
Department of Health Care Finance

www.dhcf.dc.gov

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Table HT0-1

Description	FY 2022	FY 2023	FY 2024	FY 2025	% Change
	Actual	Actual	Approved	Proposed	from FY 2024
OPERATING BUDGET	\$4,114,139,219	\$4,442,557,965	\$4,304,063,725	\$4,863,666,552	13.0
FTEs	268.3	299.1	366.6	378.1	3.1
CAPITAL BUDGET	\$72,105,406	\$126,041,063	\$126,560,810	\$0	-100.0
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 2025 proposed budget is presented in the following tables:

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

Table HT0-2 contains the proposed FY 2025 budget by revenue type compared to the FY 2024 approved budget. It also provides FY 2022 and FY 2023 actual data.

Table HT0-2

(dollars in thousands)

	Dollars in Thousands						Full-Time Equivalents					
	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	% Change*	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	% Change
Appropriated Fund												
<u>GENERAL FUND</u>												
Local Funds	843,270	949,851	988,310	1,043,922	55,613	5.6	101.5	151.2	165.0	172.4	7.4	4.5
Dedicated Taxes	98,737	96,621	114,536	240,410	125,874	109.9	4.1	5.2	8.2	7.2	-1.0	-12.5
Special Purpose Revenue Funds	2,021	2,577	8,806	7,008	-1,797	-20.4	12.2	13.8	15.6	15.6	0.0	0.0
TOTAL FOR GENERAL FUND	944,028	1,049,049	1,111,651	1,291,340	179,689	16.2	117.9	170.2	188.8	195.2	6.4	3.4
<u>FEDERAL RESOURCES</u>												
Federal Grant Fund - FPRS	4,919	4,007	4,550	5,136	586	12.9	0.0	0.0	0.0	5.0	5.0	N/A
Federal Medicaid Payments	3,072,184	3,389,502	3,187,762	3,567,190	379,428	11.9	146.8	128.9	177.8	177.9	0.1	0.0
TOTAL FOR FEDERAL RESOURCES	3,077,103	3,393,509	3,192,312	3,572,326	380,014	11.9	146.8	128.9	177.8	182.9	5.1	2.9
<u>PRIVATE FUNDS</u>												
Private Grant Fund - FPRS	0	0	100	0	-100	-100.0	0.0	0.0	0.0	0.0	0.0	N/A
TOTAL FOR PRIVATE FUNDS	0	0	100	0	-100	-100.0	0.0	0.0	0.0	0.0	0.0	N/A
<u>INTRA-DISTRICT FUNDS</u>												
Intra District	93,009	0	0	0	0	N/A	3.6	0.0	0.0	0.0	0.0	N/A
TOTAL FOR INTRA-DISTRICT FUNDS	93,009	0	0	0	0	N/A	3.6	0.0	0.0	0.0	0.0	N/A
GROSS FUNDS	4,114,139	4,442,558	4,304,064	4,863,667	559,603	13.0	268.3	299.1	366.6	378.1	11.4	3.1

*Percent change is based on whole dollars.

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

In FY 2023, the Intra-District process that required duplicated budget in the agencies providing services (seller agencies) was eliminated and replaced by interagency projects. For more detailed information regarding the approved funding for interagency projects funded within this agency, please see **Appendix J, FY 2025 Interagency Budgets**, in the Executive Summary, Volume I.

FY 2025 Proposed Operating Budget, by Account Group

Table HT0-3 contains the proposed FY 2025 budget at the Account Group level compared to the FY 2024 approved budget. It also provides FY 2022 and FY 2023 actual expenditures.

