
Department of Health Care Finance

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Table HT0-1

Description	FY 2021 Actual	FY 2022 Actual	FY 2023 Approved	FY 2024 Proposed	% Change from FY 2023
OPERATING BUDGET	\$3,754,311,588	\$4,114,139,219	\$3,736,526,743	\$4,294,961,514	14.9
FTEs	285.8	268.3	378.8	366.6	-3.2
CAPITAL BUDGET	\$82,654,247	\$72,105,406	\$127,675,000	\$126,560,810	-0.9
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 315,000 District of Columbia residents (approximately 45 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 2024 proposed budget is presented in the following tables:

FY 2024 Proposed Gross Funds Operating Budget and FTEs, by Revenue Type

Table HT0-2 contains the proposed FY 2024 budget by revenue type compared to the FY 2023 approved budget. It also provides FY 2021 and FY 2022 actual data.

Table HT0-2

(dollars in thousands)

Appropriated Fund	Dollars in Thousands						Full-Time Equivalents					
	Actual FY 2021	Actual FY 2022	Approved FY 2023	Proposed FY 2024	Change from FY 2023	% Change*	Actual FY 2021	Actual FY 2022	Approved FY 2023	Proposed FY 2024	Change from FY 2023	% Change
GENERAL FUND												
Local Funds	745,831	843,270	954,955	986,913	31,958	3.3	117.2	101.5	172.1	165.0	-7.0	-4.1
Dedicated Taxes	97,152	98,737	105,105	114,536	9,431	9.0	4.7	4.1	6.5	8.2	1.6	25.3
Special Purpose Revenue Funds	1,971	2,021	5,644	8,806	3,162	56.0	13.0	12.2	16.2	15.6	-0.6	-3.4
TOTAL FOR GENERAL FUND	844,954	944,028	1,065,704	1,110,255	44,551	4.2	134.8	117.9	194.8	188.8	-5.9	-3.1
FEDERAL RESOURCES												
Federal Payments	0	0	2,000	0	-2,000	-100.0	0.0	0.0	0.0	0.0	0.0	N/A
Federal Grant Funds	2,250	4,919	5,174	4,550	-624	-12.1	0.0	0.0	2.0	0.0	-2.0	-100.0
Federal Medicaid Payments	2,827,516	3,072,184	2,663,283	3,180,056	516,773	19.4	149.8	146.8	182.1	177.8	-4.2	-2.3
TOTAL FOR FEDERAL RESOURCES	2,829,767	3,077,103	2,670,457	3,184,607	514,150	19.3	149.8	146.8	184.1	177.8	-6.2	-3.4
PRIVATE FUNDS												
Private Grant Funds	0	0	366	100	-266	-72.7	0.0	0.0	0.0	0.0	0.0	N/A
TOTAL FOR PRIVATE FUNDS	0	0	366	100	-266	-72.7	0.0	0.0	0.0	0.0	0.0	N/A
INTRA-DISTRICT FUNDS												
Intra-District Funds	79,591	93,009	0	0	0	N/A	1.2	3.6	0.0	0.0	0.0	N/A
TOTAL FOR INTRA-DISTRICT FUNDS	79,591	93,009	0	0	0	N/A	1.2	3.6	0.0	0.0	0.0	N/A
GROSS FUNDS	3,754,312	4,114,139	3,736,527	4,294,962	558,435	14.9	285.8	268.3	378.8	366.6	-12.2	-3.2

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private) and Special Purpose Revenue type, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2024 Operating Appendices** located on the Office of the Chief Financial Officer's website.

In FY 2024, the Intra-District process will be eliminated, and the duplicated budget in the agencies providing services (seller agencies), known as Intra-District budget, will no longer be required. This process will be replaced by a new interagency process, which will enable seller agencies to directly charge interagency projects funded by the agencies receiving the services (buyer agencies). For more detailed information regarding the approved funding for interagency projects funded within this agency, please see Appendix J, FY 2024 Interagency Budgets, in the Executive Summary budget volume.

FY 2024 Proposed Operating Budget, by Comptroller Source Group

Table HT0-3 contains the proposed FY 2024 budget at the Comptroller Source Group (object class) level compared to the FY 2023 approved budget. It also provides FY 2021 and FY 2022 actual expenditures.

