

# Department of Health Care Finance

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Table HT0-1

| Description      | FY 2016<br>Actual | FY 2017<br>Approved | FY 2018<br>Proposed | % Change<br>from<br>FY 2017 |
|------------------|-------------------|---------------------|---------------------|-----------------------------|
| OPERATING BUDGET | \$2,922,802,608   | \$3,071,090,837     | \$3,192,314,370     | 3.9                         |
| FTEs             | 212.8             | 250.0               | 264.0               | 5.6                         |

The mission of the Department of Health Care Finance (DHCF) is to improve health outcomes by providing access to comprehensive, cost-effective, and quality health care services for residents of the District of Columbia.

## Summary of Services

The Department of Health Care Finance provides health care services to low-income children, adults, the elderly, and persons with disabilities. Over 250,000 District of Columbia residents (over one-third of all residents) receive health care services through DHCF's Medicaid and Alliance programs. DHCF strives to provide these services in the most appropriate and cost-effective settings possible.

The agency's FY 2018 proposed budget is presented in the following tables:

## FY 2018 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table HT0-2 contains the proposed FY 2018 budget by revenue type compared to the FY 2017 approved budget. It also provides FY 2016 actual data.

Table HT0-2

(dollars in thousands)

| Appropriated Fund                 | Dollars in Thousands |                     |                     |                           |                       | Full-Time Equivalents |                     |                     |                           |                      |
|-----------------------------------|----------------------|---------------------|---------------------|---------------------------|-----------------------|-----------------------|---------------------|---------------------|---------------------------|----------------------|
|                                   | Actual<br>FY 2016    | Approved<br>FY 2017 | Proposed<br>FY 2018 | Change<br>from<br>FY 2017 | Percentage<br>Change* | Actual<br>FY 2016     | Approved<br>FY 2017 | Proposed<br>FY 2018 | Change<br>from<br>FY 2017 | Percentage<br>Change |
| <b>GENERAL FUND</b>               |                      |                     |                     |                           |                       |                       |                     |                     |                           |                      |
| LOCAL FUNDS                       | 685,919              | 705,606             | 713,078             | 7,472                     | 1.1                   | 80.3                  | 104.4               | 106.8               | 2.4                       | 2.3                  |
| DEDICATED TAXES                   | 73,248               | 81,907              | 86,907              | 5,000                     | 6.1                   | 3.6                   | 5.5                 | 6.0                 | 0.6                       | 10.0                 |
| SPECIAL PURPOSE<br>REVENUE FUNDS  | 2,107                | 3,493               | 3,668               | 175                       | 5.0                   | 8.7                   | 10.9                | 13.9                | 3.0                       | 27.5                 |
| <b>TOTAL FOR<br/>GENERAL FUND</b> | <b>761,273</b>       | <b>791,005</b>      | <b>803,653</b>      | <b>12,647</b>             | <b>1.6</b>            | <b>92.6</b>           | <b>120.8</b>        | <b>126.8</b>        | <b>6.0</b>                | <b>5.0</b>           |

**Table HT0-2**

(dollars in thousands)

| Dollars in Thousands                      |                   |                     |                     |                 |                       | Full-Time Equivalents |                     |                     |                 |                      |
|---|-------------------|---------------------|---------------------|-----------------|-----------------------|-----------------------|---------------------|---------------------|-----------------|----------------------|
| Appropriated Fund                         | Actual<br>FY 2016 | Approved<br>FY 2017 | Proposed<br>FY 2018 | Change          |                       | Actual<br>FY 2016     | Approved<br>FY 2017 | Proposed<br>FY 2018 | Change          |                      |
|   |                   |                     |                     | from<br>FY 2017 | Percentage<br>Change* |                       |                     |                     | from<br>FY 2017 | Percentage<br>Change |
| <b>FEDERAL RESOURCES</b>                  |                   |                     |                     |                 |                       |                       |                     |                     |                 |                      |
| FEDERAL GRANT FUNDS                       | 1,876             | 2,916               | 2,803               | -114            | -3.9                  | 0.6                   | 0.0                 | 0.0                 | 0.0             | N/A                  |
| FEDERAL MEDICAID<br>PAYMENTS              | 2,071,628         | 2,188,106           | 2,297,222           | 109,115         | 5.0                   | 119.6                 | 129.3               | 137.3               | 8.0             | 6.2                  |
| <b>TOTAL FOR<br/>FEDERAL RESOURCES</b>    | <b>2,073,505</b>  | <b>2,191,023</b>    | <b>2,300,024</b>    | <b>109,002</b>  | <b>5.0</b>            | <b>120.2</b>          | <b>129.3</b>        | <b>137.3</b>        | <b>8.0</b>      | <b>6.2</b>           |
| <b>INTRA-DISTRICT FUNDS</b>               |                   |                     |                     |                 |                       |                       |                     |                     |                 |                      |
| INTRA-DISTRICT FUNDS                      | 88,025            | 89,063              | 88,637              | -425            | -0.5                  | 0.0                   | 0.0                 | 0.0                 | 0.0             | N/A                  |
| <b>TOTAL FOR<br/>INTRA-DISTRICT FUNDS</b> | <b>88,025</b>     | <b>89,063</b>       | <b>88,637</b>       | <b>-425</b>     | <b>-0.5</b>           | <b>0.0</b>            | <b>0.0</b>          | <b>0.0</b>          | <b>0.0</b>      | <b>N/A</b>           |
| <b>GROSS FUNDS</b>                        | <b>2,922,803</b>  | <b>3,071,091</b>    | <b>3,192,314</b>    | <b>121,224</b>  | <b>3.9</b>            | <b>212.8</b>          | <b>250.0</b>        | <b>264.0</b>        | <b>14.0</b>     | <b>5.6</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 2018 Operating Appendices** located on the Office of the Chief Financial Officer's website.

## FY 2018 Proposed Operating Budget, by Comptroller Source Group

Table HT0-3 contains the proposed FY 2018 budget at the Comptroller Source Group (object class) level compared to the FY 2017 approved budget. It also provides FY 2015 and FY 2016 actual expenditures.

**Table HT0-3**

(dollars in thousands)

