22	N/A
32 - Rentals - Land and Structures	0	780	780	N/A
40 - Other Services and Charges	0	131	131	N/A
41 - Contractual Services - Other	0	45,079	45,079	N/A
50 - Subsidies and Transfers	0	15,200	15,200	N/A
70 - Equipment and Equipment Rental	0	75	75	N/A
Subtotal Nonpersonal Services (NPS)	0	61,287	61,287	N/A
Gross Funds	0	66,140	66,140	N/A

*Percent change is based on whole dollars.

Program Description

The Health Benefit Exchange Authority operates through the following 7 programs:

Eligibility and Enrollment – provides a seamless, web-based eligibility process for enrollment in the qualified health plans available through the Health Benefit Exchange as well as Medicaid and other government assistance programs in the District.

Consumer Education and Outreach– informs residents about the Health Benefit Exchange, the health coverage options available through it, and the benefits of purchasing coverage through the Exchange; provides ease of access to various health plans through an on-line information and enrollment system; and assists individuals with eligibility for premium subsidies, cost-sharing reductions, as well as whether they may be eligible for Medicaid or other public benefit programs.

Plan Management – working in conjunction with local and federal regulatory bodies, establishes and oversees the process to certify, recertify and decertify qualified health plans available on the Exchange, along with assigning quality ratings to each qualified health plan and applying the ratings for certification.

SHOP Operations – provides support to the Small Business Health Options Program (SHOP) exchange. The SHOP facilitates the purchase of coverage in qualified health plans for employees of small businesses with 2-50 employees that choose to purchase coverage through the D.C. Health Benefit Exchange and conducts employer eligibility appeals.

Business Development – promotes economic development through marketing initiatives and the establishment of new business relationships that ensure District residents have access to a broad range of affordable, easily accessible and diverse health care options.

Agency Management – provides for administrative support and the required tools to achieve operational and programmatic results. This program is standard for all agencies using performance-based budgeting.

Agency Financial Management – provides comprehensive and efficient financial management services, to and on behalf of, District agencies so that the financial integrity of the District of Columbia is maintained. This program is standard for all agencies using performance-based budgeting.

Program Structure Change

The Health Benefit Exchange Authority is a new agency in the FY 2014 proposed budget.

FY 2014 Proposed Operating Budget and FTEs, by Program and Activity

Table HI0-4 contains the proposed FY 2014 budget by program and activity compared to the FY 2013 approved budget.

Table HI0-4

(dollars in thousands)

Program/Activity	Dollars in Thousands			Full-Time Equivalents		
	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Approved FY 2013	Proposed FY 2014	Change from FY 2013
(1000) Agency Management						
(1010) Personnel	0	159	159	0.0	1.0	1.0
(1015) Training	0	55	55	0.0	0.0	0.0
(1020) Contracts and Procurement	0	14,295	14,295	0.0	2.0	2.0
(1030) Property Management	0	1,187	1,187	0.0	0.0	0.0
(1040) Information Technology	0	30,350	30,350	0.0	2.0	2.0
(1055) Risk Management	0	300	300	0.0	0.0	0.0
(1060) Legal Services	0	608	608	0.0	4.0	4.0
(1070) Fleet Management	0	12	12	0.0	0.0	0.0
(1080) Communications	0	441	441	0.0	3.0	3.0
(1085) Customer Service	0	174	174	0.0	3.0	3.0
(1090) Performance Management	0	1,129	1,129	0.0	6.0	6.0
Subtotal (1000) Agency Management	0	48,711	48,711	0.0	21.0	21.0
(100F) Agency Financial Operations						
(110F) Budget Operations	0	101	101	0.0	1.0	1.0
(120F) Accounting Operations	0	213	213	0.0	2.0	2.0
(140F) Agency Fiscal Officer	0	642	642	0.0	3.0	3.0
Subtotal (100F) Agency Financial Operations	0	956	956	0.0	6.0	6.0
(2000) Plan Management Program						
(2010) Plan Management Support Service	0	243	243	0.0	2.0	2.0
Subtotal (2000) Plan Management Program	0	243	243	0.0	2.0	2.0
(3000) Eligibility and Enrollment Program						
(3010) Eligibility and Enrollment Support Services	0	243	243	0.0	2.0	2.0
Subtotal (3000) Eligibility and Enrollment Program	0	243	243	0.0	2.0	2.0
(4000) S.H.O.P. Operations Program						
(4010) S.H.O.P. Operations Support Service	0	243	243	0.0	2.0	2.0
Subtotal (4000) S.H.O.P. Operations Program	0	243	243	0.0	2.0	2.0

