Department of Health Care Finance

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Table HT0-1

Description	FY 2018 Actual	FY 2019 Actual	FY 2020 Approved	FY 2021 Approved	% Change from FY 2020
OPERATING BUDGET	$3,062,328,112	$3,223,861,259	$3,232,350,185	$3,580,016,534	10.8
FTEs	334.0	268.5	354.0	354.0	0.0
CAPITAL BUDGET	$30,860,999	$45,654,017	$53,137,247	$42,300,000	-20.4
FTEs	0.0	0.0	0.0	0.0	N/A

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. More than 280,000 District of Columbia residents (approximately 40 percent 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 2021 approved budget is presented in the following tables:

FY 2021 Approved Gross Funds Operating Budget and FTEs, by Revenue Type

Table HT0-2 contains the approved FY 2021 budget by revenue type compared to the FY 2020 approved budget. It also provides FY 2018 and FY 2019 actual data.

Table HT0-2
(dollars in thousands)

	Dollars in Thousands						Full-Time Equivalents					
Appropriated Fund	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020	% Change*	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020	% Change
GENERAL FUND												
Local Funds	708,165	774,524	830,016	857,623	27,607	3.3	116.4	109.5	139.9	135.7	-4.2	-3.0
Dedicated Taxes	82,435	81,015	81,532	98,195	16,663	20.4	6.0	5.0	5.5	5.5	0.0	0.0

Table HT0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands						Full-Time Equivalents					
	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020	% Change*	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020	% Change
Special Purpose Revenue Funds	2,630	1,611	4,028	6,597	2,569	63.8	13.1	12.6	15.6	17.5	1.9	12.2
TOTAL FOR GENERAL FUND	**793,230**	**857,149**	**915,575**	**962,415**	**46,839**	**5.1**	**135.6**	**127.1**	**161.0**	**158.7**	**-2.3**	**-1.4**
FEDERAL RESOURCES												
Federal Grant Funds	2,522	1,191	77	6,068	5,991	7,799.9	0.0	0.0	0.0	0.0	0.0	N/A
Federal Medicaid Payments	2,159,437	2,263,036	2,209,118	2,472,819	263,700	11.9	197.0	139.1	188.8	191.6	2.8	1.5
TOTAL FOR FEDERAL RESOURCES	**2,161,958**	**2,264,227**	**2,209,195**	**2,478,886**	**269,691**	**12.2**	**197.0**	**139.1**	**188.8**	**191.6**	**2.8**	**1.5**
INTRA-DISTRICT FUNDS												
Intra-District Funds	107,140	102,485	107,580	138,716	31,136	28.9	1.4	2.3	4.3	3.7	-0.5	-12.7
TOTAL FOR INTRA-DISTRICT FUNDS	**107,140**	**102,485**	**107,580**	**138,716**	**31,136**	**28.9**	**1.4**	**2.3**	**4.3**	**3.7**	**-0.5**	**-12.7**
GROSS FUNDS	**3,062,328**	**3,223,861**	**3,232,350**	**3,580,017**	**347,666**	**10.8**	**334.0**	**268.5**	**354.0**	**354.0**	**0.0**	**0.0**

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2021 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2021 Approved Operating Budget, by Comptroller Source Group

Table HT0-3 contains the approved FY 2021 budget at the Comptroller Source Group (object class) level compared to the FY 2020 approved budget. It also provides FY 2018 and FY 2019 actual expenditures.

