
Health Benefit Exchange Authority

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Table HI0-1

Description	FY 2015	FY 2016	FY 2017	% Change
	Actual	Approved	Proposed	from FY 2016
OPERATING BUDGET	\$55,121,502	\$32,513,186	\$34,521,266	6.2
FTEs	29.9	73.0	92.0	26.0

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. In 2014, significant health insurance reforms were 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 operates DC Health Link, 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 enables individuals and small businesses and their employees to find affordable and easier-to-understand health insurance. The District of Columbia Health Benefit Exchange Authority is now in its third year of operation and concluded its third open enrollment period for people purchasing individual insurance on January 31, 2016.

The agency's FY 2017 proposed budget is presented in the following tables:

FY 2017 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table HI0-2 contains the proposed FY 2017 budget by revenue type compared to the FY 2016 approved budget. It also provides FY 2015 actual data.

Table HI0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change
GENERAL FUND										
SPECIAL PURPOSE										
REVENUE FUNDS	-924	0	0	0	N/A	0.0	0.0	0.0	0.0	N/A
TOTAL FOR GENERAL FUND	-924	0	0	0	N/A	0.0	0.0	0.0	0.0	N/A
ENTERPRISE AND OTHER										
ENTERPRISE AND OTHER FUNDS	56,046	32,513	34,521	2,008	6.2	29.9	73.0	92.0	19.0	26.0
TOTAL FOR ENTERPRISE AND OTHER	56,046	32,513	34,521	2,008	6.2	29.9	73.0	92.0	19.0	26.0
GROSS FUNDS	55,122	32,513	34,521	2,008	6.2	29.9	73.0	92.0	19.0	26.0

*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 2017 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2017 Proposed Operating Budget, by Comptroller Source Group

Table HI0-3 contains the proposed FY 2017 budget at the Comptroller Source Group (object class) level compared to the FY 2016 approved budget. It also provides FY 2014 and FY 2015 actual expenditures.

Table HI0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2014	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*
11 - REGULAR PAY - CONTINUING FULL TIME	4,052	4,688	6,903	8,354	1,451	21.0
12 - REGULAR PAY - OTHER	25	992	834	1,540	706	84.7
13 - ADDITIONAL GROSS PAY	111	212	111	190	79	71.6
14 - FRINGE BENEFITS - CURRENT PERSONNEL	635	973	1,912	2,444	532	27.8
15 - OVERTIME PAY	28	111	0	0	0	N/A
SUBTOTAL PERSONAL SERVICES (PS)	4,851	6,976	9,760	12,528	2,769	28.4

Table HI0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2014	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Percentage Change*
20 - SUPPLIES AND MATERIALS	26	44	63	112	49	76.7
31 - TELEPHONE, TELEGRAPH, TELEGRAM, ETC.	97	9	301	407	106	35.3
32 - RENTALS - LAND AND STRUCTURES	465	1,033	1,801	2,016	215	11.9
40 - OTHER SERVICES AND CHARGES	257	1,923	2,175	2,241	66	3.0
41 - CONTRACTUAL SERVICES - OTHER	22,736	42,410	18,388	17,193	-1,195	-6.5
50 - SUBSIDIES AND TRANSFERS	4,520	2,267	0	0	0	N/A
70 - EQUIPMENT AND EQUIPMENT RENTAL	81	460	25	23	-2	-6.9
SUBTOTAL NONPERSONAL SERVICES (NPS)	28,183	48,145	22,753	21,993	-761	-3.3
GROSS FUNDS	33,034	55,122	32,513	34,521	2,008	6.2

*Percent change is based on whole dollars.