Table HT0-3

(dollars in thousands)

Comptroller Source Group	Actual FY 2021	Actual FY 2022	Approved FY 2023	Proposed FY 2024	Change from FY 2023	Percentage Change*
11 - Regular Pay - Continuing Full Time	28,639	27,828	38,952	39,929	977	2.5
12 - Regular Pay - Other	1,376	898	1,404	1,146	-258	-18.4
13 - Additional Gross Pay	288	1,467	0	0	0	N/A
14 - Fringe Benefits - Current Personnel	6,233	6,243	8,782	9,022	241	2.7
15 - Overtime Pay	17	33	0	0	0	N/A
SUBTOTAL PERSONAL SERVICES (PS)	36,552	36,468	49,138	50,097	960	2.0
20 - Supplies and Materials	51	74	327	346	20	6.0
30 - Energy, Communication and Building Rentals	359	401	487	548	61	12.6
31 - Telecommunications	346	306	339	141	-198	-58.4
32 - Rentals - Land and Structures	1,365	1,341	1,306	1,229	-77	-5.9
34 - Security Services	128	108	129	133	4	3.0
35 - Occupancy Fixed Costs	422	433	431	512	82	18.9
40 - Other Services and Charges	801	487	2,276	5,064	2,788	122.5
41 - Contractual Services - Other	128,147	128,182	181,464	183,633	2,168	1.2
50 - Subsidies and Transfers	3,570,850	3,935,677	3,488,161	4,039,071	550,910	15.8
70 - Equipment and Equipment Rental	15,292	10,474	12,470	14,187	1,717	13.8
80 - Debt Service	0	187	0	0	0	N/A
SUBTOTAL NONPERSONAL SERVICES (NPS)	3,717,759	4,077,670	3,687,389	4,244,864	557,475	15.1
GROSS FUNDS	3,754,312	4,114,138	3,736,527	4,294,962	558,435	14.9

*Percent change is based on whole dollars.

FY 2024 Proposed Operating Budget and FTEs, by Division/Program and Activity

Table HT0-4 contains the proposed FY 2024 budget by division/program and activity compared to the FY 2023 approved budget. It also provides FY 2021 and FY 2022 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 FY 2021	Actual FY 2022	Approved FY 2023	Proposed FY 2024	Change from FY 2023	Actual FY 2021	Actual FY 2022	Approved FY 2023	Proposed FY 2024	Change from FY 2023
(1000) AGENCY MANAGEMENT										
(1010) Personnel	1,251	1,518	2,231	2,048	-183	11.6	9.0	12.0	10.0	-2.0
(1015) Training and Development	0	0	24	17	-7	0.0	0.0	0.0	0.0	0.0
(1020) Contracting and Procurement	1,960	2,201	2,198	1,876	-322	2.5	2.3	15.0	13.0	-2.0
(1030) Property Management	2,650	2,866	4,298	4,534	236	3.3	3.0	6.0	8.0	2.0
(1040) Information Technology	7,600	7,522	16,241	19,411	3,170	14.9	9.8	16.0	16.9	0.9
(1060) Legal	1,061	982	1,578	1,633	56	6.6	6.8	10.1	9.1	-1.1
(1080) Communications	303	568	1,437	1,220	-217	1.6	3.8	5.0	5.0	0.0