Table HT0-3

(dollars in thousands)

Account Group	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change	
					from FY 2024	Percentage Change*
701100C - Continuing Full Time	27,828	30,652	39,929	40,063	133	0.3
701200C - Continuing Full Time - Others	898	1,438	1,146	1,847	701	61.2
701300C - Additional Gross Pay	1,467	324	0	0	0	N/A
701400C - Fringe Benefits - Current Personnel	6,243	7,361	9,022	9,474	452	5.0
701500C - Overtime Pay	33	29	0	0	0	N/A
SUBTOTAL PERSONNEL SERVICES (PS)	36,468	39,804	50,097	51,384	1,286	2.6
711100C - Supplies and Materials	74	14,286	346	176	-171	-49.2
712100C - Energy, Communications and Building Rentals	2,480	2,400	2,430	2,578	148	6.1
713100C - Other Services and Charges	487	762	5,064	4,533	-531	-10.5
713101C - Security Services	108	104	133	123	-10	-7.8
713200C - Contractual Services - Other	128,182	130,364	181,873	185,341	3,468	1.9
714100C - Government Subsidies and Grants	3,744,649	4,248,607	4,051,429	4,605,554	554,125	13.7
714199C - Government Subsidies and Grants Non Budgetary	191,028	0	0	0	0	N/A
715100C - Other Expenses	0	13	0	0	0	N/A
715200C - P-Card Clearing Account Budget Tracking	0	1	0	0	0	N/A
717100C - Purchases Equipment and Machinery	10,474	6,218	12,691	13,979	1,287	10.1
718100C - Debt Service Payments	188	0	0	0	0	N/A
SUBTOTAL NONPERSONNEL SERVICES (NPS)	4,077,671	4,402,754	4,253,966	4,812,283	558,317	13.1
GROSS FUNDS	4,114,139	4,442,558	4,304,064	4,863,667	559,603	13.0

*Percent change is based on whole dollars.

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

Table HT0-4 contains the proposed FY 2025 budget by division/program and activity compared to the FY 2024 approved budget. It also provides FY 2022 and FY 2023 actual data. For a more comprehensive explanation of divisions/programs and activities, please see the Division/Program Description section, which follows the table.

Table HT0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024
(AFO000) AGENCY										
FINANCIAL OPERATIONS										
(AFO002) Agency Accounting Services	3,171	3,353	7,133	7,249	116	6.8	7.2	9.0	10.0	1.0
(AFO003) Agency Budgeting and Financial Management Services	620	589	740	836	96	4.5	4.8	6.0	6.0	0.0
(AFO005) Agency /Cluster Financial Executive Administration Services	345	326	356	369	12	1.5	1.6	2.0	2.0	0.0

Table HT0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024
(AFO009) Audit Adjustments	-15	0	0	0	0	0.0	0.0	0.0	0.0	0.0
(AFO011) P-Card Clearing	0	1	0	0	0	0.0	0.0	0.0	0.0	0.0
(AFO012) Clearing - Other	-744	0	0	0	0	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (AFO000) AGENCY FINANCIAL OPERATIONS	3,377	4,270	8,230	8,454	224	12.8	13.6	17.0	18.0	1.0
(AMP000) AGENCY MANAGEMENT PROGRAM										
(AMP003) Communications	568	649	1,856	36	-1,820	3.8	4.0	5.0	0.0	-5.0
(AMP005) Contracting and Procurement	2,201	1,960	1,876	2,076	200	2.3	12.0	13.0	14.0	1.0
(AMP006) Customer Service	3,019	3,144	4,700	0	-4,700	19.4	20.4	23.0	0.0	-23.0
(AMP010) Grants Administration	26,332	10,824	1,858	0	-1,858	2.9	2.3	4.0	0.0	-4.0
(AMP011) Human Resource Services	1,518	1,044	2,048	1,514	-533	9.0	9.6	10.0	8.0	-2.0
(AMP012) Information Technology Services	4,599	5,538	11,944	12,997	1,053	4.7	5.1	7.6	17.9	10.3
(AMP014) Legal Services	982	1,220	1,633	1,471	-162	6.8	7.9	9.1	8.9	-0.2
(AMP019) Property, Asset, and Logistics Management	2,866	2,751	11,770	4,025	-7,745	3.0	4.8	16.2	6.0	-10.2
(AMP021) Rates, Reimbursement, Financial Analysis	2,884	3,407	5,085	0	-5,085	11.2	12.7	18.0	0.0	-18.0
(AMP026) Training and Development	0	1,040	17	0	-17	0.0	0.0	0.0	0.0	0.0
(AMP030) Executive Administration	815	1,226	1,409	1,445	36	0.0	1.6	7.0	9.0	2.0
(AMP037) Senior Deputy Director/Medicaid Director	0	0	0	4,419	4,419	0.0	0.0	0.0	14.0	14.0
(AMP038) Senior Deputy Director/Finance	0	0	0	6,405	6,405	0.0	0.0	0.0	20.0	20.0
(AMP039) Chief Operating Office	0	0	0	2,615	2,615	0.0	0.0	0.0	8.0	8.0
(AMP040) Data Analytics and Research Administration	0	0	0	2,089	2,089	0.0	0.0	0.0	11.0	11.0
(AMP041) Program Integrity	0	0	0	4,771	4,771	0.0	0.0	0.0	33.0	33.0
(AMP042) Health Care Ombudsman	0	0	0	4,957	4,957	0.0	0.0	0.0	24.0	24.0
SUBTOTAL (AMP000) AGENCY MANAGEMENT PROGRAM	45,783	32,803	44,195	48,822	4,626	63.1	80.5	112.9	173.7	60.8
(AMP066) HEALTH CARE DELIVERY MANAGEMENT										
(AMP043) Health Care Delivery Management Support Services	0	0	0	1,446	1,446	0.0	0.0	0.0	9.0	9.0
(AMP044) Managed Care Management	0	0	0	9,885	9,885	0.0	0.0	0.0	7.0	7.0
(AMP045) Children's Health Services	0	0	0	1,292	1,292	0.0	0.0	0.0	4.0	4.0
(AMP046) Health Care Quality and Health Outcomes	0	0	0	2,948	2,948	0.0	0.0	0.0	7.0	7.0
(AMP047) Clinicians, RX and Acute Care	0	0	0	8,364	8,364	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (AMP066) HEALTH CARE DELIVERY MANAGEMENT	0	0	0	23,935	23,935	0.0	0.0	0.0	27.0	27.0

