

# Health Benefit Exchange Authority

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Table HI0-1

Description	FY 2016 Actual	FY 2017 Actual	FY 2018 Approved	FY 2019 Proposed	% Change from FY 2018
OPERATING BUDGET	\$48,090,508	\$47,976,061	\$28,142,740	\$31,143,597	10.7
FTEs	60.1	73.9	92.0	101.0	9.8

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. It enabled implementation of 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 fifth year of operation and concluded its fifth open enrollment period for people purchasing individual insurance on February 5, 2018.

The agency's FY 2019 proposed budget is presented in the following tables:

## FY 2019 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table HI0-2 contains the proposed FY 2019 budget by revenue type compared to the FY 2018 approved budget. It also provides FY 2016 and FY 2017 actual data.

**Table HI0-2**

(dollars in thousands)

	Dollars in Thousands							Full-Time Equivalents					
	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	% Change*	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	% Change	
<b>Appropriated Fund</b>													
<b>ENTERPRISE AND OTHER</b>													
Enterprise and Other Funds	48,091	47,976	28,143	31,144	3,001	10.7	60.1	73.9	92.0	101.0	9.0	9.8	
<b>TOTAL FOR ENTERPRISE AND OTHER</b>	<b>48,091</b>	<b>47,976</b>	<b>28,143</b>	<b>31,144</b>	<b>3,001</b>	<b>10.7</b>	<b>60.1</b>	<b>73.9</b>	<b>92.0</b>	<b>101.0</b>	<b>9.0</b>	<b>9.8</b>	
<b>GROSS FUNDS</b>	<b>48,091</b>	<b>47,976</b>	<b>28,143</b>	<b>31,144</b>	<b>3,001</b>	<b>10.7</b>	<b>60.1</b>	<b>73.9</b>	<b>92.0</b>	<b>101.0</b>	<b>9.0</b>	<b>9.8</b>	

\*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 2019 Operating Appendices** located on the Office of the Chief Financial Officer's website.

## FY 2019 Proposed Operating Budget, by Comptroller Source Group

Table HI0-3 contains the proposed FY 2019 budget at the Comptroller Source Group (object class) level compared to the FY 2018 approved budget. It also provides FY 2016 and FY 2017 actual expenditures.

**Table HI0-3**

(dollars in thousands)

	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	Percentage Change*
<b>Comptroller Source Group</b>						
11 - Regular Pay - Continuing Full Time	5,316	6,355	8,335	9,247	912	10.9
12 - Regular Pay - Other	1,420	1,876	1,579	2,034	454	28.8
13 - Additional Gross Pay	230	216	152	131	-21	-13.9
14 - Fringe Benefits - Current Personnel	1,232	1,474	2,315	2,786	471	20.4
15 - Overtime Pay	40	42	45	45	0	0.0
<b>SUBTOTAL PERSONAL SERVICES (PS)</b>	<b>8,238</b>	<b>9,963</b>	<b>12,426</b>	<b>14,242</b>	<b>1,816</b>	<b>14.6</b>
20 - Supplies and Materials	31	42	99	92	-7	-7.1
31 - Telephone, Telegraph, Telegram, Etc.	238	344	442	472	30	6.8
32 - Rentals - Land and Structures	1,116	1,787	2,893	2,479	-414	-14.3
34 - Security Services	0	0	0	2	2	N/A
35 - Occupancy Fixed Costs	0	0	125	93	-32	-25.7
40 - Other Services and Charges	988	275	625	632	7	1.1
41 - Contractual Services - Other	37,474	35,541	11,488	13,047	1,559	13.6
70 - Equipment and Equipment Rental	6	23	44	85	40	90.2
<b>SUBTOTAL NONPERSONAL SERVICES (NPS)</b>	<b>39,853</b>	<b>38,013</b>	<b>15,716</b>	<b>16,901</b>	<b>1,185</b>	<b>7.5</b>
<b>GROSS FUNDS</b>	<b>48,091</b>	<b>47,976</b>	<b>28,143</b>	<b>31,144</b>	<b>3,001</b>	<b>10.7</b>

\*Percent change is based on whole dollars.