Table HT0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2021	Actual FY 2022	Approved FY 2023	Proposed FY 2024	Change from FY 2023	Actual FY 2021	Actual FY 2022	Approved FY 2023	Proposed FY 2024	Change from FY 2023
(1085) Customer Service	3,034	3,019	4,818	4,700	-118	21.0	19.4	26.0	23.0	-3.0
(1087) Language Access	0	0	10	36	26	0.0	0.0	0.0	0.0	0.0
(1090) Performance Management	13,294	18,267	14,614	15,389	775	41.6	40.8	69.0	71.0	2.0
SUBTOTAL (1000) AGENCY MANAGEMENT	31,154	36,943	47,448	50,862	3,415	103.0	94.8	159.1	156.0	-3.2
(100F) AGENCY FINANCIAL OPERATIONS										
(110F) Budgeting Operations	715	620	771	740	-31	5.0	4.5	6.0	6.0	0.0
(120F) Accounting Operations	4,133	3,171	4,997	7,133	2,137	7.4	6.8	9.0	9.0	0.0
(140F) Agency Fiscal Officer	327	345	343	356	14	1.6	1.5	2.0	2.0	0.0
SUBTOTAL (100F) AGENCY FINANCIAL OPERATIONS	5,176	4,136	6,110	8,230	2,120	14.0	12.8	17.0	17.0	0.0
(2000) HEALTHCARE DELIVERY MANAGEMENT										
(2002) Managed Care Management	8,002	7,309	11,920	12,819	899	6.6	6.0	7.0	7.0	0.0
(2003) Preventive and Acute Care	900	1,030	1,235	1,565	330	3.7	3.4	7.0	7.0	0.0
(2004) Div Of Quality and Health Outcomes	3,271	2,248	3,268	3,167	-101	4.1	3.8	5.0	6.0	1.0
(2007) Clinicians, Rx and Acute Provider Services	7,548	7,174	9,830	9,861	31	6.1	5.8	8.0	7.0	-1.0
(2010) Health Care Delivery Management Support Services	3,059	-1,032	1,372	1,487	114	7.4	6.8	10.0	10.0	0.0
SUBTOTAL (2000) HEALTHCARE DELIVERY MANAGEMENT	22,781	16,729	27,625	28,899	1,274	28.0	25.8	37.0	37.0	0.0
(200L) LONG TERM CARE PROGRAM										
(201L) Long Term Care Support Services	15,728	11,817	23,023	20,934	-2,089	2.5	2.3	5.0	3.0	-2.0
(210L) Oversight	1,642	1,659	1,725	1,807	82	10.7	9.9	13.0	13.0	0.0
(220L) Operations	1,741	1,820	1,879	1,816	-63	12.4	10.6	14.0	14.0	0.0
(230L) Intake and Assessment	899	1,076	1,112	1,134	22	5.7	6.1	8.0	8.0	0.0
SUBTOTAL (200L) LONG TERM CARE PROGRAM	20,010	16,372	27,739	25,692	-2,047	31.3	28.8	40.0	38.0	-2.0
(3000) HEALTHCARE POLICY AND PLANNING										
(3001) Policy Unit Management	591	627	816	899	83	5.0	4.5	6.0	6.0	0.0
(3003) Data Analysis	702	747	150	215	65	5.8	5.3	0.0	0.0	0.0
(3004) Member Management	1,165	1,027	1,693	1,302	-392	11.4	12.1	17.0	10.0	-7.0
(3010) Health Care Policy and Planning Support	2,328	-393	2,625	4,457	1,832	4.1	2.3	3.0	25.0	22.0
SUBTOTAL (3000) HEALTHCARE POLICY AND PLANNING	4,786	2,009	5,284	6,873	1,589	26.3	24.1	26.0	41.0	15.0
(300A) DCAS PROGRAM MANAGEMENT ADMINISTRATION										
(310A) Program Management	970	1,171	2,504	3,106	603	9.3	8.1	8.7	10.4	1.7
(320A) Project Management	17,012	99	10,468	8,626	-1,842	26.2	27.0	30.3	7.8	-22.5
(330A) Organizational Change	8,786	7,515	9,271	13,477	4,207	9.2	10.3	11.3	6.9	-4.3
(340A) Information Technology Management	45,636	40,194	50,821	55,100	4,278	9.2	8.5	8.7	7.8	-0.9
SUBTOTAL (300A) DCAS PROGRAM MANAGEMENT ADMINISTRATION	72,404	48,980	73,063	80,310	7,246	53.9	53.9	58.9	32.9	-26.0