FY 2017 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table HI0-4 contains the proposed FY 2017 budget by division/program and activity compared to the FY 2016 approved budget. It also provides FY 2015 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table HI0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
(1000) AGENCY MANAGEMENT								
(1010) PERSONNEL	455	261	314	53	0.6	1.0	1.0	0.0
(1015) TRAINING	-30	15	32	18	0.0	0.0	0.0	0.0
(1020) CONTRACTS AND PROCUREMENT	-104	623	592	-32	2.8	5.0	4.0	-1.0
(1030) PROPERTY MANAGEMENT	881	1,467	1,173	-294	0.0	0.0	0.0	0.0
(1040) INFORMATION TECHNOLOGY	26,403	110	123	13	2.8	1.0	1.0	0.0
(1055) RISK MANAGEMENT	-127	0	0	0	0.0	0.0	0.0	0.0
(1060) LEGAL SERVICES	484	886	833	-53	2.8	3.5	4.0	0.5
(1080) COMMUNICATIONS	1	0	0	0	1.7	0.0	0.0	0.0
(1085) CUSTOMER SERVICE	-21	0	0	0	2.2	0.0	0.0	0.0
(1090) PERFORMANCE MANAGEMENT	14,577	1,242	1,697	455	6.1	5.5	8.0	2.5
SUBTOTAL (1000) AGENCY MANAGEMENT	42,519	4,605	4,764	159	18.8	16.0	18.0	2.0
(100F) AGENCY FINANCIAL OPERATIONS								
(110F) BUDGET OPERATIONS	129	133	159	27	0.6	1.0	1.0	0.0
(120F) ACCOUNTING OPERATIONS	136	137	159	23	0.6	1.0	1.0	0.0
(140F) AGENCY FISCAL OFFICER	327	436	389	-47	1.1	2.0	1.0	-1.0
SUBTOTAL (100F) AGENCY FINANCIAL OPERATIONS	592	706	708	3	2.2	4.0	3.0	-1.0

Table HI0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
(2000) PLAN MANAGEMENT PROGRAM								
(2010) PLAN MANAGEMENT SUPPORT SERVICE	3,288	0	0	0	2.2	0.0	0.0	0.0
SUBTOTAL (2000) PLAN MANAGEMENT PROGRAM	3,288	0	0	0	2.2	0.0	0.0	0.0
(3000) ELIGIBILITY AND ENROLLMENT PROGRAM								
(3010) ELIGIBILITY AND ENROLLMENT SUPPORT SERVICES	382	0	0	0	1.1	0.0	0.0	0.0
SUBTOTAL (3000) ELIGIBILITY AND ENROLLMENT PROGRAM	382	0	0	0	1.1	0.0	0.0	0.0
(4000) S.H.O.P. OPERATIONS PROGRAM								
(4010) S.H.O.P. OPERATIONS SUPPORT SERVICES	383	0	0	0	1.7	0.0	0.0	0.0
SUBTOTAL (4000) S.H.O.P. OPERATIONS PROGRAM	383	0	0	0	1.7	0.0	0.0	0.0
(5000) CONSUMER EDUCATION AND OUTREACH								
(5010) CONSUMER EDUC. AND OUTREACH SUPPORT SERVICES	7,755	738	911	173	1.1	3.0	4.0	1.0
(5020) MARKETING AND COMMUNICATION	0	315	411	95	0.0	2.0	1.0	-1.0
(5040) NAVIGATORS COUNSELORS AND IPA	0	244	655	411	0.0	0.5	0.0	-0.5
SUBTOTAL (5000) CONSUMER EDUCATION AND OUTREACH	7,755	1,297	1,977	680	1.1	5.5	5.0	-0.5
(6000) BUSINESS DEVELOPMENT PROGRAM								
(6010) BUSINESS DEVELOPMENT SUPPORT SVC	203	0	0	0	2.8	0.0	0.0	0.0
SUBTOTAL (6000) BUSINESS DEVELOPMENT PROGRAM	203	0	0	0	2.8	0.0	0.0	0.0
(7000) MARKETPLACE INNOVATION POLICY AND OPERATIONS								
(7010) CONTACT CENTER	0	4,882	3,755	-1,127	0.0	1.0	1.0	0.0
(7020) PLAN MANAGEMENT	0	2,150	1,526	-624	0.0	4.0	3.5	-0.5
(7030) ELIGIBILITY AND ENROLLMENT	0	3,304	2,323	-981	0.0	5.5	6.0	0.5
(7040) MEMBER SERVICES	0	1,357	1,396	40	0.0	12.0	12.5	0.5
(7050) DATA ANALYTICS AND REPORTING	0	389	296	-92	0.0	3.0	2.0	-1.0
(7060) S.H.O.P OPERATIONS	0	2,429	2,831	402	0.0	11.0	16.0	5.0
SUBTOTAL (7000) MARKETPLACE INNOVATION POLICY AND OPERATIONS	0	14,510	12,127	-2,383	0.0	36.5	41.0	4.5

Table HI0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands				Full-Time Equivalents			
	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016	Actual FY 2015	Approved FY 2016	Proposed FY 2017	Change from FY 2016
(8000) IT RELATED OPERATIONS								
(8010) IT RELATED OPERATIONS	0	11,396	14,945	3,550	0.0	11.0	25.0	14.0
SUBTOTAL (8000) IT RELATED OPERATIONS	0	11,396	14,945	3,550	0.0	11.0	25.0	14.0
TOTAL PROPOSED OPERATING BUDGET	55,122	32,513	34,521	2,008	29.9	73.0	92.0	19.0

(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 2017 Operating Appendices** located on the Office of the Chief Financial Officer’s website. “No Activity Assigned” indicates budget or actuals that are recorded at the division/program level.