| Comptroller Source Group                           | Actual<br>FY 2015 | Actual<br>FY 2016 | Approved<br>FY 2017 | Proposed<br>FY 2018 | Change<br>from<br>FY 2017 | Percentage<br>Change* |
|--|-------------------|-------------------|---------------------|---------------------|---------------------------|-----------------------|
| 11 - REGULAR PAY - CONTINUING FULL TIME            | 15,534            | 17,735            | 18,831              | 22,615              | 3,784                     | 20.1                  |
| 12 - REGULAR PAY - OTHER                           | 1,064             | 1,302             | 1,477               | 1,679               | 202                       | 13.7                  |
| 13 - ADDITIONAL GROSS PAY                          | 280               | 79                | 0                   | 0                   | 0                         | N/A                   |
| 14 - FRINGE BENEFITS - CURRENT PERSONNEL           | 3,248             | 3,737             | 4,335               | 5,077               | 742                       | 17.1                  |
| 15 - OVERTIME PAY                                  | 36                | 24                | 0                   | 0                   | 0                         | N/A                   |
| <b>SUBTOTAL PERSONAL SERVICES (PS)</b>             | <b>20,161</b>     | <b>22,877</b>     | <b>24,643</b>       | <b>29,371</b>       | <b>4,728</b>              | <b>19.2</b>           |
| 20 - SUPPLIES AND MATERIALS                        | 59                | 101               | 183                 | 163                 | -20                       | -10.9                 |
| 30 - ENERGY, COMMUNICATION AND BUILDING<br>RENTALS | 199               | 198               | 263                 | 214                 | -49                       | -18.5                 |
| 31 - TELEPHONE, TELEGRAPH, TELEGRAM, ETC.          | 183               | 191               | 186                 | 192                 | 7                         | 3.6                   |
| 34 - SECURITY SERVICES                             | 116               | 98                | 189                 | 155                 | -34                       | -17.9                 |
| 35 - OCCUPANCY FIXED COSTS                         | 331               | 258               | 340                 | 141                 | -200                      | -58.7                 |
| 40 - OTHER SERVICES AND CHARGES                    | 1,502             | 1,154             | 2,143               | 2,248               | 106                       | 4.9                   |
| 41 - CONTRACTUAL SERVICES - OTHER                  | 87,233            | 97,738            | 79,439              | 89,235              | 9,796                     | 12.3                  |
| 50 - SUBSIDIES AND TRANSFERS                       | 2,654,767         | 2,799,830         | 2,962,827           | 3,069,715           | 106,888                   | 3.6                   |
| 70 - EQUIPMENT AND EQUIPMENT RENTAL                | 275               | 358               | 878                 | 879                 | 1                         | 0.2                   |
| 91 - EXPENSE NOT BUDGETED OTHERS                   | 0                 | 0                 | 0                   | 0                   | 0                         | N/A                   |
| <b>SUBTOTAL NONPERSONAL SERVICES (NPS)</b>         | <b>2,744,665</b>  | <b>2,899,926</b>  | <b>3,046,448</b>    | <b>3,162,943</b>    | <b>116,495</b>            | <b>3.8</b>            |
| <b>GROSS FUNDS</b>                                 | <b>2,764,826</b>  | <b>2,922,803</b>  | <b>3,071,091</b>    | <b>3,192,314</b>    | <b>121,224</b>            | <b>3.9</b>            |

\*Percent change is based on whole dollars.

## FY 2018 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table HT0-4 contains the proposed FY 2018 budget by division/program and activity compared to the FY 2017 approved budget. It also provides FY 2016 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

**Table HT0-4**

(dollars in thousands)

| Division/Program and Activity                         | Dollars in Thousands |                     |                     |                           | Full-Time Equivalents |                     |                     |                           |
|---|----------------------|---------------------|---------------------|---------------------------|-----------------------|---------------------|---------------------|---------------------------|
|   | Actual<br>FY 2016    | Approved<br>FY 2017 | Proposed<br>FY 2018 | Change<br>from<br>FY 2017 | Actual<br>FY 2016     | Approved<br>FY 2017 | Proposed<br>FY 2018 | Change<br>from<br>FY 2017 |
| <b>(0900) UMC OPERATING SUPPORT</b>                   |                      |                     |                     |                           |                       |                     |                     |                           |
| (0910) UMC OPERATING SUPPORT                          | 2,500                | 0                   | 0                   | 0                         | 0.0                   | 0.0                 | 0.0                 | 0.0                       |
| <b>SUBTOTAL (0900) UMC OPERATING SUPPORT</b>          | <b>2,500</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>(1000) AGENCY MANAGEMENT</b>                       |                      |                     |                     |                           |                       |                     |                     |                           |
| (1010) PERSONNEL                                      | 614                  | 1,049               | 981                 | -68                       | 9.3                   | 14.0                | 14.0                | 0.0                       |
| (1015) TRAINING AND DEVELOPMENT                       | 91                   | 69                  | 70                  | 0                         | 0.0                   | 0.0                 | 0.0                 | 0.0                       |
| (1020) CONTRACTING AND PROCUREMENT                    | 1,131                | 1,969               | 2,001               | 32                        | 2.6                   | 3.0                 | 3.0                 | 0.0                       |
| (1030) PROPERTY MANAGEMENT                            | 1,706                | 2,792               | 2,687               | -105                      | 5.9                   | 5.0                 | 5.0                 | 0.0                       |
| (1040) INFORMATION TECHNOLOGY                         | 2,827                | 3,253               | 13,455              | 10,202                    | 6.0                   | 8.0                 | 9.0                 | 1.0                       |
| (1060) LEGAL  | 889                  | 1,044               | 1,117               | 73                        | 6.7                   | 8.0                 | 8.0                 | 0.0                       |
| (1070) FLEET MANAGEMENT                               | 26                   | 5                   | 5                   | 0                         | 0.0                   | 0.0                 | 0.0                 | 0.0                       |
| (1080) COMMUNICATIONS                                 | 327                  | 325                 | 327                 | 2                         | 1.7                   | 1.0                 | 1.0                 | 0.0                       |
| (1085) CUSTOMER SERVICE                               | 1,707                | 2,117               | 3,140               | 1,024                     | 15.0                  | 17.0                | 21.0                | 4.0                       |
| (1087) LANGUAGE ACCESS                                | 0                    | 2                   | 10                  | 8                         | 0.0                   | 0.0                 | 0.0                 | 0.0                       |
| (1090) PERFORMANCE MANAGEMENT                         | 22,980               | 6,925               | 7,901               | 975                       | 38.1                  | 45.0                | 45.0                | 0.0                       |
| <b>SUBTOTAL (1000) AGENCY MANAGEMENT</b>              | <b>32,298</b>        | <b>19,551</b>       | <b>31,695</b>       | <b>12,144</b>             | <b>85.4</b>           | <b>101.0</b>        | <b>106.0</b>        | <b>5.0</b>                |
| <b>(100F) AGENCY FINANCIAL OPERATIONS</b>             |                      |                     |                     |                           |                       |                     |                     |                           |
| (110F) BUDGETING OPERATIONS                           | 611                  | 704                 | 620                 | -84                       | 5.2                   | 6.0                 | 5.0                 | -1.0                      |
| (120F) ACCOUNTING OPERATIONS                          | 3,490                | 5,624               | 5,093               | -530                      | 6.3                   | 7.0                 | 8.0                 | 1.0                       |
| (140F) AGENCY FISCAL OFFICER                          | 294                  | 310                 | 311                 | 1                         | 1.7                   | 2.0                 | 2.0                 | 0.0                       |
| <b>SUBTOTAL (100F) AGENCY FINANCIAL OPERATIONS</b>    | <b>4,395</b>         | <b>6,638</b>        | <b>6,024</b>        | <b>-614</b>               | <b>13.2</b>           | <b>15.0</b>         | <b>15.0</b>         | <b>0.0</b>                |
| <b>(2000) HEALTHCARE DELIVERY MANAGEMENT</b>          |                      |                     |                     |                           |                       |                     |                     |                           |
| (2002) MANAGED CARE MGT                               | 3,421                | 5,529               | 6,726               | 1,197                     | 8.4                   | 10.0                | 9.0                 | -1.0                      |
| (2003) PREVENTIVE AND ACUTE CARE                      | 1,391                | 1,605               | 1,590               | -15                       | 3.8                   | 4.5                 | 4.5                 | 0.0                       |
| (2004) DIV OF QUALITY AND HEALTH OUTCOMES             | 1,086                | 2,232               | 6,905               | 4,673                     | 6.8                   | 5.0                 | 4.0                 | -1.0                      |
| (2007) CLINICIANS, RX AND ACUTE PROVIDER SVS          | 6,757                | 8,409               | 5,886               | -2,524                    | 5.7                   | 8.5                 | 7.5                 | -1.0                      |
| (2010) HEALTH CARE DELIVERY MGT SUPPORT SVCS          | 785                  | 440                 | 927                 | 487                       | 1.7                   | 3.0                 | 8.0                 | 5.0                       |
| <b>SUBTOTAL (2000) HEALTHCARE DELIVERY MANAGEMENT</b> | <b>13,439</b>        | <b>18,215</b>       | <b>22,033</b>       | <b>3,818</b>              | <b>26.3</b>           | <b>31.0</b>         | <b>33.0</b>         | <b>2.0</b>                |
| <b>(200L) LONG TERM CARE PROGRAM</b>                  |                      |                     |                     |                           |                       |                     |                     |                           |
| (201L) LONG TERM CARE SUPPORT SERVICES                | 8,305                | 13,235              | 13,402              | 167                       | 4.2                   | 5.0                 | 3.0                 | -2.0                      |
| (202L) ELDERS AND PERSONS                             | 1,514                | 1,624               | 0                   | -1,624                    | 20.1                  | 23.5                | 0.0                 | -23.5                     |