Table HT0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020	Percentage Change*
11 - Regular Pay - Continuing Full Time	23,270	26,145	33,189	34,436	1,247	3.8
12 - Regular Pay - Other	1,476	2,000	2,601	2,092	-509	-19.6
13 - Additional Gross Pay	206	189	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	5,062	5,894	7,631	7,788	157	2.1
15 - Overtime Pay	47	58	0	0	0	N/A
SUBTOTAL PERSONAL SERVICES (PS)	**30,061**	**34,285**	**43,422**	**44,316**	**894**	**2.1**
20 - Supplies and Materials	99	89	243	221	-22	-8.9
30 - Energy, Communication and Building Rentals	173	234	254	356	102	40.3
31 - Telecommunications	328	322	317	377	61	19.1
32 - Rentals - Land and Structures	0	1,305	1,305	1,890	585	44.9
34 - Security Services	155	119	128	303	176	137.7
35 - Occupancy Fixed Costs	141	387	510	550	39	7.7

Table HT0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020	Percentage Change*
40 - Other Services and Charges	1,248	1,177	8,824	3,290	-5,534	-62.7
41 - Contractual Services - Other	89,409	107,868	153,307	157,377	4,070	2.7
50 - Subsidies and Transfers	2,936,699	3,076,913	3,021,984	3,348,957	326,973	10.8
70 - Equipment and Equipment Rental	4,015	1,164	2,057	22,379	20,322	988.0
SUBTOTAL NONPERSONAL SERVICES (NPS)	**3,032,267**	**3,189,576**	**3,188,928**	**3,535,700**	**346,772**	**10.9**
GROSS FUNDS	**3,062,328**	**3,223,861**	**3,232,350**	**3,580,017**	**347,666**	**10.8**

*Percent change is based on whole dollars.

FY 2021 Approved Operating Budget and FTEs, by Division/Program and Activity

Table HT0-4 contains the approved FY 2021 budget by division/program and activity compared to the FY 2020 approved budget. It also provides FY 2018 and FY 2019 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)

	Dollars in Thousands					Full-Time Equivalents				
Division/Program and Activity	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020
(1000) AGENCY MANAGEMENT										
(1010) Personnel	910	1,013	1,382	1,376	-6	17.4	7.6	14.0	14.0	0.0
(1015) Training and Development	3	0	30	24	-6	0.0	0.0	0.0	0.0	0.0
(1020) Contracting and Procurement	1,559	2,025	2,521	2,393	-128	3.9	3.0	3.0	3.0	0.0
(1030) Property Management	2,533	2,739	3,955	3,230	-725	6.2	3.8	4.0	4.0	0.0
(1040) Information Technology	33,712	7,401	8,867	12,210	3,343	12.8	10.7	18.0	18.0	0.0
(1060) Legal	899	967	1,231	1,440	208	10.0	6.9	8.0	8.0	0.0
(1070) Fleet Management	0	0	5	0	-5	0.0	0.0	0.0	0.0	0.0
(1080) Communications	345	340	605	502	-103	1.2	1.5	2.0	2.0	0.0
(1085) Customer Service	1,924	2,170	4,216	4,803	587	25.3	21.7	28.0	27.6	-0.4
(1087) Language Access	0	0	10	10	0	0.0	0.0	0.0	0.0	0.0
(1090) Performance Management	9,236	7,259	11,001	11,470	469	57.0	36.5	50.0	50.4	0.5
SUBTOTAL (1000) AGENCY MANAGEMENT	**51,122**	**23,914**	**33,823**	**37,458**	**3,635**	**133.9**	**91.7**	**127.0**	**127.0**	**0.0**
(100F) AGENCY FINANCIAL OPERATIONS										
(110F) Budgeting Operations	627	586	730	751	22	6.4	3.8	6.0	6.0	0.0
(120F) Accounting Operations	4,411	4,082	5,701	5,740	40	11.1	6.9	9.0	9.0	0.0
(140F) Agency Fiscal Officer	315	335	329	333	3	2.5	1.5	2.0	2.0	0.0
SUBTOTAL (100F) AGENCY FINANCIAL OPERATIONS	**5,353**	**5,003**	**6,760**	**6,825**	**65**	**20.0**	**12.2**	**17.0**	**17.0**	**0.0**
(2000) HEALTHCARE DELIVERY MANAGEMENT										
(2001) Chronic and Long-Term Care	-6,365	0	0	0	0	0.0	0.0	0.0	0.0	0.0
(2002) Managed Care Management	6,580	6,941	8,778	10,875	2,097	11.2	7.6	8.0	8.0	0.0

