

Health Benefit Exchange Authority

www.hbx.dc.gov

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Table HI0-1

Description	FY 2017 Actual	FY 2018 Actual	FY 2019 Approved	FY 2020 Approved	% Change from FY 2019
OPERATING BUDGET	\$47,976,061	\$40,875,683	\$31,143,597	\$31,768,832	2.0
FTEs	73.9	101.0	101.0	101.0	0.0

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. It enabled implementation of significant health insurance reforms 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 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 fourth year of operation and concluded its fourth open enrollment period for people purchasing individual insurance on January 31, 2019.

The agency's FY 2020 approved budget is presented in the following tables:

FY 2020 Approved Gross Funds Operating Budget and FTEs, by Revenue Type

Table HI0-2 contains the approved FY 2020 budget by revenue type compared to the FY 2019 approved budget. It also provides FY 2017 and FY 2018 actual data.

Table HI0-2

(dollars in thousands)

	Dollars in Thousands							Full-Time Equivalents					
	Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019	% Change*		Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019	% Change
Appropriated Fund													
ENTERPRISE AND OTHER													
Enterprise and Other Funds	47,976	40,876	31,144	31,769	625	2.0		73.9	101.0	101.0	101.0	0.0	0.0
TOTAL FOR ENTERPRISE AND OTHER	47,976	40,876	31,144	31,769	625	2.0		73.9	101.0	101.0	101.0	0.0	0.0
GROSS FUNDS	47,976	40,876	31,144	31,769	625	2.0		73.9	101.0	101.0	101.0	0.0	0.0

*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 2020 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2020 Approved Operating Budget, by Comptroller Source Group

Table HI0-3 contains the approved FY 2020 budget at the Comptroller Source Group (object class) level compared to the FY 2019 approved budget. It also provides FY 2017 and FY 2018 actual expenditures.

Table HI0-3

(dollars in thousands)

	Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019	Percentage Change*
Comptroller Source Group						
11 - Regular Pay - Continuing Full Time	6,355	7,998	9,247	10,051	804	8.7
12 - Regular Pay - Other	1,876	1,804	2,034	1,260	-774	-38.0
13 - Additional Gross Pay	216	198	131	102	-29	-22.1
14 - Fringe Benefits - Current Personnel	1,474	1,827	2,786	2,794	7	0.3
15 - Overtime Pay	42	46	45	45	0	0.0
SUBTOTAL PERSONAL SERVICES (PS)	9,963	11,874	14,242	14,251	9	0.1
20 - Supplies and Materials	42	30	92	77	-15	-15.8
31 - Telecommunications	344	327	472	484	12	2.5
32 - Rentals - Land and Structures	1,787	2,349	2,479	3,010	531	21.4
34 - Security Services	0	0	2	0	-2	-100.0
35 - Occupancy Fixed Costs	0	0	93	0	-93	-100.0
40 - Other Services and Charges	275	385	632	535	-97	-15.3
41 - Contractual Services - Other	35,541	25,911	13,047	13,325	278	2.1
70 - Equipment and Equipment Rental	23	0	85	86	1	1.7
SUBTOTAL NONPERSONAL SERVICES (NPS)	38,013	29,002	16,901	17,518	617	3.6
GROSS FUNDS	47,976	40,876	31,144	31,769	625	2.0

*Percent change is based on whole dollars.