**Table HT0-4**

(dollars in thousands)

| Division/Program and Activity                            | Dollars in Thousands |                     |                     |                           | Full-Time Equivalents |                     |                     |                           |
|--|----------------------|---------------------|---------------------|---------------------------|-----------------------|---------------------|---------------------|---------------------------|
|  | Actual<br>FY 2016    | Approved<br>FY 2017 | Proposed<br>FY 2018 | Change<br>from<br>FY 2017 | Actual<br>FY 2016     | Approved<br>FY 2017 | Proposed<br>FY 2018 | Change<br>from<br>FY 2017 |
| W/PHYSICAL DISABILITY                                    |                      |                     |                     |                           |                       |                     |                     |                           |
| (203L) DIVISION OF SPECIAL NEEDS                         |                      |                     |                     |                           |                       |                     |                     |                           |
| POPULATION   | 672                  | 835                 | 0                   | -835                      | 7.2                   | 8.5                 | 0.0                 | -8.5                      |
| (210L) OVERSIGHT   | 0                    | 0                   | 1,184               | 1,184                     | 0.0                   | 0.0                 | 12.0                | 12.0                      |
| (220L) OPERATIONS  | 0                    | 0                   | 1,263               | 1,263                     | 0.0                   | 0.0                 | 13.0                | 13.0                      |
| (230L) INTAKE AND ASSESSMENT                             | 0                    | 0                   | 975                 | 975                       | 0.0                   | 0.0                 | 9.0                 | 9.0                       |
| <b>SUBTOTAL (200L) LONG TERM CARE PROGRAM</b>            | <b>10,491</b>        | <b>15,694</b>       | <b>16,823</b>       | <b>1,130</b>              | <b>31.5</b>           | <b>37.0</b>         | <b>37.0</b>         | <b>0.0</b>                |
| <b>(3000) HEALTHCARE POLICY AND PLANNING</b>             |                      |                     |                     |                           |                       |                     |                     |                           |
| (3001) POLICY UNIT MANAGEMENT                            | 604                  | 480                 | 563                 | 83                        | 5.1                   | 6.0                 | 6.0                 | 0.0                       |
| (3003) DATA ANALYSIS                                     | 421                  | 553                 | 815                 | 262                       | 4.2                   | 5.0                 | 6.0                 | 1.0                       |
| (3004) MEMBER MANAGEMENT                                 | 1,018                | 1,052               | 1,149               | 96                        | 9.7                   | 11.0                | 13.0                | 2.0                       |
| (3010) HEALTH CARE POLICY AND PLANNING SUPPORT           | 7,666                | 1,469               | 2,224               | 754                       | 3.4                   | 4.0                 | 10.0                | 6.0                       |
| <b>SUBTOTAL (3000) HEALTHCARE POLICY AND PLANNING</b>    | <b>9,709</b>         | <b>3,554</b>        | <b>4,750</b>        | <b>1,195</b>              | <b>22.4</b>           | <b>26.0</b>         | <b>35.0</b>         | <b>9.0</b>                |
| <b>(5000) HEALTH CARE FINANCE</b>                        |                      |                     |                     |                           |                       |                     |                     |                           |
| (5001) MEDICAID PROVIDER PAYMENT                         | 2,706,885            | 2,887,565           | 2,980,968           | 93,403                    | 0.0                   | 0.0                 | 0.0                 | 0.0                       |
| (5002) MEDICAID PUBLIC PROVIDER PAYMENTS                 | 64,203               | 18,389              | 18,595              | 206                       | 0.0                   | 0.0                 | 0.0                 | 0.0                       |
| (5003) ALLIANCE PROVIDER PAYMENTS                        | 51,150               | 57,977              | 64,487              | 6,510                     | 0.0                   | 0.0                 | 0.0                 | 0.0                       |
| <b>SUBTOTAL (5000) HEALTH CARE FINANCE</b>               | <b>2,822,238</b>     | <b>2,963,931</b>    | <b>3,064,050</b>    | <b>100,119</b>            | <b>0.0</b>            | <b>0.0</b>          | <b>0.0</b>          | <b>0.0</b>                |
| <b>(6000) HEALTH CARE OPERATIONS</b>                     |                      |                     |                     |                           |                       |                     |                     |                           |
| (6001) MEDICAID INFORMATION SYSTEMS                      | 22,880               | 34,766              | 34,391              | -375                      | 14.7                  | 17.0                | 15.0                | -2.0                      |
| (6006) DIV. OF PUBLIC AND PRIVATE PROVIDER SVS           | 1,873                | 1,736               | 2,687               | 951                       | 9.3                   | 11.0                | 11.0                | 0.0                       |
| (6010) HEALTH CARE OPERATIONS SUPPORT                    | 363                  | 449                 | 447                 | -1                        | 2.5                   | 3.0                 | 3.0                 | 0.0                       |
| <b>SUBTOTAL (6000) HEALTH CARE OPERATIONS</b>            | <b>25,117</b>        | <b>36,952</b>       | <b>37,525</b>       | <b>574</b>                | <b>26.5</b>           | <b>31.0</b>         | <b>29.0</b>         | <b>-2.0</b>               |
| <b>(8000) HEALTH CARE REFORM AND INNOVATION</b>          |                      |                     |                     |                           |                       |                     |                     |                           |
| (8001) HEALTH INSURANCE EXCHANGE                         | -308                 | 0                   | 0                   | 0                         | 0.0                   | 0.0                 | 0.0                 | 0.0                       |
| (8002) AFFORDABLE CARE REFORM AND GRANTS DEV.            | 1,963                | 6,328               | 9,097               | 2,769                     | 6.7                   | 8.0                 | 7.0                 | -1.0                      |
| (8010) HC REFORM AND INNOVATIVE SUPPORT SVS              | 961                  | 228                 | 317                 | 89                        | 0.7                   | 1.0                 | 2.0                 | 1.0                       |
| <b>SUBTOTAL (8000) HEALTH CARE REFORM AND INNOVATION</b> | <b>2,615</b>         | <b>6,556</b>        | <b>9,414</b>        | <b>2,858</b>              | <b>7.4</b>            | <b>9.0</b>          | <b>9.0</b>          | <b>0.0</b>                |
| <b>TOTAL PROPOSED OPERATING BUDGET</b>                   | <b>2,922,802</b>     | <b>3,071,091</b>    | <b>3,192,314</b>    | <b>121,224</b>            | <b>212.8</b>          | <b>250.0</b>        | <b>264.0</b>        | <b>14.0</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 2018 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.