Table HT0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024
(AMP067) LONG TERM CARE PROGRAM										
(AMP048) Long Term Care Support Services	0	0	0	866	866	0.0	0.0	0.0	6.0	6.0
(AMP049) Oversight	0	0	0	2,100	2,100	0.0	0.0	0.0	17.0	17.0
(AMP050) Operations	0	0	0	12,558	12,558	0.0	0.0	0.0	17.0	17.0
(AMP051) Intake and Assessment	0	0	0	9,776	9,776	0.0	0.0	0.0	6.0	6.0
SUBTOTAL (AMP067) LONG TERM CARE PROGRAM	0	0	0	25,300	25,300	0.0	0.0	0.0	46.0	46.0
(AMP068) HEALTH CARE POLICY AND RESEARCH										
(AMP052) Health Care Policy	0	0	0	1,004	1,004	0.0	0.0	0.0	7.0	7.0
(AMP053) Health Care Policy and Research Support Services	0	0	0	1,957	1,957	0.0	0.0	0.0	3.0	3.0
(AMP054) Eligibility Policy and Oversight	0	0	0	3,979	3,979	0.0	0.0	0.0	29.0	29.0
SUBTOTAL (AMP068) HEALTH CARE POLICY AND RESEARCH	0	0	0	6,940	6,940	0.0	0.0	0.0	39.0	39.0
(AMP069) DC ACCESS SYSTEM										
(AMP055) DCAS Program Management	0	0	0	1,807	1,807	0.0	0.0	0.0	4.3	4.3
(AMP056) DCAS Project Management	0	0	0	4,350	4,350	0.0	0.0	0.0	6.9	6.9
(AMP057) DCAS HHS Functional	0	0	0	814	814	0.0	0.0	0.0	6.1	6.1
(AMP058) DCAS Organizational Change Management	0	0	0	13,203	13,203	0.0	0.0	0.0	6.9	6.9
(AMP059) DCAS Information Technology	0	0	0	57,293	57,293	0.0	0.0	0.0	6.9	6.9
SUBTOTAL (AMP069) DC ACCESS SYSTEM	0	0	0	77,467	77,467	0.0	0.0	0.0	31.1	31.1
(AMP070) HEALTH CARE OPERATIONS										
(AMP060) Claims Management	0	0	0	59,722	59,722	0.0	0.0	0.0	14.0	14.0
(AMP061) HCOA Support Services	0	0	0	454	454	0.0	0.0	0.0	3.0	3.0
(AMP062) Public and Private Provider Services	0	0	0	3,665	3,665	0.0	0.0	0.0	9.0	9.0
SUBTOTAL (AMP070) HEALTH CARE OPERATIONS	0	0	0	63,841	63,841	0.0	0.0	0.0	26.0	26.0
(AMP071) HEALTH CARE REFORM AND INNOVATION										
(AMP063) HC Reform and Innovative Support Services	0	0	0	454	454	0.0	0.0	0.0	3.0	3.0
(AMP064) Grants Administration Function	0	0	0	5,921	5,921	0.0	0.0	0.0	3.0	3.0
(AMP065) HIE: Health Information Exchange	0	0	0	11,321	11,321	0.0	0.0	0.0	7.0	7.0
SUBTOTAL (AMP071) HEALTH CARE REFORM AND INNOVATION	0	0	0	17,696	17,696	0.0	0.0	0.0	13.0	13.0