Program Description

The Health Benefit Exchange Authority operates through the following 5 programs:

Consumer Education and Outreach – educates and informs District residents, small business owners, and small business employees about health coverage options available through DC Health Link by organizing special events, participating in sponsored activities, conducting educational seminars, partnering with other District agencies and organizations as well as conducting intensive outreach through all of these methods.

This program contains the following 3 activities:

- **Consumer Education and Outreach Support Services** – educates District residents, small business owners and small business employees about health coverage options available through DC Health Link by organizing special events, participating in outside events, conducting educational seminars, partnering with other District agencies and organizations, and conducting intensive outreach through all of these methods;
- **Marketing and Communication** – provides support and awareness for DC Health Link through development of an earned media plan, printed materials for distribution, paid media campaigns that may include outdoor advertising, broadcast, newspapers and other publications, digital, and social media avenues; and
- **Navigators, Counselors, and In-Person Assisters (IPA)**– required for state-based marketplaces and is a condition for certification as a state-based marketplace. Navigators, Certified Application Counselors, and In-Person Assisters provide people one-on-one help with enrollment.

Marketplace Innovation Policy and Operations – performs functions required of all state-based marketplaces, including plan management eligibility determinations, and certification of qualified health and dental plans, as well as to ensure the efficient operation of an online insurance marketplace where individuals, families, small businesses, and their employees can shop and enroll in health insurance.

This program contains the following 6 activities:

- **Contact Center** – required for state-based marketplaces and is a condition for certification as a state-based marketplace. Contact center takes calls to assist consumers with DC Health Link questions and on-line applications. Processes paper applications and provides information for escalated cases to the HBX and Economic Security Administration (ESA);
- **Plan Management** – required for state-based marketplaces and is a condition for certification as a state-based marketplace. Working in conjunction with local and federal regulatory bodies, establishes and oversees the process to certify, recertify, and decertify Qualified Health Plans and Qualified Dental Plans available through DC Health Link. Also manages enrollment issues with Qualified Health Plan and Qualified Dental Plan carriers including the coordination of all Electronic Data Interchange (EDI)-related transactions to and from DC Health Link;
- **Eligibility and Enrollment** – required for state-based marketplaces and is a condition for certification as a state-based marketplace. With the support of IT, designs and manages the eligibility and enrollment process through a seamless, web-based application to determine individual and family member eligibility for Medicaid and/or advanced premium tax credits and to enable individuals and families to enroll in qualified health plans and qualified dental plans available through DC Health Link, manages and facilitates a legally required consumer appeals process; and, as required by federal law, provides tax reporting information to consumers and the IRS;
- **Member Services** – responsible for core customer service responsibilities essential to successful Exchange operations and evaluated as part of the state-based marketplace certification process. Researches complex customer service problems and works with multiple stakeholders to resolve those issues. Provides assistance to consumers with complex circumstances and to those needing extra help navigating the DC Health Link online marketplace, resolving any technical difficulties a customer may experience, ensuring that changes to eligibility and enrollment information are quickly updated and processed, enabling consumers to conduct certain services (such as address changes, reporting of life events, or special enrollment period transactions) over the phone, and resolving all escalated cases from the Contact Center and other sources;
- **Data Analytics and Reporting** – responsible for the development and implementation of federally required data reporting requirements and consumer-related surveys. This team manages the end-to-end process of developing functionality for electronic federal data reporting as well as the creation and dissemination of required IRS 1095A forms for tax reporting purposes. Develops consumer-related surveys around enrollment and satisfaction with DC Health Link; and
- **S.H.O.P. Operations** – required for state-based marketplaces and is a condition for certification as a state-based marketplace. Develops, operates and manages DC Health Link's Small Business Health Options Program (SHOP). The SHOP facilitates enrollment into qualified health plans for employees of small businesses that purchase coverage through DC Health Link. This team manages that process from end-to-end, designs system improvements, and troubleshoots systems issues to ensure effective operation of the SHOP Marketplace. Works with IT on design, manages broker relationships, training, certification, and cases. Conducts outreach and works with the small business community.