## Division Description

The Department of Health Care Finance operates through the following 8 divisions:

**Health Care Delivery Management (HCDM)** – ensures that quality services and practices pervade all activities that affect the delivery of health care to beneficiaries served by the District’s Medicaid, Children’s Health Insurance Program (CHIP), and Alliance programs. HCDM accomplishes this through informed benefit design; use of prospective, concurrent and retrospective utilization management; ongoing program evaluation; and the application of continuous quality measurement and improvement practices in furnishing preventive, acute, and chronic/long-term care services to children and adults through DHCF’s managed care contractors and institutional and ambulatory fee-for-service providers.

This division contains the following 5 activities:

- **Managed Care Management** – provides oversight, evaluation, and enforcement of contracts with organizations managing the care and service delivery of Medicaid and Alliance beneficiaries, along with providing oversight and enrollment of eligible beneficiaries;
- **Preventive and Acute Care (Children’s Health Services)** – develops, implements, and monitors policies, benefits and practices for children’s health care services, including HealthCheck/EPSTD, CHIP, and the Immigrant Children’s Program;
- **Division of Quality and Health Outcomes** – continuously improves the quality (safe, effective, patient-centered, timely, efficient, and equitable services) of health care delivered by programs administered by DHCF; and ensures that quality and performance improvement principles and practices pervade all the components and activities that impact the delivery and outcomes of health care services to patients served by the District’s Medicaid, CHIP, and Alliance programs;
- **Division of Clinicians, Pharmacy and Acute Provider Services** – develops, implements, and oversees the programming for primary and specialty providers, hospitals, and other acute and preventive care services; and manages the non-emergency transportation contract; and
- **Health Care Delivery Management Support Services** – provides administrative support functions to the Health Care Delivery Management division.

**Long-Term Care Administration (LTCA)** – provides oversight and monitoring of programs targeted to the elderly, persons with physical disabilities, and persons with intellectual and developmental disabilities. Through program development and day-to-day operations, the LTCA also ensures access to needed cost-effective, high-quality extended and long-term care services for Medicaid beneficiaries residing in home and community-based or institutional settings. The office also provides contract management of the long-term care supports and services contract.

This division contains the following 4 activities:

- **Long-Term Care Support Services** – provides administrative support functions to the Long-Term Care division;
- **Oversight** – provides quality assurance (including compliance with six CMS assurances) and outcomes, oversight and audits/site visits, and corrective action plans;
- **Operations** – provides day-to-day operations to ensure service delivery for both providers and beneficiaries; issue resolutions, ensuring timeliness of prior authorizations; training and technical assistance to providers; provider readiness; and compliant triage and resolution; and
- **Intake and Assessment** – oversees nurse unit responsible for access to LTCSS including Delmarva assessments, Qualis/LOC reviews, coordination with ADRC, and IDD acuity level reviews/approvals.

**Health Care Policy and Planning** – maintains the Medicaid and CHIP state plans that govern eligibility, scope of benefits, and reimbursement policies for the District's Medicaid and CHIP programs; develops policy for the Health Care Alliance program and other publicly funded health care programs that are

administered or monitored by DHCF based on sound analysis of local and national health care and reimbursement policies and strategies; and ensures coordination and consistency among health care and reimbursement policies developed by the various divisions within DHCF. The division also designs and conducts research and evaluations of health care programs.

This division contains the following 4 activities:

- **Policy Unit Management (Regulation and Policy Management)** – maintains the Medicaid State Plan, which governs the eligibility, scope of benefits, and reimbursement policies of the Medicaid and CHIP programs; creates State Plan Amendments, waivers, and regulations that form the foundation of Medicaid policy and programs administered or monitored by DHCF; and ensures the coordination and consistency of health care and reimbursement policies developed by various divisions within DHCF;
- **Data Analysis (Division of Analytics and Policy Research)** – gathers information, analyzes data, and evaluates all activities related to multiple District-wide components of Medicaid, CHIP, the Alliance, and future healthcare delivery systems, including data collection systems; and designs and conducts research and evaluation of health care programs, studying their impacts on beneficiaries, providers, plans, and other partners and customers, designing and assessing potential improvements, and developing new measurement tools;
- **Member Management (Eligibility Policy)** – serves as liaison to District and federal agencies regarding eligibility-related matters; ensures collaboration and coordination between the agencies and facilitates compliance by the Department of Human Services' Economic Security Administration with DHCF eligibility policy; interprets federal and state eligibility rules and regulation; establishes eligibility policies and criteria for the Medicaid and CHIP programs, as well as the Health Care Alliance and the Immigrant Children's Program; interprets and helps draft legislative changes, rules and regulations for the District regarding eligibility requirements; and manages the Optional State Supplement Payment Program for eligible District of Columbia residents residing in an adult foster care home; and
- **Health Care Policy and Planning Support (Health Care Policy and Research Support)** – provides administrative support functions to the Health Care Policy and Planning Administration.

**Health Care Finance** – provides provider payments for the following provider types: Medicaid providers, public providers, and Health Care Alliance providers.

This division contains the following 3 activities:

- **Medicaid Provider Payment** – provides payment to Medicaid providers;
- **Medicaid Public Provider Payment** – provides payment to Medicaid public providers; and
- **Alliance Provider Payment** – provides payment to Alliance providers.

**Health Care Operations** – ensures the division of programs that pertain to the payment of claims and manages the fiscal agent contract, the administrative contracts, systems, and provider enrollment and requirements. The office provides contract management of the Pharmacy Benefits Manager, the Quality Improvement Organization contract, and the Medicaid Management Information System (MMIS) Fiscal Intermediary contract as well as additional administrative contracts.

This division contains the following 3 activities:

- **Medicaid Information Systems (Claims Management)** – oversees MMIS operations; systems requests; member services, including member out-of-pocket reimbursements; Consolidated Omnibus Budget Reconciliation Act (COBRA) payments; third-party liability processing; and processing of financial transactions. The division also manages all internal and external data requests and data involving agency audits (local and federal), as well as MMIS training for all DHCF employees and system security;

- **Division of Public and Private Provider Services** – manages the Administrative Services Organization contract, provider enrollment and recruitment, and internal and external provider services and inquiries. The office also maintains positive ongoing coordination and continuity with all public provider agencies of the District of Columbia government to enhance each agency's understanding of Medicaid reimbursement policies; is the accountable office within DHCF for implementation of policy that directly impacts other District agencies that serve as Medicaid providers; identifies opportunities to improve the reimbursement procedures of each agency; and works closely with these agencies to review federal policy to ensure that federal reimbursement is being maximized and compliance assured through claims processing and through program development; and
- **Health Care Operations Support (Health Care Operations Support Services)** – provides administrative support functions to the Health Care Operations division.