Table HT0-4
(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024
(HS0023) ELIGIBILITY AND ENROLLMENT										
(H02301) E&E Systems	38,706	40,471	53,191	99	-53,092	51.8	21.8	17.2	1.1	-16.2
(H02302) E&E Oversight and Management	1,091	787	1,302	0	-1,302	12.1	13.6	10.0	0.0	-10.0
(H02305) E&E Support - PMO/SME - DCAS	13,133	14,767	23,993	0	-23,993	7.2	32.6	16.7	0.0	-16.7
SUBTOTAL (HS0023) ELIGIBILITY AND ENROLLMENT	52,930	56,025	78,485	99	-78,387	71.1	68.1	43.9	1.1	-42.9
(HS0024) HEALTH CARE ANALYTICS										
(H02401) Health Care Agency Monitoring and KPIS	-4,140	1,200	2,173	0	-2,173	8.3	7.2	9.0	0.0	-9.0
(H02402) Health Care Data Analytics	747	1,164	2,351	0	-2,351	5.3	10.4	9.0	0.0	-9.0
(H02403) Health Care Innovation	9,814	9,551	9,860	0	-9,860	4.5	6.8	8.0	0.0	-8.0
SUBTOTAL (HS0024) HEALTH CARE ANALYTICS	6,422	11,915	14,383	0	-14,383	18.1	24.4	26.0	0.0	-26.0
(HS0025) MMIS SYSTEM AND INFRASTRUCTURE										
(H02501) Claims Processing and Quality Assurance/Control	42,152	43,855	51,481	0	-51,481	13.0	13.5	17.0	0.0	-17.0
SUBTOTAL (HS0025) MMIS SYSTEM AND INFRASTRUCTURE	42,152	43,855	51,481	0	-51,481	13.0	13.5	17.0	0.0	-17.0
(HS0026) PROGRAM OVERSIGHT										
(H02601) Assessments and Care Coordination	1,076	972	1,134	0	-1,134	6.1	6.3	8.0	0.0	-8.0
(H02602) Fraud, Waste, and Abuse	3,708	3,495	3,987	0	-3,987	21.2	23.0	28.0	0.0	-28.0
(H02603) Policy	235	2,784	5,456	0	-5,456	6.8	7.2	31.0	0.0	-31.0
(H02604) Provider Oversight	31,698	38,841	51,947	2,125	-49,822	48.9	51.8	63.0	0.0	-63.0
(H02605) Quality and Health Outcomes	3,279	3,163	4,732	501	-4,231	7.2	9.3	13.0	3.2	-9.8
SUBTOTAL (HS0026) PROGRAM OVERSIGHT	39,995	49,256	67,255	2,626	-64,629	90.2	97.6	143.0	3.2	-139.8
(HS0027) PROVIDER SERVICES										
(H02701) 1115/1915 - Childless Adults (Group 8)	9,290	0	0	0	0	0.0	0.0	0.0	0.0	0.0
(H02702) 1115/1915 - Chip	53	0	0	0	0	0.0	0.0	0.0	0.0	0.0
(H02703) 1115/1915 - Medicaid	509,086	456,082	422,481	439,257	16,776	0.0	0.0	0.0	0.0	0.0
(H02704) Ffs - Childless Adults (Group 8)	0	8,829	43,574	49,225	5,651	0.0	0.0	0.0	0.0	0.0
(H02705) FFS- Chip	6,170	7,001	10,172	8,566	-1,606	0.0	0.0	0.0	0.0	0.0
(H02706) FFS- Medicaid	1,403,073	1,345,709	1,326,335	1,221,597	-104,738	0.0	1.4	1.8	0.0	-1.8
(H02707) MCO - Alliance	157,084	111,194	118,328	132,494	14,166	0.0	0.0	0.0	0.0	0.0
(H02708) MCO - Childless Adults (Group 8)	608,785	770,922	668,546	932,120	263,574	0.0	0.0	0.0	0.0	0.0
(H02709) MCO - Chip	52,484	52,094	94,379	72,535	-21,844	0.0	0.0	0.0	0.0	0.0