Table HT0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020
(2003) Preventive and Acute Care	1,562	1,154	1,374	1,103	-271	5.6	3.4	4.5	4.5	0.0
(2004) Division of Quality and Health Outcomes	2,662	4,809	5,778	3,763	-2,015	5.0	3.8	5.0	5.0	0.0
(2007) Clinicians, Rx and Acute Provider Services	5,787	6,301	8,397	8,731	333	9.9	6.0	7.5	7.5	0.0
(2010) Health Care Delivery Management Support Services	1,048	990	1,185	1,172	-13	10.0	6.9	9.0	9.0	0.0
SUBTOTAL (2000) HEALTHCARE DELIVERY MANAGEMENT	**11,274**	**20,195**	**25,513**	**25,644**	**131**	**41.6**	**27.7**	**34.0**	**34.0**	**0.0**
(200L) LONG-TERM CARE PROGRAM										
(201L) Long-Term Care Support Services	13,540	12,480	16,594	19,390	2,797	3.7	2.3	4.0	3.0	-1.0
(210L) Oversight	1,431	1,440	1,598	1,685	87	15.2	10.8	13.0	13.0	0.0
(220L) Operations	1,385	1,358	1,494	1,823	329	16.2	11.4	14.0	15.0	1.0
(230L) Intake and Assessment	806	844	897	979	82	11.6	5.5	7.0	7.0	0.0
SUBTOTAL (200L) LONG-TERM CARE PROGRAM	**17,162**	**16,122**	**20,582**	**23,877**	**3,295**	**46.7**	**30.0**	**38.0**	**38.0**	**0.0**
(3000) HEALTHCARE POLICY AND PLANNING										
(3001) Policy Unit Management	484	462	748	749	1	7.5	7.4	6.0	6.0	0.0
(3003) Data Analysis	682	673	1,055	1,109	55	7.5	4.6	7.0	7.0	0.0
(3004) Member Management	1,245	1,228	1,589	1,403	-186	16.8	10.2	14.0	14.0	0.0
(3010) Health Care Policy and Planning Support	2,687	660	3,500	2,958	-542	13.4	4.7	5.0	5.0	0.0
SUBTOTAL (3000) HEALTHCARE POLICY AND PLANNING	**5,098**	**3,024**	**6,892**	**6,219**	**-673**	**45.2**	**26.9**	**32.0**	**32.0**	**0.0**
(300A) DCAS PROGRAM MANAGEMENT ADMINISTRATION										
(310A) Program Management	0	2,157	2,205	2,235	30	0.0	7.5	9.0	12.0	3.0
(320A) Project Management	0	4,087	13,496	10,848	-2,648	0.0	27.8	37.0	34.0	-3.0
(330A) Organizational Change	0	1,103	6,946	14,159	7,213	0.0	7.8	13.0	12.0	-1.0
(340A) Information Technology Management	0	30,065	42,420	50,738	8,318	0.0	7.9	11.0	12.0	1.0
SUBTOTAL (300A) DCAS PROGRAM MANAGEMENT ADMINISTRATION	**0**	**37,411**	**65,067**	**77,980**	**12,914**	**0.0**	**50.9**	**70.0**	**70.0**	**0.0**
(5000) HEALTH CARE FINANCE										
(5001) Medicaid Provider Payment	2,816,994	2,952,854	2,898,810	3,191,224	292,413	0.0	0.0	0.0	0.0	0.0
(5002) Medicaid Public Provider Payments	43,615	40,506	26,256	41,369	15,113	0.0	0.0	0.0	0.0	0.0
(5003) Alliance Provider Payments	68,549	77,032	89,825	101,713	11,889	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (5000) HEALTH CARE FINANCE	**2,929,159**	**3,070,392**	**3,014,891**	**3,334,306**	**319,415**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
(6000) HEALTH CARE OPERATIONS										
(6001) Medicaid Information Systems	29,807	36,029	42,024	47,159	5,135	18.4	11.6	14.0	14.0	0.0
(6006) Division of Public and Private Provider Services	2,529	2,439	3,126	3,096	-30	13.5	7.6	10.0	10.0	0.0
(6010) Health Care Operations Support	1,831	435	522	463	-59	3.7	2.3	3.0	3.0	0.0
SUBTOTAL (6000) HEALTH CARE OPERATIONS	**34,167**	**38,903**	**45,672**	**50,718**	**5,046**	**35.7**	**21.5**	**27.0**	**27.0**	**0.0**