## FY 2019 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table HI0-4 contains the proposed FY 2019 budget by division/program and activity compared to the FY 2018 approved budget. It also provides FY 2016 and FY 2017 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 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018
<b>(1000) AGENCY MANAGEMENT</b>										
(1010) Personnel	293	319	246	253	7	0.8	0.8	1.0	1.0	0.0
(1015) Training	0	24	32	48	15	0.0	0.0	0.0	0.0	0.0
(1020) Contracts and Procurement	396	551	714	636	-78	4.1	3.2	5.0	4.0	-1.0
(1030) Property Management	734	1,124	1,726	1,741	15	0.0	0.0	0.0	0.0	0.0
(1040) Information Technology	98	126	121	125	4	0.8	0.8	1.0	1.0	0.0
(1060) Legal Services	750	1,108	1,181	1,278	96	2.9	3.2	6.0	6.0	0.0
(1090) Performance Management	937	5,045	1,287	1,536	248	4.5	6.4	5.0	6.0	1.0
<b>SUBTOTAL (1000) AGENCY MANAGEMENT</b>	<b>3,208</b>	<b>8,298</b>	<b>5,308</b>	<b>5,617</b>	<b>308</b>	<b>13.2</b>	<b>14.4</b>	<b>18.0</b>	<b>18.0</b>	<b>0.0</b>
<b>(100F) AGENCY FINANCIAL OPERATIONS</b>										
(110F) Budget Operations	149	157	164	174	10	0.8	0.8	1.0	1.0	0.0
(120F) Accounting Operations	148	157	164	174	10	0.8	0.8	1.0	1.0	0.0
(140F) Agency Fiscal Officer	192	324	330	356	26	1.6	0.8	1.0	1.0	0.0
<b>SUBTOTAL (100F) AGENCY FINANCIAL OPERATIONS</b>	<b>489</b>	<b>639</b>	<b>659</b>	<b>704</b>	<b>45</b>	<b>3.3</b>	<b>2.4</b>	<b>3.0</b>	<b>3.0</b>	<b>0.0</b>
<b>(5000) CONSUMER EDUCATION AND OUTREACH PROGRAM</b>										
(5010) Consumer Educ. And Outreach Support Service	1,939	777	1,560	852	-708	2.5	3.2	4.0	3.0	-1.0
(5020) Marketing and Communication	121	408	161	1,176	1,015	1.6	0.8	1.0	2.0	1.0
(5040) Navigators Counselors and IPA	1,773	634	653	952	299	0.4	0.0	0.0	0.0	0.0
<b>SUBTOTAL (5000) CONSUMER EDUCATION AND OUTREACH PROGRAM</b>	<b>3,833</b>	<b>1,819</b>	<b>2,373</b>	<b>2,980</b>	<b>606</b>	<b>4.5</b>	<b>4.0</b>	<b>5.0</b>	<b>5.0</b>	<b>0.0</b>
<b>(7000) MARKETPLACE INNOVATION POLICY AND OPS</b>										
(7010) Contact Center	2,897	138	1,373	2,055	681	0.8	0.8	0.0	0.0	0.0
(7020) Plan Management	999	1,730	1,642	1,757	116	3.3	2.8	3.5	5.5	2.0
(7030) Eligibility and Enrollment	2,213	1,399	2,142	1,445	-697	4.5	4.8	13.5	4.5	-9.0
(7040) Member Services	603	1,591	885	2,247	1,362	9.9	10.0	3.5	15.5	12.0
(7050) Data Analytics and Reporting	169	159	303	162	-141	2.5	1.6	2.0	1.0	-1.0
(7060) S.H.O.P Operations	2,463	916	2,999	2,502	-497	9.0	12.9	18.5	17.5	-1.0
<b>SUBTOTAL (7000) MARKETPLACE INNOVATION POLICY AND OPS</b>	<b>9,344</b>	<b>5,934</b>	<b>9,344</b>	<b>10,167</b>	<b>823</b>	<b>30.0</b>	<b>32.9</b>	<b>41.0</b>	<b>44.0</b>	<b>3.0</b>
<b>(8000) IT RELATED OPERATIONS</b>										
(8010) IT Related Operations	31,216	31,290	10,458	11,676	1,217	9.0	20.1	25.0	31.0	6.0
<b>SUBTOTAL (8000) IT RELATED OPERATIONS</b>	<b>31,216</b>	<b>31,290</b>	<b>10,458</b>	<b>11,676</b>	<b>1,217</b>	<b>9.0</b>	<b>20.1</b>	<b>25.0</b>	<b>31.0</b>	<b>6.0</b>

**Table HI0-4**

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018	Actual FY 2016	Actual FY 2017	Approved FY 2018	Proposed FY 2019	Change from FY 2018
<b>(9960) YR END CLOSE</b>										
(9961) Yr End Close	0	-4	0	0	0	0.0	0.0	0.0	0.0	0.0
<b>SUBTOTAL (9960) YR END CLOSE</b>	<b>0</b>	<b>-4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL PROPOSED</b>										
<b>OPERATING BUDGET</b>	<b>48,091</b>	<b>47,976</b>	<b>28,143</b>	<b>31,144</b>	<b>3,001</b>	<b>60.1</b>	<b>73.9</b>	<b>92.0</b>	<b>101.0</b>	<b>9.0</b>

(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 2019 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 2019 proposed budget.

