

Health Benefit Exchange Authority

www.hbx.dc.gov

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Table HI0-1

Description	FY 2022 Actual	FY 2023 Actual	FY 2024 Approved	FY 2025 Proposed	% Change from FY 2024
OPERATING BUDGET	\$39,657,848	\$47,557,909	\$37,552,148	\$41,752,784	11.2
FTEs	103.7	110.7	123.0	128.0	4.1
CAPITAL BUDGET	\$0	\$0	\$0	\$0	N/A
FTEs	0.0	0.0	0.0	0.0	N/A

The D.C. Health Benefit Exchange Authority was established in the District of Columbia to develop and operate the District's on-line health insurance marketplace in accordance with the Patient Protection and Affordable Care Act, thereby ensuring access to quality and affordable health care to District of Columbia residents and small businesses.

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. DC Health Link fosters competition and transparency in the private health insurance market, enabling individuals and small businesses to compare health insurance prices and benefits and to purchase affordable, quality health insurance. Through DC Health Link, residents can qualify for lower premiums and cost sharing reductions and enroll in a health plan that best meets their needs. The District of Columbia Health Benefit Exchange Authority is now in its eleventh year of operations and concluded its tenth open enrollment period for people purchasing individual insurance on January 31, 2023.

A significant portion of HBX is the IT Related Operations that provides development, operations, and maintenance, and security for DC Health Link, the District's on-line health insurance marketplace. 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 Electronic Data Interchange (EDI) Operations team that oversees information transmitted between carriers and DC Health Link.

The agency's FY 2025 proposed budget is presented in the following tables:

FY 2025 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table HI0-2 contains the proposed FY 2025 budget by revenue type compared to the FY 2024 approved budget. It also provides FY 2022 and FY 2023 actual data.

Table HI0-2

(dollars in thousands)

	Dollars in Thousands							Full-Time Equivalents					
	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	% Change*		Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	% Change
Appropriated Fund													
<u>FEDERAL RESOURCES</u>													
Federal Payments - HBX	5,467	0	0	0	0	N/A		0.0	0.0	0.0	0.0	0.0	N/A
TOTAL FOR FEDERAL RESOURCES	5,467	0	0	0	0	N/A		0.0	0.0	0.0	0.0	0.0	N/A
<u>ENTERPRISE AND OTHER</u>													
Enterprise and Other Fund - HBXS	34,190	47,558	37,552	41,753	4,201	11.2		103.7	110.7	123.0	128.0	5.0	4.1
TOTAL FOR ENTERPRISE AND OTHER	34,190	47,558	37,552	41,753	4,201	11.2		103.7	110.7	123.0	128.0	5.0	4.1
GROSS FUNDS	39,658	47,558	37,552	41,753	4,201	11.2		103.7	110.7	123.0	128.0	5.0	4.1

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private) and Special Purpose Revenue type, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2025 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2025 Proposed Operating Budget, by Account Group

Table HI0-3 contains the proposed FY 2025 budget at the Account Group level compared to the FY 2024 approved budget. It also provides FY 2022 and FY 2023 actual expenditures.

Table HI0-3

(dollars in thousands)

Account Group	Actual	Actual	Approved	Proposed	Change	Percentage
	FY 2022	FY 2023	FY 2024	FY 2025	from FY 2024	Change*
701100C - Continuing Full Time	11,909	13,203	13,990	15,071	1,080	7.7
701200C - Continuing Full Time - Others	834	757	852	764	-88	-10.4
701300C - Additional Gross Pay	799	839	189	195	6	3.4
701400C - Fringe Benefits - Current Personnel	2,657	2,964	3,994	4,129	135	3.4
701500C - Overtime Pay	72	141	45	45	0	0.0
SUBTOTAL PERSONNEL SERVICES (PS)	16,271	17,903	19,071	20,204	1,133	5.9

Table HI0-3

(dollars in thousands)

Account Group	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change	
					from FY 2024	Percentage Change*
711100C - Supplies and Materials	19	4	34	31	-3	-9.6
712100C - Energy, Communications and Building Rentals	1,467	1,500	1,716	1,762	47	2.7
713100C - Other Services and Charges	5,934	520	706	764	58	8.2
713200C - Contractual Services - Other	15,796	23,359	15,831	18,790	2,959	18.7
714100C - Government Subsidies and Grants	0	3,779	0	0	0	N/A
715100C - Other Expenses	0	380	0	0	0	N/A
717100C - Purchases Equipment and Machinery	171	112	193	201	7	3.8
SUBTOTAL NONPERSONNEL SERVICES (NPS)	23,387	29,655	18,482	21,549	3,067	16.6
GROSS FUNDS	39,658	47,558	37,552	41,753	4,201	11.2

*Percent change is based on whole dollars.