Table HT0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2021	Actual FY 2022	Approved FY 2023	Proposed FY 2024	Change from FY 2023	Actual FY 2021	Actual FY 2022	Approved FY 2023	Proposed FY 2024	Change from FY 2023
(5000) HEALTH CARE FINANCE										
(5001) Medicaid Provider Payment	3,370,291	3,694,248	3,276,750	3,835,891	559,141	0.0	0.0	1.8	6.8	5.0
(5002) Medicaid Public Provider Payments	58,998	80,147	73,359	75,212	1,852	0.0	0.0	0.0	0.0	0.0
(5003) Alliance Provider Payments	111,851	157,084	127,276	117,199	-10,077	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (5000) HEALTH CARE FINANCE	3,541,140	3,931,480	3,477,385	4,028,301	550,917	0.0	0.0	1.8	6.8	5.0
(6000) HEALTH CARE OPERATIONS										
(6001) Medicaid Information Systems	37,068	42,488	52,170	51,036	-1,134	11.2	10.7	14.0	14.0	0.0
(6006) Div. Of Public And Private Provider Services	2,838	2,951	3,257	3,222	-35	8.2	7.6	10.0	9.0	-1.0
(6010) Health Care Operations Support	1,693	-1,080	483	445	-38	2.5	2.3	3.0	3.0	0.0
SUBTOTAL (6000) HEALTH CARE OPERATIONS	41,599	44,359	55,910	54,703	-1,207	21.9	20.5	27.0	26.0	-1.0
(8000) HEALTH CARE REFORM AND INNOVATION										
(8002) Affordable Care Reform and Grants Development	13,949	6,885	6,829	2,437	-4,392	5.7	5.9	10.0	10.0	0.0
(8010) HC Reform and Innovative Support Services	1,314	6,261	9,133	8,655	-478	1.6	1.5	2.0	2.0	0.0
SUBTOTAL (8000) HEALTH CARE REFORM AND INNOVATION	15,263	13,146	15,962	11,092	-4,870	7.4	7.4	12.0	12.0	0.0
(9960) YR END CLOSE										
No Activity Assigned	0	-15	0	0	0	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (9960) YR END CLOSE	0	-15	0	0	0	0.0	0.0	0.0	0.0	0.0
TOTAL PROPOSED OPERATING BUDGET	3,754,312	4,114,139	3,736,527	4,294,962	558,435	285.8	268.2	378.8	366.6	-12.2

(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 2024 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 2024 proposed budget.

FY 2023 Approved Budget to FY 2024 Proposed Budget, by Revenue Type

Table HT0-5 itemizes the changes by revenue type between the FY 2023 approved budget and the FY 2024 proposed budget. For a more comprehensive explanation of changes, please see the FY 2024 Proposed Budget Changes section, which follows the table.

Table HT0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2023 Approved Budget and FTE		954,955	172.1
Removal of One-Time Costs	Multiple Programs	-62,885	0.0
LOCAL FUNDS: FY 2024 Recurring Budget		892,070	172.1
Increase: To align resources with operational spending goals	Multiple Programs	108,004	0.0
Increase: To align personal services and Fringe Benefits with projected costs	Multiple Programs	243	-14.2
Decrease: To align Fixed Costs with proposed estimates	Multiple Programs	-278	0.0
Enhance: To support Produce Rx (one-time)	Health Care Reform And Innovation	500	0.0
Transfer-In: To support additional FTE(s)	Healthcare Policy And Planning	1,273	12.1
Reduce: To recognize savings from a reduction in FTE(s)	Multiple Programs	-629	-5.0
Reduce: To realize savings in nonpersonal services	Multiple Programs	-14,270	0.0
LOCAL FUNDS: FY 2024 Mayor's Proposed Budget		986,913	165.0
DEDICATED TAXES: FY 2023 Approved Budget and FTE		105,105	6.5
Increase: To align resources with operational spending goals	Multiple Programs	9,227	0.0
Increase: To support additional FTE(s)	Multiple Programs	203	1.6
DEDICATED TAXES: FY 2024 Mayor's Proposed Budget		114,536	8.2
FEDERAL PAYMENTS: FY 2023 Approved Budget and FTE		2,000	0.0
Decrease: To realize programmatic cost savings in nonpersonal services	Health Care Reform And Innovation	-500	0.0
Reduce: To align budget with projected grant awards	Health Care Reform And Innovation	-1,500	0.0
FEDERAL PAYMENTS: FY 2024 Mayor's Proposed Budget		0	0.0
FEDERAL GRANT FUNDS: FY 2023 Approved Budget and FTE		5,174	2.0
Increase: To align budget with projected grant awards	Multiple Programs	1,386	0.0
Decrease: To recognize savings from a reduction in FTE(s)	Long Term Care Program	-195	-2.0
Decrease: To realize programmatic cost savings in nonpersonal services	Multiple Programs	-1,814	0.0
FEDERAL GRANT FUNDS: FY 2024 Mayor's Proposed Budget		4,550	0.0
FEDERAL MEDICAID PAYMENTS: FY 2023 Approved Budget and FTE		2,663,283	182.1
Increase: To align resources with operational spending goals	Multiple Programs	527,667	0.0
Increase: To align Fixed Costs with proposed estimates	Multiple Programs	149	0.0
Decrease: To recognize savings from a reduction in FTE(s)	Multiple Programs	-585	-10.1
Enhance: To support additional FTE(s)	Multiple Programs	527	5.8
Reduce: To adjust the medicaid growth rate adjustment	Multiple Programs	-10,985	0.0
FEDERAL MEDICAID PAYMENTS: FY 2024 Mayor's Proposed Budget		3,180,056	177.8
PRIVATE GRANT FUNDS: FY 2023 Approved Budget and FTE		366	0.0