Table HT0-4

(dollars in thousands)

	Dollars in Thousands					Full-Time Equivalents				
Division/Program and Activity	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020	Actual FY 2018	Actual FY 2019	Approved FY 2020	Approved FY 2021	Change from FY 2020
(8000) HEALTH CARE REFORM AND INNOVATION										
(8002) Affordable Care Reform and Grants Development	8,527	9,142	12,010	15,825	3,814	8.6	7.0	7.0	7.0	0.0
(8010) HC Reform and Innovative Support Services	466	-244	1,140	1,164	24	2.4	0.8	2.0	2.0	0.0
SUBTOTAL (8000) HEALTH CARE REFORM AND INNOVATION	**8,993**	**8,899**	**13,151**	**16,989**	**3,838**	**11.0**	**7.8**	**9.0**	**9.0**	**0.0**
TOTAL APPROVED OPERATING BUDGET	**3,062,328**	**3,223,861**	**3,232,350**	**3,580,017**	**347,666**	**334.1**	**268.5**	**354.0**	**354.0**	**0.0**

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

Note: For more detailed information regarding the approved funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2021 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 9 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/EPSDT, 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 Centers for Medicare and Medicaid Services (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 Long Term Care Services and Support Assessments (LTCSS) including Delmarva assessments, Qualis Health Level of Care reviews, coordination with Aging and Disability Resource Center (ADRC), and Intellectual or Developmental Disabilities (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.

DCAS Project Management Administration – has responsibility to design, develop, implement and manage the DC Access System (DCAS), which is an integrated eligibility system for all health and human services for the District. In addition, this administration is responsible for supporting the functionality and funding for all components of DCAS and their seamless interface with the Health Benefits Exchange and Department of Human Services program components.

This division contains the following 4 activities:

- **Program Management** – manages all operational and functional activities related to the DCAS project;
- **Project Management** – manages all project management and functional activities related to the DCAS project;
- **Organizational Change** – manages all historical, current, and forecasted project initiatives associated with Organization Change Management; and
- **Information Technology** – manages the operational tasks and maintenance for the DCAS project.

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 by District health care providers. The program aligns with CMS's Meaningful Use 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 2021 approved budget.

FY 2020 Approved Budget to FY 2021 Approved Budget, by Revenue Type

Table HT0-5 itemizes the changes by revenue type between the FY 2020 approved budget and the FY 2021 approved budget. For a more comprehensive explanation of changes, please see the FY 2021 Approved Budget Changes section, which follows the table.