Table HT0-4

(dollars in thousands)

Division/Program and Activity	Dollars in Thousands					Full-Time Equivalents				
	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024	Actual FY 2022	Actual FY 2023	Approved FY 2024	Proposed FY 2025	Change from FY 2024
(H02710) MCO - Immigrant Children	16,770	15,119	10,492	18,271	7,779	0.0	0.0	0.0	0.0	0.0
(H02711) MCO - Medicaid	1,125,292	1,248,649	1,201,967	1,526,897	324,930	0.0	0.0	0.0	0.0	0.0
(H02712) MCO - Waiver	25,967	146,011	143,270	187,301	44,031	0.0	0.0	0.0	0.0	0.0
(H02713) HCBS ARPA Initiative	9,425	82,825	491	225	-266	0.0	0.0	5.0	0.0	-5.0
SUBTOTAL (HS0027)										
PROVIDER SERVICES	3,923,480	4,244,434	4,040,035	4,588,487	548,452	0.0	1.4	6.8	0.0	-6.8
TOTAL PROPOSED										
OPERATING BUDGET	4,114,139	4,442,558	4,304,064	4,863,667	559,603	268.3	299.1	366.6	378.1	11.4

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

Note: For more detailed information regarding the proposed funding for the activities within this agency’s programs, please see **Schedule 30-PBB Program Summary by Activity**. For detailed information on this agency’s Cost Center structure as reflected in the District’s Chart of Accounts, please see **Schedule 30-CC FY 2025 Proposed Operating Budget and FTEs, by Division/Office**. Additional information on this agency’s interagency agreements can be found in **Appendix H**. All schedules can be found in the FY 2025 Operating Appendices, Volume 6 located on the Office of the Chief Financial Officer’s website.

Division Description

The Department of Health Care Finance Operates through the following 11 divisions:

Health Care Delivery Management– 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:

- **Health Care Delivery Management Support Services** - provides administrative support functions to the Health Care Delivery Management division;
- **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;
- **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;
- **Health Care Quality and Health Outcome** - 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; and

- **Clinician, RX and Acute Care** - 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.

Long-Term Care Program - 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, with LTCAs 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 Research - 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 3 activities:

- **Health Care Policy** - maintains the Medicaid State Plan, which governs the eligibility, scope of benefits, and reimbursement policies of the Medicaid and CHIP programs;
- **Health Care Policy and Research Support Services** - provides administrative support to functions to the Health Care Policy and Planning Administration; and
- **Eligibility Policy and Oversight** - 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.

DC Access System (DCAS)- 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 5 activities:

- **DCAS Program Management** - manages all operational and functional activities related to the DCAS project;
- **DCAS Project Management** - manages all project management and functional activities related to the DCAS project;
- **DCAS HHS Functional** - joint oversight development execution of the DC access systems; and
- **DCAS Organizational Change Management** - manages all historical, current, and forecasted project initiatives associated with Organization Change Management; and
- **DCAS Information Technology** - manages the operational tasks and maintenance for the DCAS project.

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:

- **Claims Management** - oversees MMIS operations; systems requests; member services;
- **Health Care Operations Support Services** - provides administrative support functions to the Health Care Operations divisions; and
- **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.