**Health Care Reform and Innovation (HCRIA)** – identifies, validates, and disseminates information about new health care models and payment approaches serving Medicaid beneficiaries with the goal of enhancing health care quality, improving care and outcomes, promoting health equity, and enhancing the value and efficiency of DHCF programs. The division creates and tests new delivery system and payment models among providers in the District and builds collaborative learning networks to facilitate innovation, implement effective practices, and facilitate technology improvements to support delivery system re-design and improvement.

This division contains the following 2 activities:

- **Affordable Care Reform and Grants Development** – develops and executes strategies for payment and delivery system reform in the District, including developing, implementing, and monitoring health reform activities as well as developing demonstration projects and grants to support various value-based purchasing and practice transformation strategies; and
- **Health Care Reform and Innovative Support Services** – is responsible for advancing the use of information technology among health care providers in the District. These activities include HCRIA's responsibility to design, develop, implement, and sustain Health Information Exchange (HIE) activities. HIE's infrastructure provides the technology, processes, and operations needed to facilitate exchange of health information between health stakeholders. HCRIA's Health Information Technology (HIT) program offers incentives, outreach and technical assistance to drive the adoption and use of Certified Electronic Health Records Technology (CEHRT) by District health care providers. The program aligns with CMS's Meaningful Use (MU) framework.

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

### **Division Structure Change**

The Department of Health Care Finance has no division structure changes in the FY 2018 proposed budget.

## FY 2017 Approved Budget to FY 2018 Proposed Budget, by Revenue Type

Table HT0-5 itemizes the changes by revenue type between the FY 2017 approved budget and the FY 2018 proposed budget. For a more comprehensive explanation of changes, please see the FY 2018 Proposed Budget Changes section, which follows the table.

**Table HT0-5**

(dollars in thousands)

| DESCRIPTION   | DIVISION/PROGRAM                  | BUDGET           | FTE          |
|---|-----------------------------------|------------------|--------------|
| <b>LOCAL FUNDS: FY 2017 Approved Budget and FTE</b>                           |                                   | <b>705,606</b>   | <b>104.4</b> |
| Other CSFL Adjustments  | Multiple Programs                 | 16,865           | 0.0          |
| <b>LOCAL FUNDS: FY 2018 Current Services Funding Level (CSFL) Budget</b>      |                                   | <b>722,471</b>   | <b>104.4</b> |
| Increase: To align personal services and Fringe Benefits with projected costs | Multiple Programs                 | 1,875            | 1.9          |
| Increase: To align resources with operational spending goals                  | Multiple Programs                 | 1,469            | 0.0          |
| Increase: To align Fixed Costs with proposed estimates                        | Agency Management                 | 145              | 0.0          |
| Decrease: To realize programmatic cost savings in nonpersonal services        | Health Care Finance               | -25,423          | 0.0          |
| Technical Adjustment: Revised forecast for all Fee-For-Service provider types | Health Care Finance               | 13,534           | 0.0          |
| <b>LOCAL FUNDS: FY 2018 Agency Budget Submission</b>                          |                                   | <b>714,070</b>   | <b>106.3</b> |
| Enhance: To support an additional FTE for the PACE program                    | Healthcare Delivery Management    | 51               | 0.6          |
| Transfer-Out: To DCOA to support Aging and Disability Program operations      | Health Care Finance               | -1,433           | 0.0          |
| <b>LOCAL FUNDS: FY 2018 Mayor's Proposed Budget</b>                           |                                   | <b>712,688</b>   | <b>106.8</b> |
| Enhance: To support the Grant-Making Amendment Act of 2017 (one-time)         | Health Care Reform and Innovation | 600              | 0.0          |
| Reduce: To align Fixed Costs with proposed estimates                          | Agency Management                 | -210             | 0.0          |
| <b>LOCAL FUNDS: FY 2018 District's Proposed Budget</b>                        |                                   | <b>713,078</b>   | <b>106.8</b> |
| <b>DEDICATED TAXES: FY 2017 Approved Budget and FTE</b>                       |                                   | <b>81,907</b>    | <b>5.5</b>   |
| Increase: To align personal services and Fringe Benefits with projected costs | Multiple Programs                 | 95               | 0.6          |
| Decrease: To align budget with projected revenues                             | Multiple Programs                 | -9,425           | 0.0          |
| <b>DEDICATED TAXES: FY 2018 Agency Budget Submission</b>                      |                                   | <b>72,577</b>    | <b>6.0</b>   |
| No Change   |                                   | 0                | 0.0          |
| <b>DEDICATED TAXES: FY 2018 Mayor's Proposed Budget</b>                       |                                   | <b>72,577</b>    | <b>6.0</b>   |
| Enhance: To support Medicaid Hospital Inpatient Fees                          | Health Care Finance               | 8,800            | 0.0          |
| Enhance: To support Medicaid Hospital Outpatient Supplemental Payments        | Health Care Finance               | 5,530            | 0.0          |
| <b>DEDICATED TAXES: FY 2018 District's Proposed Budget</b>                    |                                   | <b>86,907</b>    | <b>6.0</b>   |
| <b>FEDERAL GRANT FUNDS: FY 2017 Approved Budget and FTE</b>                   |                                   | <b>2,916</b>     | <b>0.0</b>   |
| Decrease: To align budget with projected grant awards                         | Multiple Programs                 | -114             | 0.0          |
| <b>FEDERAL GRANT FUNDS: FY 2018 Agency Budget Submission</b>                  |                                   | <b>2,803</b>     | <b>0.0</b>   |
| No Change   |                                   | 0                | 0.0          |
| <b>FEDERAL GRANT FUNDS: FY 2018 Mayor's Proposed Budget</b>                   |                                   | <b>2,803</b>     | <b>0.0</b>   |
| No Change   |                                   | 0                | 0.0          |
| <b>FEDERAL GRANT FUNDS: FY 2018 District's Proposed Budget</b>                |                                   | <b>2,803</b>     | <b>0.0</b>   |
| <b>FEDERAL MEDICAID PAYMENTS: FY 2017 Approved Budget and FTE</b>             |                                   | <b>2,188,106</b> | <b>129.3</b> |
| Increase: To align budget with projected federal Medicaid reimbursements      | Multiple Programs                 | 57,436           | 7.5          |
| Technical Adjustment: Revised forecast for all Fee-For-Service provider types | Health Care Finance               | 18,725           | 0.0          |
| <b>FEDERAL MEDICAID PAYMENTS: FY 2018 Agency Budget Submission</b>            |                                   | <b>2,264,268</b> | <b>136.8</b> |
| Enhance: To support an additional FTE for the PACE program                    | Healthcare Delivery Management    | 39               | 0.4          |
| <b>FEDERAL MEDICAID PAYMENTS: FY 2018 Mayor's Proposed Budget</b>             |                                   | <b>2,264,307</b> | <b>137.3</b> |
| Enhance: To support Medicaid Hospital Inpatient Fees                          | Health Care Finance               | 20,533           | 0.0          |
| Enhance: To support Medicaid Hospital Outpatient Supplemental Payments        | Health Care Finance               | 12,553           | 0.0          |
| Reduce: To align Fixed Costs with proposed estimates                          | Agency Management                 | -172             | 0.0          |
| <b>FEDERAL MEDICAID PAYMENTS: FY 2018 District's Proposed Budget</b>          |                                   | <b>2,297,222</b> | <b>137.3</b> |