FY 2025 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table HI0-4 contains the proposed FY 2025 budget by division/program and activity compared to the FY 2024 approved budget. It also provides FY 2022 and FY 2023 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 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024
(AFO000) AGENCY										
FINANCIAL OPERATIONS										
(AFO002) Agency Accounting Services	199	136	208	161	-46	1.0	1.0	1.0	1.0	0.0
(AFO003) Agency Budgeting and Financial Management Services	200	208	208	206	-1	1.0	1.0	1.0	1.0	0.0
(AFO005) Agency /Cluster Financial Executive Administration Services	344	350	414	412	-1	1.0	1.0	1.0	1.0	0.0
(AFO011) P-Card Clearing	0	4	0	0	0	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (AFO000) AGENCY FINANCIAL OPERATIONS	743	698	829	780	-49	2.8	2.8	3.0	3.0	0.0
(AMP000) AGENCY										
MANAGEMENT PROGRAM										
(AMP005) Contracting and Procurement	670	691	652	679	27	3.8	3.8	4.0	4.0	0.0
(AMP011) Human Resource Services	354	354	377	386	9	1.0	1.0	1.0	1.0	0.0
(AMP012) Information Technology Services	12,496	17,636	13,384	14,142	757	31.4	33.1	36.0	36.0	0.0
(AMP014) Legal Services	849	1,072	1,278	1,303	25	4.8	4.7	6.0	6.0	0.0
(AMP016) Performance and Strategic Management	5,564	5,649	2,392	2,574	182	7.6	7.6	9.0	9.0	0.0
(AMP019) Property, Asset, and Logistics Management	1,291	1,316	1,506	1,492	-14	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (AMP000) AGENCY MANAGEMENT PROGRAM	21,223	26,718	19,590	20,576	985	48.5	50.2	56.0	56.0	0.0

Table HI0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024
(HS0019) CONSUMER EDUCATION AND OUTREACH PROGRAM										
(H01901) Consumer Education and Outreach Support Services	1,339	1,144	1,341	1,353	13	3.8	5.7	6.0	6.0	0.0
(H01902) Marketing and Communication	532	928	973	963	-9	1.0	1.0	1.0	1.0	0.0
(H01903) Navigators, Certified Application Counselors and In-Person Enrollment Help	999	963	1,050	1,050	0	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (HS0019) CONSUMER EDUCATION AND OUTREACH PROGRAM	2,871	3,035	3,364	3,367	3	4.8	6.6	7.0	7.0	0.0
(HS0020) MARKETPLACE INNOVATION, POLICY AND OPERATIONS										
(H02001) Contact Center Services	2,035	4,087	3,907	6,157	2,250	0.0	0.0	0.0	0.0	0.0
(H02002) Data Analytics and Reporting	132	107	182	182	0	1.0	1.0	1.0	1.0	0.0
(H02003) Eligibility and Enrollment	856	1,274	1,786	1,951	165	4.8	4.7	8.0	8.0	0.0
(H02004) Member Services	6,994	6,532	1,977	2,120	143	9.0	11.8	12.5	12.5	0.0
(H02005) Plan Management	2,213	1,890	2,236	2,215	-21	11.9	10.9	10.5	10.5	0.0
(H02006) S.H.O.P.	2,591	3,220	3,681	4,406	725	20.9	22.7	25.0	30.0	5.0
SUBTOTAL (HS0020) MARKETPLACE INNOVATION, POLICY AND OPERATIONS	14,821	17,111	13,769	17,030	3,261	47.6	51.1	57.0	62.0	5.0
(PRG000) NO PROGRAM										
(PRG001) No Program	0	-4	0	0	0	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (PRG000) NO PROGRAM	0	-4	0	0	0	0.0	0.0	0.0	0.0	0.0
TOTAL PROPOSED OPERATING BUDGET	39,658	47,558	37,552	41,753	4,201	103.7	110.7	123.0	128.0	5.0

(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**. For detailed information on this agency’s Cost Center structure as reflected in the District’s Chart of Accounts, please see **Schedule 30-CC FY 2025 Proposed Operating Budget and FTEs, by Division/Office**. Additional information on this agency’s interagency agreements can be found in **Appendix H**. All schedules can be found in the FY 2025 Operating Appendices, Volume 6 located on the Office of the Chief Financial Officer’s website.

Program Description

The Health Benefit Exchange Authority operates through the following 4 programs:

Consumer Education and Outreach – educates and informs District residents, small business owners, and small business employees about quality affordable private health insurance options available through DC Health Link. This program includes Business Partners who educates District small businesses and their employees about DC Health Link private health insurance options through events, webinars, digital and social media.