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Table H10-4 (Continued)

(dollars in thousands)

Program/Activity	Dollars in Thousands			Full-Time Equivalents		
	Approved FY 2013	Proposed FY 2014	Change from FY 2013	Approved FY 2013	Proposed FY 2014	Change from FY 2013
(5000) Consumer Education and Outreach Program						
(5010) Consumer Education and Outreach Support Service	0	15,200	15,200	0.0	0.0	0.0
Subtotal (5000) Consumer Education and Outreach Program	0	15,200	15,200	0.0	0.0	0.0
(6000) Business Development Program						
(6010) Business Development Support Service	0	544	544	0.0	4.0	4.0
(Subtotal (6000) Business Development Program	0	544	544	0.0	4.0	4.0
Total Proposed Operating Budget	0	66,140	66,140	0.0	37.0	37.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2014 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2013 Proposed Budget Changes

The D.C. Health Benefit Exchange Authority's (HBEA) proposed FY 2014 gross budget is \$66,140,499. This budget is newly established for FY 2014. The budget is comprised entirely of Special Purpose Revenue funds. Revenues will be generated from the Department of Health Care Finance's Health Care Reform and Innovation sub-grant and from the operating assessment fees of private insurance companies.

Agency Budget Submission

Enhance: In order to ensure that District of Columbia residents have access to quality affordable health care, the HBEA has proposed the following budget: In contracts, a budget of \$15,079,358 was established for policy and procedural development, outreach efforts, program implementation resource assistance, office support, and Information Technology (IT) support to ensure the agency is functional. A budget of \$5,200,000 was created to support grant and provider payment services. In personal services, a budget of \$4,711,957 and 37.0 FTEs was established to support staffing requirements and cover salary and Fringe Benefit estimates. Other budgets created for the agency were: \$780,000 for rent to align the budget with the Department of General Services fixed cost estimate; \$131,326 for postage, travel expense, office support, and conference fees; \$74,900 for equipment purchases; and \$21,600 for the purchase of office supplies.

Mayor's Proposed Budget

Cost-of-Living Adjustment: This agency received a proposed cost-of-living adjustment (COLA) in non-Local funds. This adjustment includes \$141,359 in Special Purpose Revenue funds.

District's Proposed Budget

Enhance: In Special Purpose Revenue funds, the budget was increased by \$40,000,000 to support Information Technology (IT) start-up costs for the District of Columbia Health Benefit Exchange. The adjustments include \$30,000,000 for contracts and \$10,000,000 for grants.

FY 2013 Approved Budget to FY 2014 Proposed Budget, by Revenue Type

Table H10-5 itemizes the changes by revenue type between the FY 2013 approved budget and the FY 2014 proposed budget.

Table H10-5
(dollars in thousands)

	PROGRAM	BUDGET	FTE
SPECIAL PURPOSE REVENUE FUNDS: FY 2013 Approved Budget and FTE		0	0.0
Enhance: Establish budget in support of contracts needed to make the agency functional	Agency Management	15,079	0.0
Enhance: Establish Subsidies and transfers budget to support grant and provider payment services	Multiple Programs	5,200	0.0
Enhance: Establish personal services budget to support staffing needs and salary and Fringe Benefit costs	Multiple Programs	4,712	37.0
Enhance: Establish budget for rent that aligns with the Department of General Services fixed cost estimate	Agency Management	780	0.0
Enhance: Establish budget in support of cost associated with postage, local and out-of-city travel, office support, and conference fees	Agency Management	131	0.0
Enhance: Establish budget to cover equipment purchases	Agency Management	75	0.0
Enhance: Established budget to cover office supplies	Multiple Programs	22	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Agency Budget Submission		25,999	37.0
Cost-of-Living Adjustment: FY 2014 proposed adjustment	Multiple Programs	141	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Mayor's Proposed Budget		26,140	37.0
Enhance: Funding for contracts and grants to support IT start-up for Health Benefit Exchange	Agency Management	40,000	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 District's Proposed Budget		66,140	37.0
Gross for H10 - D.C. Health Benefit Exchange Authority		66,140	37.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