Table HT0-5
(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2020 Approved Budget and FTE		**830,016**	**139.9**
Removal of One-Time Costs	Multiple Programs	-6,221	-6.0
LOCAL FUNDS: FY 2021 Recurring Budget		**823,795**	**133.9**
Increase: To support the costs of pre-existing programmatic initiatives	Health Care Finance	15,257	0.0
Increase: To align resources with operational spending goals	Multiple Programs	5,986	0.0
Increase: To align personal services and Fringe Benefits with projected costs	Multiple Programs	755	1.8
Decrease: To align Fixed Costs with proposed estimates	Multiple Programs	-86	0.0
Decrease: To adjust the Contractual Services budget	Multiple Programs	-5,950	0.0
Enhance: To support increase enrollment due to the COVID-19 pandemic, and State Plan Personal Care services (one-time)	Health Care Finance	54,034	0.0
Enhance: To support the DCAS system (one-time)	DCAS Program Management Administration	4,296	0.0
Enhance: To support the enhanced living wage rate (one-time)	Agency Management	1,400	0.0

Table HT0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
Enhance: To support the exchange electronic advance directive (one-time)	Health Care Reform and Innovation	485	0.0
Reduce: To realize programmatic cost savings in nonpersonal services	Multiple Programs	-344	0.0
Reduce: To recognize savings in personal services	Multiple Programs	-681	0.0
Reduce/Shift: To realize programmatic cost savings in nonpersonal services	Health Care Finance	-30,662	0.0
LOCAL FUNDS: FY 2021 Mayor's Proposed Budget		**868,284**	**135.7**
Enhance: To support the costs associated with the DC Healthcare Alliance Program Recertification Simplification Amendment Act of 2017	Health Care Finance	4,585	0.0
Enhance: To support the costs associated with the DC Healthcare Alliance Program Recertification Simplification Amendment Act of 2017 (one-time)	Health Care Finance	1,585	0.0
Enhance: To support DCAS adjustments associated with the implementation of the DC Healthcare Alliance Recertification Simplification Amendment Act of 2017 (one-time)	DCAS Program Management Administration	500	0.0
Transfer-In: Produce Rx program from the Department of Health	Health Care Reform and Innovation	250	0.0
Reduce: To recognize savings in travel expenses	Multiple Programs	-41	0.0
Transfer-Out: To establish the Medicaid Reserve agency	Health Care Finance	-17,540	0.0
LOCAL FUNDS: FY 2021 District's Approved Budget		**857,623**	**135.7**
DEDICATED TAXES: FY 2020 Approved Budget and FTE		**81,532**	**5.5**
Increase: To align budget with projected revenues	Multiple Programs	12,121	0.0
Enhance: To align budget with projected revenues	Health Care Finance	2,225	0.0
Shift: From Local funds	Health Care Finance	2,317	0.0
DEDICATED TAXES: FY 2021 Mayor's Proposed Budget		**98,195**	**5.5**
No Change		0	0.0
DEDICATED TAXES: FY 2021 District's Approved Budget		**98,195**	**5.5**
FEDERAL GRANT FUNDS: FY 2020 Approved Budget and FTE		**77**	**0.0**
Increase: To align budget with projected grant awards	Multiple Programs	5,991	0.0
FEDERAL GRANT FUNDS: FY 2021 Mayor's Proposed Budget		**6,068**	**0.0**
No Change		0	0.0
FEDERAL GRANT FUNDS: FY 2021 District's Approved Budget		**6,068**	**0.0**
FEDERAL MEDICAID PAYMENTS: FY 2020 Approved Budget and FTE		**2,209,118**	**188.8**
Increase: To align the budget with projected federal Medicaid Reimbursements	Multiple Programs	332,964	0.0
Increase: To align personal services and Fringe Benefits with projected costs	Multiple Programs	1,309	2.8
Reduce: To align the budget with projected federal Medicaid Reimbursements	Multiple Programs	-29,646	0.0
FEDERAL MEDICAID PAYMENTS: FY 2021 Mayor's Proposed Budget		**2,513,745**	**191.6**
Transfer-Out: To establish the Medicaid Reserve agency	Health Care Finance	-40,927	0.0
FEDERAL MEDICAID PAYMENTS: FY 2021 District's Approved Budget		**2,472,819**	**191.6**
SPECIAL PURPOSE REVENUE FUNDS: FY 2020 Approved Budget and FTE		**4,028**	**15.6**
Increase: To align budget with projected revenues	Multiple Programs	2,569	1.9
SPECIAL PURPOSE REVENUE FUNDS: FY 2021 Mayor's Proposed Budget		**6,597**	**17.5**
No Change		0	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2021 District's Approved Budget		**6,597**	**17.5**
INTRA-DISTRICT FUNDS: FY 2020 Approved Budget and FTE		**107,580**	**4.3**
Increase: To align budget with projected revenues	Multiple Programs	31,136	-0.5
INTRA-DISTRICT FUNDS: FY 2021 Mayor's Proposed Budget		**138,716**	**3.7**
No Change		0	0.0
INTRA-DISTRICT FUNDS: FY 2021 District's Approved Budget		**138,716**	**3.7**
GROSS FOR HT0 - DEPARTMENT OF HEALTH CARE FINANCE		**3,580,017**	**354.0**