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 Certified Application Counselors And In-Person Enrollment Help** – required for federal certification as a state-based marketplace. Navigators, Certified Application Counselors, and In-Person Assistants provide District residents one-on-one help with eligibility and enrollment.

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

This program contains the following 6 activities:

- **Contact Center Services** – required for state-based marketplaces and is a condition for certification as a state-based marketplace. Contact center takes calls to assist DC residents and small businesses with DC Health Link questions and on-line applications. Processes paper applications, responds to email inquiries, and provides information for escalated cases to the HBX member services and account managers;
- **Data Analytics and Reporting** - responsible for the development and implementation of federally required data reporting requirements. 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;
- **Eligibility and Enrollment** – required for state-based marketplaces and is a condition for certification as a state-based marketplace. This includes the technical team as well as Member Services, and Data Analytics and Reporting. The technical team is responsible for enhancements to the DC Health Link online eligibility and enrollment system for individuals and family marketplace;
- **Member Services** – responsible for working with residents enrolled in or seeking to enroll in individual and family coverage on DC Health Link. Researches complex customer cases and works with internal divisions and carriers 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, and resolving all escalated cases from the Contact Center and other sources;
- **Planning Management**- required for state-based marketplaces and is a condition for certification as a state-based marketplace. Working with local and federal regulators, establishes and oversees the process to certify, recertify, and decertify. Qualified Health Plans and Qualified Dental Plans on DC Health Link. Reviews rates for qualified health plans; and
- **Shop (SMALL GROUP MARKETPLACE)** – develops, operates, and manages DC Health Link's Small Business Health Options Program (SHOP). The SHOP facilitates eligibility and enrollment of small businesses and their employees into qualified health plans and qualified dental plans through DC Health Link. Creates and issues a single monthly invoice for employers regardless of the number of different plans employees are enrolled in. 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.

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 2025 proposed budget.

FY 2024 Approved Budget to FY 2025 Proposed Budget, by Revenue Type

Table HI0-5 itemizes the changes by revenue type between the FY 2024 approved budget and the FY 2025 proposed budget. For a more comprehensive explanation of changes, please see the FY 2025 Proposed Budget Changes section, which follows the table.

Table HI0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
ENTERPRISE AND OTHER FUND - HBXS: FY 2024 Approved Budget and FTE		37,552	123.0
Increase: To support operational requirements	Multiple Programs	3,067	0.0
Increase: To align personnel services and Fringe Benefits with projected costs	Multiple Programs	1,133	5.0
ENTERPRISE AND OTHER FUND - HBXS: FY 2025 Mayor’s Proposed Budget		41,753	128.0
GROSS FOR HI0 - HEALTH BENEFIT EXCHANGE AUTHORITY		41,753	128.0

(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 interagency projects funded within this agency, please see Appendix J, FY 2025 Interagency Budgets, in the Executive Summary budget volume.

FY 2025 Proposed Operating Budget Changes

Table HI0-6 contains the proposed FY 2025 budget by fund compared to the FY 2024 approved budget.

Table HI0-6

Appropriated Fund	FY 2024 Approved	FY 2025 Proposed	% Change from FY 2024
Enterprise and Other Fund - HBXS	\$37,552,148	\$41,752,784	11.2
GROSS FUNDS	\$37,552,148	\$41,752,784	11.2

Mayor's Proposed Budget

The Health Benefit Exchange (the Exchange) is a quasi-governmental agency charged with implementing and operating the District's on-line health insurance marketplace, D.C. Health Link, pursuant to the Patient Protection and Affordable Care Act. D.C. Health Link opened for business on October 1, 2013. As of January 2024, D.C. Health Link had approximately 14,155 District residents enrolled in the individual health insurance market, and approximately 86,006 persons covered through the Small Business Health Options Program (SHOP) Marketplace. The SHOP number also includes Congress. To continue to operate D.C. Health Link and to offer quality, affordable coverage to residents, families, small businesses, and their employees, the Exchange has proposed the following adjustments to the proposed FY 2025 operating budget.

Increase: The Exchange is funded entirely of Enterprise and Other funds. A proposed increase of \$3,067,389 across multiple programs will support business operations for the citizens of the District. This adjustment consists primarily of escalating costs to operate the Contact Center, system security, operation and maintenance, and licenses. Additionally, the proposed budget submission includes an increase of \$1,133,247 in salary and Fringe Benefit costs across multiple programs. This action supports an additional 5.0 Full Time Equivalents (FTEs), which will be assigned to the Marketplace Innovation Policy Operations program.