Health Care Reform and Innovations - 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 3 activities:

- **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;
- **Grant Administration Function** - develops and executes strategies for payment and delivery system reform as well as developing demonstration projects and grants to support various value-based purchasing and practice transformation activities; and
- **Health Information Exchange** - responsible for advancing the use of digital health among health care providers in the District. This Division serves as the state health IT coordinator and regulates health information exchange (HIE). It is also responsible for the design, development, implementation, and sustainability of DC HIE connectivity and infrastructure, which enables operations needed to facilitate exchange of health information across the District's health system. Lastly, this Division offers incentives, outreach and technical assistance to drive adoption and meaningful use of digital health tools by District health care providers.

Eligibility and Enrollment (E&E) - designs, develops, implements, and manages the DC Access System (DCAS), which is an integrated eligibility system for all health and human services for the District.

The division consists of the following activity.

- **Eligibility and Enrollment (E&E)** - a group of systems in which application for eligibility ongoing maintenance and renewal for Medicaid eligibility.

Program Oversight - to provide a reasonable and consistent oversight of the Medicaid program.

This division contains the following 2 activities:

- **Provider Oversight** - provides quality oversight and assurance, including compliance with mandatory Centers for Medicare and Medicaid Services (CMS) assurances, and management of corrective action plans; and
- **Quality and Health Outcome** - ensures continuous improvements to the quality and performance principles and practices of the health care programs administered by DHCF.

Provider Services - provides payment to providers in the following: the Medicaid program, the Children's Health Insurance Program (CHIP), the Immigrant Children's Program, and the Alliance program.

This division contains the following 11 activities:

- **1115/1915 - Medicaid** - waiver programs offered through 1915 and 1115 authority providing care for home and community based services (1915) or demonstration programs(1115) to expand care beyond the traditional Medicaid program;
- **Fee for Services (FFS) - Childless Adults (Groupe 8)** - fee for Service provider payments for adults between the ages of 21 and 64 who do not have dependents;

- **Fee for Services (FFS)- Chip fee** - for Service provider payments for the Children's Health Insurance Program. This population is broken out due to a more favorable federal match percentage;
- **Fee for Services (FFS) Medicaid** - fee for services provider payments for the general Medicaid population;
- **Managed Care Organization (MCO) Alliance** - MCO payments for Alliance beneficiaries. Health care insurance for District residents who are non-citizens;
- **Managed Care Organization (MCO) Childless Adult (Group 8)** - MCO payments for adults between the ages of 21 and 64 who do not have dependents;
- **Managed Care Organization (MCO) Chip** - MCO payments for the Children's Health Insurance Program. Provides coverage for children who are in families with income too high to qualify for Medicaid, but are too low to afford private coverage;
- **Managed Care Organization (MCO) Immigrant Children** - MCO payments for Immigrant Children beneficiaries, a health coverage program that is offered to children under age 21 who is not eligible for Medicaid due to citizenship or immigration status;
- **Managed Care Organization (MCO) Medicaid** - MCO payments for the general Medicaid population;
- **Managed Care Organization (MCO) Waiver** - dual Eligible Special Needs Program (DSNP), Medicare Advantage; and
- **Home and Community Based Services (HCBS) ARPA Initiative** - Home and Community Based ARPA funded initiatives.

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.

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.

Division Structure Change

The Department of Health Care Finance has no division structure changes in the FY 2025 proposed budget.

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

Table HT0-5 itemizes the changes by revenue type between the FY 2024 approved budget and the FY 2025 proposed budget. For a more comprehensive explanation of changes, please see the FY 2025 Proposed Budget Changes section, which follows the table.