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

FY 2021 Approved Budget Changes

The Department of Health Care Finance's (DHCF) approved FY 2021 gross budget is $3,580,016,534, which represents a 10.8 percent increase over its FY 2020 approved gross budget of $3,232,350,185. The budget is comprised of $857,622,717 in Local funds, $98,195,140 in Dedicated Taxes, $6,067,676 in Federal Grant funds, $2,472,818,580 in Federal Medicaid Payments, $6,596,710 in Special Purpose Revenue funds, and $138,715,711 in Intra-District funds.

Recurring Budget

The FY 2021 Budget for DHCF includes a reduction of $6,220,802 and 6.0 Full-Time Equivalents (FTEs) across multiple divisions to account for the removal of one-time funding appropriated in FY 2020. The funding was comprised of $3,780,802 to support the DC Access System Operations and Maintenance contract; $1,350,000 to support physician supplemental payments; $840,000 to support Indirect Cost Recovery expenditures; and $250,000 to support the Community Based Social Determinants of Health Initiatives Act.

Mayor's Proposed Budget

Increase: The Department of Health Care Finance's (DHCF) proposed Local funds budget submission includes an increase of $15,256,519 within the Health Care Finance division to support the impact of utilization and enrollment increases on payments to Medicaid and Alliance managed care organizations and providers. A proposed net increase of $5,986,412 across multiple divisions in nonpersonal services will primarily be used to support the DC Access System (DCAS). DHCF's proposed Local funds budget also includes an increase of $755,130 and 1.8 Full-Time Equivalents (FTEs) across multiple divisions in personal services. These funds will support salary, steps, Fringe Benefits, and the reallocation of 3.4 FTEs from temporary to permanent.

A proposed increase of $12,120,715 in Dedicated Tax funds across several divisions will align the budget with projected revenues to support personal service costs and agency initiatives. This adjustment is primarily due to increased projections from the Nursing Home Quality of Care and Healthy DC funds to increase subsidies in the Health Care Finance division.

In Federal Grant funds, a proposed increase of $5,990,869 aligns the budget with projected grant awards. These funds will be used for projected salary, steps, and Fringe Benefit costs of existing personnel as well as subsidies for District residents. DHCF provides services that are eligible for reimbursement from Federal Medicaid Payments. The proposed budget submission includes an increase in this fund of $332,964,223 in nonpersonal services, and $1,309,097 and 2.8 FTEs in projected salary and Fringe Benefit costs.

A proposed increase of $2,568,826 and 1.9 FTEs in the budget submission for Special Purpose Revenue funds is attributed primarily to a projected increase in the Medicaid Collections Third Party Liability fund. In Intra-District funds, there is a proposed increase of $31,135,680, along with the reduction of 0.5 FTE across multiple divisions. DHCF has signed Memoranda of Understanding (MOUs) with District agencies to provide a variety of services, including services to Medicaid-eligible consumers and support for beneficiaries with severe mental illnesses.