FY 2020 Approved Operating Budget and FTEs, by Division/Program and Activity

Table HI0-4 contains the approved FY 2020 budget by division/program and activity compared to the FY 2019 approved budget. It also provides FY 2017 and FY 2018 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 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019	Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019
(1000) AGENCY MANAGEMENT										
(1010) Personnel	319	244	253	326	72	0.8	1.1	1.0	1.0	0.0
(1015) Training	24	0	48	0	-48	0.0	0.0	0.0	0.0	0.0
(1020) Contracts and Procurement	551	576	636	658	21	3.2	5.5	4.0	4.0	0.0
(1030) Property Management	1,124	1,439	1,741	1,336	-405	0.0	0.0	0.0	0.0	0.0
(1040) Information Technology	126	133	125	130	5	0.8	1.1	1.0	1.0	0.0
(1060) Legal Services	1,108	1,041	1,278	1,071	-207	3.2	6.6	6.0	5.0	-1.0
(1090) Performance Management	5,045	5,748	1,536	2,141	605	6.4	5.5	6.0	7.0	1.0
SUBTOTAL (1000) AGENCY MANAGEMENT	8,298	9,180	5,617	5,661	44	14.4	19.8	18.0	18.0	0.0
(100F) AGENCY FINANCIAL OPERATIONS										
(110F) Budget Operations	157	167	174	180	5	0.8	1.1	1.0	1.0	0.0
(120F) Accounting Operations	157	167	174	180	5	0.8	1.1	1.0	1.0	0.0
(140F) Agency Fiscal Officer	324	292	356	375	19	0.8	1.1	1.0	1.0	0.0
SUBTOTAL (100F) AGENCY FINANCIAL OPERATIONS	639	626	704	734	30	2.4	3.3	3.0	3.0	0.0
(5000) CONSUMER EDUCATION AND OUTREACH PROGRAM										
(5010) Consumer Educ. and Outreach Support Svc	777	1,575	852	1,111	259	3.2	4.4	3.0	4.0	1.0
(5020) Marketing and Communication	408	173	1,176	917	-259	0.8	1.1	2.0	1.0	-1.0
(5040) Navigators Counselors and IPA	634	638	952	955	3	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (5000) CONSUMER EDUCATION AND OUTREACH PROGRAM	1,819	2,386	2,980	2,983	4	4.0	5.5	5.0	5.0	0.0
(7000) MARKETPLACE INNOVATION POLICY AND OPS										
(7010) Contact Center	138	1,067	2,055	2,319	265	0.8	0.0	0.0	0.0	0.0
(7020) Plan Management	1,730	1,682	1,757	2,780	1,023	2.8	3.8	5.5	12.5	7.0
(7030) Eligibility and Enrollment	1,399	1,062	1,445	1,477	32	4.8	14.8	4.5	5.0	0.5
(7040) Member Services	1,591	2,002	2,247	1,272	-975	10.0	3.8	15.5	9.5	-6.0
(7050) Data Analytics and Reporting	159	164	162	165	3	1.6	2.2	1.0	1.0	0.0
(7060) S.H.O.P Operations	916	1,626	2,502	2,479	-22	12.9	20.3	17.5	18.0	0.5
SUBTOTAL (7000) MARKETPLACE INNOVATION POLICY AND OPS	5,934	7,604	10,167	10,492	325	32.9	45.0	44.0	46.0	2.0
(8000) IT RELATED OPERATIONS										
(8010) IT Related Operations	31,290	21,079	11,676	11,898	222	20.1	27.4	31.0	29.0	-2.0
SUBTOTAL (8000) IT RELATED OPERATIONS	31,290	21,079	11,676	11,898	222	20.1	27.4	31.0	29.0	-2.0

Table HI0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019	Actual FY 2017	Actual FY 2018	Approved FY 2019	Approved FY 2020	Change from FY 2019
(9960) YR END CLOSE										
(9961) Yr End Close	-4	0	0	0	0	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (9960) YR END CLOSE	-4	0	0	0	0	0.0	0.0	0.0	0.0	0.0
TOTAL APPROVED										
OPERATING BUDGET	47,976	40,876	31,144	31,769	625	73.9	101.0	101.0	101.0	0.0

(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 2020 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 HBX systems, 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 2020 approved budget.

FY 2019 Approved Budget to FY 2020 Approved Budget, by Revenue Type

Table HI0-5 itemizes the changes by revenue type between the FY 2019 approved budget and the FY 2020 approved budget. For a more comprehensive explanation of changes, please see the FY 2020 Approved Budget Changes section, which follows the table.

Table HI0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
ENTERPRISE AND OTHER FUNDS: FY 2019 Approved Budget and FTE		31,144	101.0
Increase: To align Fixed Costs with proposed estimates	Multiple Programs	448	0.0
Increase: To support the costs of pre-existing programmatic initiatives	Multiple Programs	168	0.0
Increase: To align personal services and Fringe Benefits with projected costs	Multiple Programs	9	0.0
ENTERPRISE AND OTHER FUNDS: FY 2020 Mayor's Proposed Budget		31,769	101.0
No Change		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2020 District's Approved Budget		31,769	101.0
GROSS FOR HI0 - D.C. HEALTH BENEFIT EXCHANGE AUTHORITY		31,769	101.0

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

FY 2020 Approved Budget Changes

The Health Benefit Exchange Authority's approved FY 2020 gross budget is \$31,768,832, which represents a 2.0 percent increase over its FY 2019 approved gross budget of \$31,143,597. 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, 2018, D.C. Health Link had approximately 16,000 District residents enrolled in the individual health insurance market and approximately 78,000 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 2020 operating budget:

Increase: The Exchange's proposed budget includes an increase of \$448,439 across multiple programs to align the budget with Fixed Costs assessments for Rent, Telecommunications, Security Services, and Occupancy costs from the Department of General Services and the Office of the Chief Technology Officer. A net increase of \$168,119 across multiple programs primarily supports DC Health Link, which is the Exchange's marketplace for subscribers. Additionally, an increase of \$8,677 across multiple programs supports projected salary and Fringe Benefit costs of existing personnel. This adjustment also includes the reclassification of 11.0 full-time equivalents (FTEs) from temporary to full-time status.

District's Proposed Budget

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