Table HT0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
LOCAL FUNDS: FY 2024 Approved Budget and FTE		988,310	165.0
Removal of One-Time Funding	Multiple Programs	-1,780	0.0
LOCAL FUNDS: FY 2025 Recurring Budget		986,530	165.0
Increase: To adjust the Medicaid growth rate adjustment	Provider Services	84,239	0.0
Increase: To align resources with operational spending goals	Multiple Programs	3,145	0.0
Increase: To adjust the Contractual Services budget	Multiple Programs	1,707	0.0
Increase: To support operational requirements	Multiple Programs	1,382	0.0
Increase: To align personnel services and Fringe Benefits with projected costs	Multiple Programs	712	7.4
Increase: To realize programmatic cost savings in nonpersonnel services	Multiple Programs	89	0.0
Decrease: To align resources with operational spending goals	Multiple Programs	-38	0.0

Table HT0-5

(dollars in thousands)

DESCRIPTION	DIVISION/PROGRAM	BUDGET	FTE
Enhance: To support 12-month continuous eligibility for children	Provider Services	6,852	0.0
Reduce: Savings for Telecommunications	Agency Management Program	-15	0.0
Reduce: Cost savings for supplies	Agency Management Program	-73	0.0
Reduce: Equipment cost savings	DC Access System	-127	0.0
Reduce: Professional Service Fees	Agency Management Program	-148	0.0
Reduce: Various provider payment cost savings	Provider Services	-40,333	0.0
LOCAL FUNDS: FY 2025 Mayor's Proposed Budget		1,043,922	172.4
DEDICATED TAXES: FY 2024 Approved Budget and FTE		114,536	8.2
Increase: To align the budget with projected revenues	Multiple Programs	119,706	0.0
Decrease: To align personnel services and Fringe Benefits with projected costs	Multiple Programs	-93	-1.0
Enhance: To support Medicaid managed care organizations	Provider Services	13,660	0.0
Reduce: To align the budget with projected revenues	Provider Services	-7,400	0.0
DEDICATED TAXES: FY 2025 Mayor's Proposed Budget		240,410	7.2
SPECIAL PURPOSE REVENUE FUNDS: FY 2024 Approved Budget and FTE		8,806	15.6
Increase: To align the budget with projected revenues	Multiple Programs	201	0.0
Decrease: To adjust the Medicaid growth rate adjustment	Provider Services	-1,998	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2025 Mayor's Proposed Budget		7,008	15.6
FEDERAL GRANT FUND - FPRS: FY 2024 Approved Budget and FTE		4,550	0.0
Increase: To support additional FTE(s)	Long Term Care Program	531	5.0
Increase: To align the budget with projected grant awards	Multiple Programs	55	0.0
FEDERAL GRANT FUND - FPRS: FY 2025 Mayor's Proposed Budget		5,136	5.0
FEDERAL MEDICAID PAYMENTS: FY 2024 Approved Budget and FTE		3,187,762	177.8
Increase: To adjust the Medicaid growth rate adjustment	Multiple Programs	648,610	0.0
Increase: To align personnel services and Fringe Benefits with projected costs	Multiple Programs	181	0.1
Reduce: To adjust the Medicaid growth rate adjustment	Multiple Programs	-269,363	0.0
FEDERAL MEDICAID PAYMENTS: FY 2025 Mayor's Proposed Budget		3,567,190	177.9
PRIVATE GRANT FUND -FPRS: FY 2024 Approved Budget and FTE		100	0.0
Decrease: To align the budget with projected grant awards	Program Oversight	-100	0.0
PRIVATE GRANT FUND -FPRS: FY 2025 Mayor's Proposed Budget		0	0.0
GROSS FOR HT0 - DEPARTMENT OF HEALTH CARE FINANCE		4,863,667	378.1

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

Note: For more detailed information regarding the proposed funding for interagency projects funded within this agency, please see Appendix J, FY 2025 Interagency Budgets, in the Executive Summary budget volume.

FY 2025 Proposed Operating Budget Changes

Table HT0-6 contains the proposed FY 2025 budget by fund compared to the FY 2024 approved budget.