**Table HT0-5**

(dollars in thousands)

| DESCRIPTION  | DIVISION/PROGRAM    | BUDGET           | FTE          |
|--|---------------------|------------------|--------------|
| <b>SPECIAL PURPOSE REVENUE FUNDS: FY 2017 Approved Budget and FTE</b>    |                     | <b>3,493</b>     | <b>10.9</b>  |
| Increase: To align budget with projected revenues                        | Multiple Programs   | 175              | 3.0          |
| <b>SPECIAL PURPOSE REVENUE FUNDS: FY 2018 Agency Budget Submission</b>   |                     | <b>3,668</b>     | <b>13.9</b>  |
| No Change  |                     | 0                | 0.0          |
| <b>SPECIAL PURPOSE REVENUE FUNDS: FY 2018 Mayor's Proposed Budget</b>    |                     | <b>3,668</b>     | <b>13.9</b>  |
| No Change  |                     | 0                | 0.0          |
| <b>SPECIAL PURPOSE REVENUE FUNDS: FY 2018 District's Proposed Budget</b> |                     | <b>3,668</b>     | <b>13.9</b>  |
| <b>INTRA-DISTRICT FUNDS: FY 2017 Approved Budget and FTE</b>             |                     | <b>89,063</b>    | <b>0.0</b>   |
| Decrease: To align budget with projected revenues                        | Health Care Finance | -425             | 0.0          |
| <b>INTRA-DISTRICT FUNDS: FY 2018 Agency Budget Submission</b>            |                     | <b>88,637</b>    | <b>0.0</b>   |
| No Change  |                     | 0                | 0.0          |
| <b>INTRA-DISTRICT FUNDS: FY 2018 Mayor's Proposed Budget</b>             |                     | <b>88,637</b>    | <b>0.0</b>   |
| No Change  |                     | 0                | 0.0          |
| <b>INTRA-DISTRICT FUNDS: FY 2018 District's Proposed Budget</b>          |                     | <b>88,637</b>    | <b>0.0</b>   |
| <b>GROSS FOR HT0 - DEPARTMENT OF HEALTH CARE FINANCE</b>                 |                     | <b>3,192,314</b> | <b>264.0</b> |

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

## FY 2018 Proposed Budget Changes

The Department of Health Care Finance's (DHCF) proposed FY 2018 gross budget is \$3,192,314,370, which represents a 3.9 percent increase over its FY 2017 approved gross budget of \$3,071,090,837. The budget is comprised of \$713,077,581 in Local funds, \$86,906,898 in Dedicated Taxes, \$2,802,534 in Federal Grant funds, \$2,297,221,798 in Federal Medicaid Payments, \$3,668,083 in Special Purpose Revenue funds, and \$88,637,476 in Intra-District funds.

## Current Services Funding Level

The Current Services Funding Level (CSFL) is a Local funds ONLY representation of the true cost of operating District agencies, before consideration of policy decisions. The CSFL reflects changes from the FY 2017 approved budget across multiple divisions, and it estimates how much it would cost an agency to continue its current divisions and operations into the following fiscal year. The FY 2018 CSFL adjustments to the FY 2017 Local funds budget are described in table 5 of this agency's budget chapter. Please see the CSFL Development section within Volume 1: Executive Summary for more information regarding the methodology used and components that comprise the CSFL.

DHCF's FY 2018 CSFL budget is \$722,470,828, which represents a \$16,865,196, or 2.4 percent, increase over the FY 2017 approved Local funds budget of \$705,605,632.

## CSFL Assumptions

The FY 2018 CSFL calculated for DHCF included adjustment entries that are not described in detail on table 5. These adjustments include a decrease of \$8,741 in personal services to account for Fringe Benefit costs based on trend and comparative analyses, and an increase of \$708,379 in nonpersonal services based on the Consumer Price Index factor of 2.5 percent.

DHCF's CSFL funding for the Medicaid Growth Factor reflects adjustments for an increase of \$15,323,651 to account for the District's FY 2018 Medicaid growth rate of 2.3 percent based on the cost of healthcare services in the District projected by the DHCF. The Medicaid growth rate is primarily driven by enrollment forecasts for Medicaid Managed Care and Fee-for-Service. Managed Care coverage

includes parents of Medicaid eligible children, pregnant women, children, childless adults with incomes up to 200 percent of the federal poverty level, the Children's Health Insurance Program (CHIP), and Health Services for Children with Special Needs (HSCSN). Other variables impacting the Medicaid Growth Factor include enrollment forecasts for Medicaid waivers, which include the Development Disabilities (DD) and Elderly and Physically Disabled (EPD) waivers. These adjustments also include locally funded programs, such as the Immigrant Children and the D.C. Healthcare Alliance.

Additional adjustments include a decrease of \$88,093 for the Fixed Costs Inflation Factor to reflect estimates based on historical expenditures of Department of General Services' commodities, and an increase of \$930,000 to reflect the FY 2018 Operating Impact of Capital to account for projected Medicaid Management Information Systems upgrades and the Medicaid Data Warehouse.

### **Agency Budget Submission**

The FY 2018 budget proposal allows DHCF to continue providing health care coverage to over 40 percent of the residents of the District of Columbia. This includes operating the Medicaid program, which the District expanded according to the provisions of the Affordable Care Act, as well as operating the Health Care Alliance program for District residents with incomes up to 200 percent of the federal poverty level who are not otherwise eligible for Medicaid.

**Increase:** The budget proposal for Local funds includes an increase of \$1,874,645 and 1.9 Full-time Equivalents (FTEs) across multiple divisions to account for Fringe Benefits costs, projected salary step increases, and the recurring salary costs of current personnel. An increase of \$1,468,948 in Local funds, primarily for Contractual services across multiple divisions, enables DHCF to maintain continuity in services and operations. Fixed Costs estimates from the Department of General Services for Energy, Security services, and Occupancy collectively account for an increase of \$145,116 in the Agency Management division.

The proposed budget in Dedicated Taxes reflects an increase of \$94,621 and 0.6 FTE in personal service costs across multiple divisions. In Federal Medicaid Payments DHCF's budget projects an increase of \$57,436,143 and 7.5 FTEs across multiple divisions. These projections are based on anticipated federal matching to the District's expenditures of local resources on Medicaid eligible health care services in the agency budget submission.

In Special Purpose Revenue funds, a proposed budget increase of \$175,344 and an additional 3.0 FTEs aligns the budget with revenues projected from assessments charged to health insurance companies that operate within the District of Columbia, provider screening and enrollment fees, and recoupments related to other insurance payers for Medicaid-covered services.

**Decrease:** The budget proposal includes a net decrease of \$25,423,341 in Local funds in the Health Care Finance division. These adjustments are due to lower projections associated with disproportionate share hospital (DSH) payments (\$14,422,991); the shift of some operational functions to the Healthy D.C. Fund (\$1,614,234); revised nursing home rate setting methodology (\$6,914,937); revised budget for Personal Care Assistant (PCA) living wage adjustments (\$902,573); and the Public Assistance Reporting Information System (PARIS) match savings (\$1,568,606). PARIS is a data-matching service that checks if the benefits of recipients of public assistance programs are duplicated in two or more states. PARIS matches help identify improper payments and minimizes fraud and abuse.