IT Related Operations – provides critical development, maintenance and support for DC Health Link. The work includes providing operations and maintenance of both HBX-only systems and shared systems with Medicaid, managing the team of consultants that develop functionality for DC Health Link, and managing the EDI Operations team that oversees information transmitted between carriers and DC Health Link.

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 Operations – 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 has no program structure changes in the FY 2017 proposed budget.

FY 2016 Approved Budget to FY 2017 Proposed Budget, by Revenue Type

Table HI0-5 itemizes the changes by revenue type between the FY 2016 approved budget and the FY 2017 proposed budget. For a more comprehensive explanation of changes, please see the FY 2017 Proposed Budget Changes section, which follows the table.

Table HI0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
ENTERPRISE AND OTHER FUNDS: FY 2016 Approved Budget and FTE		32,513	73.0
Increase: To support additional FTEs	Multiple Programs	2,158	19.0
Increase: To align personal services and Fringe Benefits with projected costs	Multiple Programs	611	0.0
Increase: To align Fixed Costs with proposed estimates	Multiple Programs	321	0.0
Increase: To align resources with operational spending goals	Multiple Programs	113	0.0
Decrease: To adjust the Contractual Services budget	Multiple Programs	-1,195	0.0
ENTERPRISE AND OTHER FUNDS: FY 2017 Agency Budget Submission		34,521	92.0
No Change		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2017 Mayor's Proposed Budget		34,521	92.0
No Change		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2017 District's Proposed Budget		34,521	92.0
GROSS FOR HI0 - D.C. HEALTH BENEFIT EXCHANGE AUTHORITY		34,521	92.0

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

FY 2017 Proposed Budget Changes

The Health Benefit Exchange Authority's proposed FY 2017 gross budget is \$34,521,266, which represents a 6.2 percent increase over its FY 2016 approved gross budget of \$32,513,186. The budget is comprised entirely of Enterprise and Other funds.

Agency Budget Submission

The Health Benefit Exchange (the Exchange) supports the primary goals of the Affordable Care Act, which was signed into law in March of 2010. DC Health Link opened for business on October 1, 2013. From Oct 1, 2013 to February 8, 2016, the Exchange has served more than 200,000 people: 33,379 District residents enrolled in private health insurance; 26,249 people (including Congress) obtained health insurance coverage through the SHOP marketplace, and 147,567 people have been found eligible for Medicaid. To continue to expand health coverage in the District, the Exchange proposes the following adjustments to its FY 2017 budget:

Increase: The Exchange's proposed budget for personal services reflects an increase of \$2,157,800 to support an additional 19.0 Full-Time Equivalents (FTEs) allocated across multiple programs. Of these FTEs, 14.0 positions are allocated in the IT Related Operations program to support and improve the operability of DC Health Link, which provides an on-line health insurance marketplace for small businesses and their employees and District residents to find, compare, and select the insurance policy that best meets their needs. The other 5.0 FTEs are allocated across multiple programs. The personal services budget also increased by \$610,991 across multiple programs, primarily for Fringe Benefits

adjustments. Fixed Costs are expected to increase by \$321,263, and includes \$214,965 in rent for the L'Enfant Plaza location in S.W. Washington, DC and \$106,298 in telecommunication charges. An increase of \$112,541 in nonpersonal services across multiple programs aligns the budget with projected expenditures and provides additional support to the IT Related Operations program.

Decrease: The agency's proposed budget reflects a net decrease of \$1,194,517 in Contractual Services, which aligns the budget with projected expenditures. The adjustment is a result of realized savings across multiple programs, primarily from call center operations, the certification process, eligibility determination and appeals, and provider directory contracts, partially offset to support the increased needs of Information Technology Operations.

Mayor's Proposed Budget

No Change: The Health Benefit Exchange Authority's budget proposal reflects no change from the agency budget submission to the Mayor's proposed budget.

District's Proposed Budget

No Change: The Health Benefit Exchange Authority's budget proposal reflects no change from the Mayor's proposed budget to the District's proposed budget.