Decrease: A net Local funds savings of $85,637 has been identified across multiple divisions is the result of fixed costs estimates provided by the Department of General Services and the Office of the Chief Technology Officer for Energy, Telecommunications, Rent, Security Services, and Occupancy. Cost saving measures put in place will allow the agency to realize a Local funds savings of $5,950,376 across multiple divisions in Contractual Services.

Enhance: DHCF will receive Local funds enhancements in FY 2021. A one-time enhancement to the Health Care Finance division in the amount of $54,033,652 will be used as follows: $35,080,177 will support increased enrollment in healthcare services due to increased unemployment from the COVID-19 pandemic, $17,603,475 will support State Plan Personal Care Services utilization, and $1,350,000 will support physicians supplemental payments.

In Local funds, the agency will also receive a one-time enhancement in the amount of $4,296,000 to support DCAS, a state-of-the-art health and human services integrated eligibility system. Additional one-time enhancements include $1,400,000 in the Agency Management division for grants to support enhancing the compensation of Direct Support Professionals working in Intellectual Development Disabilities Waiver programs, and $485,000 in the Health Care Reform and Innovation division to support the exchange of electronic advance directive forms among healthcare providers.

In Dedicated Tax funds, enhancements in the amount of $2,225,429 in the Health Care Finance division includes $480,000 from the Stevie Sellows fund to support an increase in supplemental payments to ICFs, which will assist in enhancing the compensation of Direct Support Professionals working in those facilities.

Reduce: The agency will save $344,091 in nonpersonal services adjustments, including reductions to supplies, travel, and software acquisitions, and $681,350 in personal services adjustments across multiple divisions in Local funds.

Reduce/Shift: The budget proposal includes several adjustments within the Health Care Finance division to realize a savings of $30,662,024 in Local funds. This includes cancelling planned quality incentive payments for certain provider-types, aligning projections based on recent information, and a shift of $2,317,333 to Dedicated Taxes.

The corresponding adjustments to Federal Medicaid Payments for all Local funds reductions is reflected as a net decrease of $29,645,949 across multiple divisions.

District's Approved Budget

Enhance: DHCF's Local funds budget includes an increase of $4,584,823 and a one-time increase of $1,584,561 to support the costs associated with the DC Healthcare Alliance Program Recertification Simplification Amendment Act of 2017. This act requires DC HealthCare Alliance program enrollees to complete a face-to-face interview requirement with a qualified community health organization once a year. It also allows Alliance enrollees to complete any additional required interviews for recertification by phone with the Department of Human Services. An additional one-time increase of $500,000 will be made to the DCAS Program Management Administration division to support adjustments required of recertification efforts for the DC Healthcare Alliance.

Transfer-In: DHCF will receive $250,000 in Local funds for the Health Care Reform and Innovation division from the Department of Health. This funding will support the Produce Rx program, which allows medical professionals to prescribe fresh fruit to patients that suffer from diet-related chronic illnesses.

Reduce: DHCF will save $40,726 in Local funds in travel expenses across multiple divisions.

Transfer-Out: The Medicaid Reserve agency will be established in FY 2021. It will operate under the direction of DHCF to improve transparency of the increased funding to support additional program enrollment from the economic downturn the COVID19 outbreak caused. This action resulted in the transfer out of $17,540,089 in Local funds and $40,926,873 in Federal Medicaid Payments.

Agency Performance Plan*

The Department of Health Care Finance (DHCF) has the following strategic objectives for FY 2021:

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. (4 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
DC Access System (DCAS)	DHCF is charged with implementing and overseeing a single, streamlined, no-wrong door eligibility and enrollment system for all health and human services assistance programs being offered by the District of Columbia.	Key Project
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
Eligibility and Enrollment System	DHCF is charged with implementing and overseeing a single, streamlined, no-wrong door eligibility and enrollment system for all health and human services assistance programs being offered by the District of Columbia.	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 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.	Daily Service