Table HT0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
Decrease: To align budget with projected revenues	Long Term Care Program	-266	0.0
PRIVATE GRANT FUNDS: FY 2024 Mayor's Proposed Budget		100	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2023 Approved Budget and FTE		5,644	16.2
Increase: To support operational requirements	Health Care Finance	3,101	0.0
Increase: To align personal services and Fringe Benefits with projected costs	Multiple Programs	123	-0.6
Decrease: To align budget with projected revenues	Multiple Programs	-62	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2024 Mayor's Proposed Budget		8,806	15.6
GROSS FOR HT0 - DEPARTMENT OF HEALTH CARE FINANCE		4,294,962	366.6

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

Note: For more detailed information regarding the proposed funding for interagency projects funded within this agency, please see Appendix J, FY 2024 Interagency Budgets, in the Executive Summary budget volume.

FY 2024 Proposed Operating Budget Changes

Table HT0-6 contains the proposed FY 2024 budget by fund compared to the FY 2023 approved budget.

Table HT0-6

Appropriated Fund	FY 2023 Approved	FY 2024 Proposed	% Change from FY 2023
Local Funds	\$954,955,220	\$986,913,175	3.3
Dedicated Taxes	\$105,105,077	\$114,535,958	9.0
Federal Payments	\$2,000,000	\$0	-100.0
Federal Grant Funds	\$5,174,115	\$4,550,493	-12.1
Federal Medicaid Payments	\$2,663,283,088	\$3,180,056,342	19.4
Private Grant Funds	\$365,701	\$100,000	-72.7
Special Purpose Revenue Funds	\$5,643,542	\$8,805,546	56.0
GROSS FUNDS	\$3,736,526,743	\$4,294,961,514	14.9

Recurring Budget

The FY 2024 budget for DHCF includes a reduction of \$62,885,420 to account for the removal of one-time funding appropriated in FY 2023. This appropriation was comprised of \$27,200,000 to cover the cost of the local Medicaid match related to increased Medicaid enrollment, due to the April 12, 2022, extension of the federal public health emergency; \$26,677,420 to reflect an adjustment in enrollment projections due to the January 14, 2022, extension of the federal public health emergency; \$8,000,000 to support the Disproportionate Share Hospital (DSH) replacement grant; \$490,000 to support the Operating Impact of Capital costs related the St. Elizabeths Medical Center Planning project; \$400,000 to support the Diaper Bank; and \$118,000 to support the Perinatal Mental Health Task Force.

Mayor's Proposed Budget

Increase: DHCF's proposed Local funds budget reflects a net increase of \$108,004,176, across multiple divisions. The primary cost drivers are the Alliance and Managed Care Organization (MCO) programs in the Health Care Finance division. The agency proposal also includes a net increase of \$242,885 across multiple divisions to align salaries, steps, and Fringe Benefits with projected costs. This adjustment also includes a reduction of 14.2 Full-Time Equivalent (FTE) positions.

In Dedicated Taxes, DHCF's proposed budget reflects an increase of \$9,227,427 across multiple divisions, which is primarily driven by proposed one-half point increases in the tax rates for hospital inpatient and outpatient services, and growth in Healthy DC revenue. In personal services, a proposed increase of \$203,455 and 1.6 FTE across multiple divisions is largely to reflect staff in other agencies funded from DHCF's budget through the interagency process.

In Federal Grant funds, the proposal reflects an increase of \$1,385,525, primarily in the Long-Term Care Program division for the Money Follows the Person grant to align the budget with projected grant awards.

In Federal Medicaid payments, DHCF proposes an increase of \$527,666,962 across multiple divisions, primarily in the Health Care Finance division, to support health care services for vulnerable residents. Additionally, a net increase of \$149,375 across multiple divisions is to align the budget across multiple Fixed Cost commodities.

In Special Purpose Revenue (SPR) funds, a proposed net increase of \$3,101,053 in the Health Care Finance division reflects additional revenue from third-party liability recoveries and is used to partially support the cost of physician services. Additionally, \$123,068 and a decrease of 0.6 FTE across multiple divisions aligns personal services with projected costs and support salary, step, and Fringe Benefit changes.