In Dedicated Taxes, the proposed operating budget decreased by \$9,424,598 primarily due to the expiration of the Hospital Assessment Tax and DC Provider Fees that are collected from hospitals that operate within the District. In Federal Grant funds, a modest decrease of \$113,593 aligns the proposed budget with anticipated grant awards from the federal government.

The proposed Intra-District funds budget decreased by \$425,453 in the Health Care Finance division. DHCF's Intra-District funds budget is based on the agency's collaboration with the Department on Disability Services to support services through the Home and Community Based Services Waiver for Persons with Intellectual and Developmental Disabilities; and with the Department of Behavioral Health to provide mental health rehabilitation services to Medicaid eligible consumers, to support youths in the Adolescent Substance Abuse Treatment Program, to support Adult Substance Abuse Rehabilitation Services, and to provide services to Medicaid beneficiaries with severe mental illness.

**Technical Adjustment:** The budget proposal in Local funds includes an increase of \$13,533,505 to account for the revised forecast of all Fee-for-Service provider types. The corresponding adjustment to Federal Medicaid Payments is an increase of \$18,725,286.

### **Mayor's Proposed Budget**

**Enhance:** The Local funds budget proposal is increased by \$50,591 in the Healthcare Delivery Management division. This additional funding will be used for personal services costs for an additional 0.6 FTE that will support the Program of All-Inclusive Care for the Elderly (PACE). This program provides care to beneficiaries age 55 and older who require nursing home level care, but are unable to live in a community-based setting. The corresponding Federal Medicaid Payment increase associated with this enhancement is \$39,459 and 0.4 FTE.

**Transfer-Out:** DHCF's budget proposal reflects a transfer \$1,432,710 from the Health Care Finance division out of the agency's Local funds to the District of Columbia Office on Aging. The recipient agency will use the transferred funds to operate the Aging and Disability program.

### **District's Proposed Budget**

**Enhance:** DHCF's Local funds budget proposal is increased by \$600,000 in one-time funding to the Health Care Reform and Innovation division. The additional funding supports the Grant-Making Amendment Act of 2017. Pursuant to the FY 2018 Budget Support Act of 2017, the agency's FY 2018 budget proposal re-establishes two expired Dedicated Taxes fund accounts. In view of this, the proposed budget in Dedicated Taxes for the Health Care Finance division reflects increases of \$8,800,000 for Medicaid Hospital Inpatient Fees, and \$5,529,858 for Medicaid Hospital Outpatient Supplemental Payments. The corresponding adjustments to Federal Medicaid Payments project federal reimbursement increases of \$20,533,333 for Medicaid Hospital Inpatient Fees and \$12,553,002 for Medicaid Hospital Outpatient Supplemental Payments. This revenue stream is supported by payments from hospitals that operate within the District of Columbia.

**Reduce:** The Fixed Costs budget is aligned with estimates for Occupancy and Energy costs through reductions in the Agency Management division of \$210,000 in Local funds and \$171,819 in Federal Medicaid Payments.

## Agency Performance Plan\*

The Department of Health Care Finance (DHCF) has the following strategic objectives for FY 2018:

### Strategic Objectives

Strategic Objectives describe what the agency will do, at a high level, to achieve its mission. These are action-based sentences that define what an agency does for its customers, whether the customers are residents or other District agencies, and how that improves the District.

### Objectives

1. Provide access to comprehensive healthcare services for District residents.
2. Ensure the delivery of high quality healthcare services to District residents.
3. Deter fraud, waste, and abuse by promoting integrity throughout the Medicaid program.
4. Create and maintain a highly efficient, transparent, and responsive District government.\*\*

### ACTIVITIES

Activities include the work that happens on a daily basis to help achieve the Strategic Objectives. Activity names come from the budget line items. This is further divided into “daily services” (ex. sanitation disposal), and long-term “key projects” that are high profile, one-time and span several years, (ex. redevelopment of Walter Reed Army Medical Center). Many agencies will mostly have daily services, whereas some agencies that have more of their budget come from capital funding will have several key projects.

#### 1. Provide access to comprehensive healthcare services for District residents. (2 Activities)

| Activity Title | Activity Description  | Type of Activity |
|----------------|---|------------------|
| Eligibility    | Based on the Federal guidelines for Medicaid and local laws for the Alliance program, DHCF provides healthcare to District residents according to the criteria of the programs offered. This requires the agency to create State Plans and rules that define the qualifications, along with working with other District agencies to ensure that qualified applicants are granted access to these healthcare programs. | Daily Service    |
| Benefits       | DHCF establishes and administers healthcare benefits for DC residents primarily through two delivery systems: managed care and Fee-For-Service (FFS). The benefit design is detailed through the Medicaid State Plan, waiver applications, rules, laws, and transmittals.   | Daily Service    |

#### 2. Ensure the delivery of high quality healthcare services to District residents. (2 Activities)

| Activity Title                    | Activity Description   | Type of Activity |
|-----------------------------------|--|------------------|
| Claims Processing                 | As beneficiaries utilize services with physicians, clinics, pharmacies, and hospitals, payments are remitted by those providing the services to DHCF for processing and payment. Federal regulations and local laws require prompt payment of claims submitted, so DHCF must first verify the eligibility of the beneficiary, the Medicaid enrollment of the provider, and the validity of the service being provided. | Daily Service    |
| Provider Enrollment and Screening | In order to receive payments for services provided to Medicaid and Alliance patients, physicians, clinics, pharmacies, hospitals, and  | Daily Service    |

(Continued on next page)

**2. Ensure the delivery of high quality healthcare services to District residents. (2 Activities)**

| Activity Title | Activity Description  | Type of Activity |
|----------------|---|------------------|
|                | other providers must first apply to be a qualified provider. DHCF screens providers to minimize future unscrupulous activities. Once enrolled, provider information is retained and utilized to accept and process future claims. |                  |

**3. Deter fraud, waste, and abuse by promoting integrity throughout the Medicaid program. (1 Activity)**

| Activity Title    | Activity Description   | Type of Activity |
|-------------------|--|------------------|
| Program Integrity | The DHCF promotes the integrity of Medicaid through audits, policy review and identification and monitoring of program vulnerabilities. These efforts are conducted on a daily basis by implementing proper policies and procedures as well as the development and implementation of a strategic plan and quality assurance. | Daily Service    |

**KEY PERFORMANCE INDICATORS**

Key Performance Indicators measure how well an agency is achieving its Strategic Objectives. They are outcome-oriented and should be used to answer the question, “What does the agency need to measure to determine success?”