## FY 2018 Approved Budget to FY 2019 Proposed Budget, by Revenue Type

Table HI0-5 itemizes the changes by revenue type between the FY 2018 approved budget and the FY 2019 proposed budget. For a more comprehensive explanation of changes, please see the FY 2019 Proposed Budget Changes section, which follows the table.

**Table HI0-5**

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
<b>ENTERPRISE AND OTHER FUNDS: FY 2018 Approved Budget and FTE</b>		<b>28,143</b>	<b>92.0</b>
COLA: FY 2019 COLA Adjustment	Multiple Programs	410	0.0
Agency Request-Increase: To align resources with operational spending goals	Multiple Programs	1,599	0.0
Agency Request-Increase: To align personal services and Fringe Benefits with projected costs	Multiple Programs	1,406	9.0
Agency Request-Decrease: To align Fixed Costs with proposed estimates	Multiple Programs	-414	0.0
<b>ENTERPRISE AND OTHER FUNDS: FY 2019 Mayor's Proposed Budget</b>		<b>31,144</b>	<b>101.0</b>
No Change		0	0.0
<b>ENTERPRISE AND OTHER FUNDS: FY 2019 District's Proposed Budget</b>		<b>31,144</b>	<b>101.0</b>
<b>GROSS FOR HI0 - D.C. HEALTH BENEFIT EXCHANGE AUTHORITY</b>		<b>31,144</b>	<b>101.0</b>

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

## FY 2019 Proposed Budget Changes

The Health Benefit Exchange Authority's proposed FY 2019 gross budget is \$31,143,597, which represents a 10.7 percent increase over its FY 2018 approved gross budget of \$28,142,740. The budget is comprised entirely of Enterprise and Other funds.

### Mayor's Proposed Budget

The Health Benefit Exchange (the Exchange) is a quasi-governmental agency charged with implementing and operating the District's Health Insurance Exchange, D.C. Health Link, pursuant to the passage of the federal Affordable Care Act. D.C. Health Link opened for business on October 1, 2013. As of December 31, 2017, D.C. Health Link had approximately 18,000 District residents enrolled in the individual health insurance market and approximately 76,000 persons covered through the Small Business (SHOP) Marketplace. The SHOP number also includes Congress. To continue to operate D.C. Health Link to offer quality, affordable coverage to individuals and families and small businesses and their employees, the Exchange has proposed the following adjustments to the FY 2019 operating budget:

**Cost-of-Living Adjustment:** The Exchange's budget proposal includes a cost-of-living adjustment (COLA) of \$409,709 in Enterprise and Other funds.

**Agency Request – Increase:** The Exchange's proposed budget includes an increase of \$1,599,023 across multiple programs. These funds will serve to educate and inform District residents, business owners, and employees about various options available through D.C. Health Link. This will be done by improving marketing and communication through the dissemination of brochures, other printed materials, and health fair sponsorship. This increase in funding will also be used to support business outreach operations with the D.C. Chamber of Commerce, the Greater Washington Hispanic Chamber of Commerce, and the Navigator Program Assistance, which provides one-on-one assistance for individuals and small businesses interested in shopping for and enrolling in health insurance.

An increase of \$1,406,320 in personal service costs will support projected salary and Fringe Benefit costs of existing personnel, and an additional 9.0 Full-Time Equivalents (FTEs); 5.0 of which will be supported by a signed Memorandum of Understanding with another State Based Marketplace. The primary focus of the new FTEs will be to provide additional Information Technology and Marketplace Innovation, Policy and Operations (MIPO) support.

**Agency Request – Decrease:** A net decrease of \$414,194 properly aligns the proposed budget with Fixed Costs estimates from the Department of General Services and the Office of the Chief Technology Officer. This amount is comprised of increases of \$29,930 in Telecommunications, \$2,083 in Security, and decreases of \$32,041 in Occupancy, and \$414,166 in Rent.

### **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.