Decrease: DHCF's Local funds proposed budget reflects a net reduction of \$277,602 across multiple divisions. This will align Energy, Rent, Telecommunications, Occupancy, and Security Services with projected Fixed Costs estimates.

The Federal Payments fund budget reflects a net reduction of \$500,000 in the Health Care Reform and innovation division in cost savings in nonpersonal services.

DHCF's proposed budget for Federal Grant funds reflects a decrease of \$195,174 and 2.0 FTEs in the Long-Term Care Program division to align personal services with projected costs and salary, step, and Fringe Benefit changes. A proposed decrease of \$1,813,973 in Contractual Services across multiple divisions is primarily driven by the end of the grant Supporting Provider Capacity to Deliver High Quality Substance Use Treatment and Recovery Services and reduced spending from the Money Follows the Person Grant.

In Federal Medicaid payments, DHCF's proposal includes a decrease of \$585,100 and 10.1 FTEs across multiple divisions to align personal services with projected costs that supports salary, step, and Fringe Benefit changes.

In Private Grant funds, a proposed decrease of \$265,701 in the Long-Term Care program division for the Advancing Medicare-Medicaid Integration (AMMI) contract aligns the budget with projected revenues.

The proposed SPR funds budget reflects a net decrease of \$62,117 across multiple divisions, primarily due to lower projected contractual spending.

Enhance: DHCF's proposed Local funds budget reflects a one-time increase of \$500,000 in the Health Care Reform and Innovation division to support the Produce Rx project. In Federal Medicaid Payments, a proposed increase of \$526,684 and 5.8 FTEs across multiple divisions is to align personal services with projected costs and support personal services costs for salary, step, and Fringe Benefit changes.

Transfer-In: The proposed Local funds budget includes a transfer-in of \$1,273,088 from the Department of Human Services. This funding increase was provided to support 12.1 newly created positions. This increase in resources in the Healthcare Policy and Planning division will perform eligibility determination for the Medicaid program.

Reduce: In Local funds, a proposed net decrease of \$629,363 and 5.0 FTEs will align personal services with projected costs across multiple divisions. DHCF’s proposal also reflects a decrease of \$14,269,810 across multiple divisions, which includes savings to the MCO program and the removal of ARPA - Federal Municipal funding appropriated in FY 2023 to support the DC Practice Transformation Collaborative and the Transportation Services for Moms to care programs.

The proposed Federal Payment funds budget includes a reduction of \$1,500,000 in the Health Care Reform and Innovation division to align the budget with Contractual Services.

In Federal Medicaid funds, DHCF’s proposed budget identified cost savings of \$10,984,668 across multiple divisions, primarily in the Health Care Finance division, to align the budget with projected federal Medicaid reimbursements.

FY 2024 Proposed Full-Time Equivalents (FTEs)

Table HT0-7 contains the summary of FY 2024 Proposed Budgeted Full-Time Equivalents (FTEs).

Table HT0-7

Total FY 2024 Approved Budgeted FTEs	366.6
Less: Interagency FTEs budgeted in this agency but employed by other agencies:	
AT0-Office of the Chief Financial Officer	(1.8)
CB0-Office of the Attorney General for the District of Columbia	(1.1)
HC0-Department of Health	(3.0)
HG0-Office of the Deputy Mayor for Health and Human Services	(1.0)
PO0-Office of Contracting and Procurement	(13.0)
TO0-Office of the Chief Technology Officer	(1.9)
Total Interagency FTEs budgeted in this agency, employed by other agencies	(21.8)
Add: Interagency FTEs budgeted in other agencies but employed by this agency:	
JA0-Department of Human Services	5.3
Total Interagency FTEs budgeted in other agencies, employed by this agency	5.3
Total FTEs employed by this agency	350.2

Note: Table HT0-7 displays the impact of the buyer agencies budgets funding the seller agencies FTEs in the FY 2024 budget, compared to how FTEs were budgeted in FY 2023.

- It starts with the FY 2024 budgeted FTE figure, 366.6 FTEs.

- It subtracts 21.8 FTEs budgeted in HT0 in FY 2024 who are employed by another agency.

- It adds 5.3 FTEs budgeted in other agencies in FY 2024 who are employed by HT0.

- It ends with 350.2 FTEs, the number of FTEs employed by HT0, which is the FTE figure comparable to the FY 2023 budget.