**1. Provide access to comprehensive healthcare services for District residents. (5 Measures)**

| Measure   | New Measure/<br>Benchmark Year | FY 2015<br>Actual | FY 2016<br>Actual        | FY 2016<br>Target | FY 2017<br>Target | FY 2018<br>Target |
|---|--------------------------------|-------------------|--------------------------|-------------------|-------------------|-------------------|
| Participation rate among Medicaid and Children's Health Insurance Program (CHIP) eligible children ages 0 through 18 in the District of Columbia  | No                             | Not Available     | Forthcoming October 2017 | Not Available     | 95%               | 95%               |
| Percent of children, ages 1 – 20 years, enrolled in the Medicaid program (Fee-for-Service and Managed Care) with 90 days of continuous enrollment that received preventive dental services during the fiscal year     | No                             | 54%               | Forthcoming October 2017 | 56%               | 58%               | 60%               |
| Percent of children, ages 1-20 years, enrolled in the Medicaid program (Fee-for-Service and Managed Care) with 90 days of continuous enrollment that received a routine well-child examination during the fiscal year | No                             | 63%               | Forthcoming October 2017 | 65%               | 68%               | 70%               |
| Percent of District residents covered by Medicaid   | No                             | 38%               | Forthcoming October 2017 | Not Available     | 35%               | 35%               |
| Percent of Medicaid renewals as a result of the passive renewal process   | No                             | Not Available     | Forthcoming October 2017 | Not Available     | 75%               | 80%               |

**2. Ensure the delivery of high quality healthcare services to District residents. (3 Measures)**

| <b>Measure</b>   | <b>New Measure/<br/>Benchmark Year</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2016<br/>Target</b> | <b>FY 2017<br/>Target</b> | <b>FY 2018<br/>Target</b> |
|--|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Reduce hospital admissions of Medicaid Managed Care enrollees due to health conditions that may have been prevented through appropriate outpatient care                    | No                                     | Not Available             | Not Available             | Not Available             | 5%                        | 10%                       |
| Reduce hospital discharges of Medicaid Managed Care enrollees that were followed by a readmission for any diagnosis within 30 days   | No                                     | Not Available             | Not Available             | Not Available             | 5%                        | 10%                       |
| Reduce potentially preventable Emergency Department visits by Medicaid Managed Care enrollees that may have been avoided or appropriately treated at a lower level of care | No                                     | Not Available             | Not Available             | Not Available             | 5%                        | 10%                       |

**3. Deter fraud, waste, and abuse by promoting integrity throughout the Medicaid program. (1 Measure)**

| <b>Measure</b>  | <b>New Measure/<br/>Benchmark Year</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2016<br/>Target</b> | <b>FY 2017<br/>Target</b> | <b>FY 2018<br/>Target</b> |
|---|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Number of referrals to the Medicaid Fraud Control Unit or other agencies for criminal or civil resolution | No                                     | Not Available             | 10                        | Not Available             | 14                        | 14                        |

**4. Create and maintain a highly efficient, transparent, and responsive District government.\*\* (10 Measures)**

| <b>Measure</b>   | <b>New Measure/<br/>Benchmark Year</b> | <b>FY 2015<br/>Actual</b> | <b>FY 2016<br/>Actual</b> | <b>FY 2016<br/>Target</b> | <b>FY 2017<br/>Target</b> | <b>FY 2018<br/>Target</b> |
|--|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Budget- Federal funds returned   | No                                     | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  |
| Budget- Local funds unspent  | No                                     | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  |
| Contracts/Procurement- Contracts lapsed into retroactive status                        | No                                     | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  |
| Contracts/Procurement- Expendable Budget spent on Certified Business Enterprises       | No                                     | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  |
| Customer Service- Meeting Service Level Agreements                                     | No                                     | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  |
| Human Resources- Employee District residency   | No                                     | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  |
| Human Resources- Employee Onboard Time   | No                                     | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  |
| Human Resources- Vacancy Rate  | No                                     | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  |
| Percent of invoices processed accurately and in compliance with the Prompt Payment Act | No                                     | 96%                       | 92%                       | 96%                       | 97%                       | 98%                       |
| Performance Management- Employee Performance Plan Completion                           | No                                     | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  | Forthcoming October 2017  |

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## WORKLOAD MEASURES

Workload Measures, also called inputs or outputs, quantify an activity, effort or process that is necessary to make progress towards the Strategic Objectives. They help answer the question; “How much are we doing?”

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### 1. Program Integrity

| Measure  | New Measure/<br>Benchmark Year | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual |
|--|--------------------------------|-------------------|-------------------|-------------------|
| Conduct Investigations based on complaints data analysis, input from internal and external partners, and other indications of abnormal or suspect claims                                 | No                             | Not Available     | Not Available     | Not Available     |
| Conduct liaison, education, and training with other DHCF divisions, outside agencies, providers, and other groups in support of program integrity mission                                | No                             | Not Available     | Not Available     | Not Available     |
| Conduct Surveillance and Utilization Review Section (SURS) audits based on data analysis, input from internal and external partners, and other indications of abnormal or suspect claims | No                             | Not Available     | Not Available     | Not Available     |
| Number of adjusted/overtaken/upheld/partial payment/resolved/reversed/written-off cases among commercial consumers served by the Ombudsman (appeals and grievances)                      | No                             | Not Available     | Not Available     | Not Available     |
| Number of non-commercial consumers served by Ombudsman (to include Medicare, Medicaid, Alliance, and DC Health Link)   | No                             | 7,712             | 8,241             | 8,164             |

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### 2. Claims Processing

| Measure   | New Measure/<br>Benchmark Year | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual |
|---|--------------------------------|-------------------|-------------------|-------------------|
| Percent of procurement process completed for the acquisition of a new Medicaid Management Information System (MMIS) that will be a multi-payor claims adjudication system for Medicaid and other DC Government programs that process medical claims | No                             | Not Available     | Not Available     | Not Available     |

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### 3. Eligibility

| Measure   | New Measure/<br>Benchmark Year | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual |
|---|--------------------------------|-------------------|-------------------|-------------------|
| A minimum of three policy training sessions conducted per quarter for DHCF, sister agencies, and other external stakeholders on eligibility related policies and procedures to ensure staff and community partners receive the training needed to accurately determine eligibility for Medicaid, and the District’s locally funded health care programs | No                             | Not Available     | Not Available     | Not Available     |

#### 4. Provider Enrollment and Screening

| Measure                            | New Measure/<br>Benchmark Year | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual |
|------------------------------------|--------------------------------|-------------------|-------------------|-------------------|
| Number of newly enrolled providers | No                             | Not Available     | Not Available     | Not Available     |
| Number of re-enrolled providers    | No                             | Not Available     | Not Available     | Not Available     |

#### 5. Benefits

| Measure   | New Measure/<br>Benchmark Year | FY 2014<br>Actual | FY 2015<br>Actual | FY 2016<br>Actual           |
|---|--------------------------------|-------------------|-------------------|-----------------------------|
| Number of beneficiaries receiving a conflict free assessment for long-term care services and supports                                     | No                             | Not Available     | Not Available     | 6,469                       |
| Number of District residents covered by Alliance (Year End)   | No                             | Not Available     | 15,059            | Forthcoming<br>October 2017 |
| Number of District residents covered by Medicaid (Year End)   | No                             | Not Available     | 248,775           | Forthcoming<br>October 2017 |
| Number of Elderly and Persons with Disabilities Waiver (EPDW) beneficiaries enrolled in services My Way                                   | No                             | Not Available     | Not Available     | 131                         |
| Percent of District residents insured   | No                             | Not Available     | 96.2%             | Forthcoming<br>October 2017 |
| Produce and disseminate three data snapshots to share utilization and spending patterns with external stakeholders and the general public | No                             | Not Available     | Not Available     | Not Available               |

#### Performance Plan Endnotes

\*For more information about the new structure and components of FY 2018 draft performance plans, please see the FY 2018 Proposed Budget and Financial Plan, Volume 1, Appendix E.

\*\*\*"Create and maintain a highly efficient, transparent and responsive District government" is a new Strategic Objective this year required for all agencies.

\*\*\*Key Performance Indicators that are new may not have historical data and may only have FY 2018 targets.