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/ Benchmark Year	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target	FY 2021 Target
Participation rate among Medicaid and CHIP eligible children ages 0 through 18 in the District of Columbia	No	94.5%	95%	98.3%	95%	95%
Percent of District residents covered by Medicaid	No	37.2%	35%	35.9%	35%	35%
Percent of Medicaid renewals as a result of the passive renewal process	No	72.2%	70%	82.9%	70%	70%
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	56%	62%	Data Forthcoming	62%	62%

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

Measure	New Measure/ Benchmark Year	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target	FY 2021 Target
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%	72%	Data Forthcoming	72%	72%

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

Measure	New Measure/ Benchmark Year	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target	FY 2021 Target
Reduce hospital admissions of Medicaid Managed Care enrollees due to health conditions that may have been prevented through appropriate outpatient care	No	17.4%	10%	Data Forthcoming	10%	10%
Reduce hospital discharges of Medicaid Managed Care enrollees that were followed by a readmission for any diagnosis within 30 days	No	27.6%	10%	Data Forthcoming	10%	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	9.2%	10%	Data Forthcoming	10%	10%

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

Measure	New Measure/ Benchmark Year	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target	FY 2021 Target
Number of referrals to the Medicaid Fraud Control Unit or other agencies for criminal or civil resolution	No	18	14	15	14	14

4. Create and maintain a highly efficient, transparent, and responsive District government. (12 Measures)

Measure	New Measure/ Benchmark Year	FY 2018 Actual	FY 2019 Target	FY 2019 Actual	FY 2020 Target	FY 2021 Target
Percent of invoices processed accurately and in compliance with the Prompt Payment Act	No	98.4%	98%	97.6%	98%	98%

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?"

1. Claims Processing

Measure	New Measure/ Benchmark Year	FY 2017 Actual	FY 2018 Actual	FY 2019 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	20%	-70%	-70%

2. Provider Enrollment and Screening

Measure	New Measure/ Benchmark Year	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual
Number of newly enrolled providers	No	2347	10,034	3864
Number of re-enrolled providers	No	1081	811	1019

3. Eligibility

Measure	New Measure/ Benchmark Year	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual
A minimum of three (3) 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	No	25	23	17

4. Program Integrity

Measure	New Measure/ Benchmark Year	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual
Conduct Investigations based on complaints data analysis, input from internal and external partners, and other indications of abnormal or suspect claims	No	144	188	98
Conduct liaison, education, and training with other DHCF divisions, outside agencies, providers, and other groups in support of program integrity mission	No	89	189	134
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	386	233	173
Number of adjusted/overturned/upheld/partial payment/resolved/reversed/written-off cases among commercial consumers served by the Ombudsman (appeals and grievances)	No	241	126	215
Number of non-commercial consumers served by Ombudsman (to include Medicare, Medicaid, Alliance, and DC Health Link)	No	9010	11,004	11,301

5. Benefits

Measure	New Measure/ Benchmark Year	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual
Number of beneficiaries receiving a conflict free assessment for long-term care services and supports	No	4768	7026	10,037
Number of District residents covered by Alliance (Year End)	No	15,318	16,240	15,619
Number of District residents covered by Medicaid (Year End)	No	258,482	252,346	252,346
Number of Elderly and Persons with Disabilities Waiver (EPDW) beneficiaries enrolled in services My Way	No	258	1410	2980
Percent of District residents insured	No	96.1%	96.2%	96.8%
Produce and disseminate three (3) data snapshots to share utilization and spending patterns with external stakeholders and the general public	No	3	2	2

Performance Plan End Notes:

*For more information about the structure and components of FY 2021 draft performance plans, please see the FY 2021 Approved Budget and Financial Plan, Volume 1, Appendix E.

**Key performance indicators that are new may not have historical data and may only have FY 2021 targets.

***For the final versions of agency FY 2021 performance plans when they become available in December 2020, see the OCA website at https://oca.dc.gov