Table HT0-6

Appropriated Fund	FY 2024 Approved	FY 2025 Proposed	% Change from FY 2024
Local Funds	\$988,309,875	\$1,043,922,407	5.6
Dedicated Taxes	\$114,535,958	\$240,409,641	109.9
Special Purpose Revenue Funds	\$8,805,546	\$7,008,261	-20.4
Federal Grant Fund - FPRS	\$4,550,493	\$5,136,131	12.9
Federal Medicaid Payments	\$3,187,761,854	\$3,567,190,111	11.9
Private Grant Fund - FPRS	\$100,000	\$0	-100.0
GROSS FUNDS	\$4,304,063,725	\$4,863,666,552	13.0

Mayor's Proposed Budget

Increase: In the Local funds budget proposal, the Provider Services division reflects a net increase of \$84,238,935 in Subsidies and Grants. This adjustment in the net result of \$112,984,824 in provider payment cost growth due to utilization, inflation, and the phase out of enhanced federal Medicaid reimbursement resulting from the federal COVID public health emergency; offset by \$28,745,889 in savings. This savings consists of \$18,936,501 in grants and disproportionate share hospital payments from the impact of Medicaid managed care organizations paying hospitals up to the average commercial rate; \$6,083,563 from setting capitation rates for managed care organizations at the lower bound of the actuarially sound rate range; \$1,926,278 from hospital rate adjustments; \$1,499,885 from efficiencies in coverage of durable medical equipment; and \$299,662 from revisions to Transitional Medical Assistance.

The proposed Local funds budget for subsidies, excluding provider payments, is increased by \$3,145,446 across multiple divisions to support several initiatives. This adjustment is comprised of \$2,420,446 in grant funding to support provider efficiency including, but not limited to, practice transformation, digital health and outreach, and education; and \$725,000 to support the Produce Rx and Home Visiting grants.

A proposed Local funds increase of \$1,706,839 in Contractual Services across multiple divisions is driven primarily by aligning the Medicaid systems' budgets with contracted cost increases. Additionally in Local funds, the proposed budget for equipment related costs reflects a net increase of \$1,381,637 across multiple divisions which is primarily driven by increasing software licensing and support costs for the District of Columbia Access System (DCAS). The Local funds budget proposal includes the following increases across multiple divisions: \$712,478 and 7.4 Full-Time Equivalents (FTEs) in personnel service adjustments; and \$88,968 to align with projected Fixed Costs estimates.

The proposed budget increase of \$119,706,386 across multiple divisions includes \$113,832,142 for the two new Dedicated Tax funds that support Medicaid managed care organizations paying hospitals up to the average commercial rate and aligning the budget for the existing dedicated taxes with the projected revenues.

In Special Purpose Revenue (SPR) funds, several adjustments are proposed to align the personnel services and nonpersonnel services budget with anticipated revenue, which has resulted in a net increase of \$201,019 across multiple divisions.

The proposed Federal Grants budget includes increases of \$531,025 to support 5.0 interagency FTEs budgeted in the Long Term Care division; and \$54,613 across multiple divisions to align with projected grant awards.

In Federal Medicaid Payments, a proposed increase of \$648,610,207 across multiple divisions is to reflect the Medicaid growth rate adjustment; and a proposed increase of \$180,900 and 0.1 FTE across multiple divisions is included to align the align the personnel services budget with projected costs.

Decrease: DHCF's proposed Local funds budget includes a decrease of \$37,693 across multiple divisions to reflect savings in nonpersonnel services, primarily in Supplies and Materials.

In Dedicated Tax funds, the proposed budget across multiple divisions includes a decrease of \$92,554 and 1.0 FTE to align the personnel services budget with projected costs.

The proposed SPR budget reflects a decrease of \$1,998,304 in the Provider Services division due to fund balance usage in FY 2024, which does not continue in FY 2025.

In Private Grants, a proposed decrease of \$100,000 in the Program Oversight division will align the budget to reflect that DHCF was not awarded the private grant anticipated during fiscal year 2024.

Enhance: DHCF's proposed Local funds budget is increased by \$6,852,247 in the Provider Services division to support 12-months of continuous eligibility for qualified children in the District. In Dedicated Taxes, a proposed increase of \$13,659,857 in the Provider Services division is to align the budget with projected revenues and further support the activities within that division.

Reduce: The proposed Local funds budget reflects savings of \$15,101 for Telecommunications costs and \$73,191 for supplies in the Agency Management division. Additionally, the Local budget proposes a decrease of \$126,816 in equipment costs in the DCAS System division, and a proposed Local funds decrease of \$148,004 across multiple divisions, primarily in Professional Service Fees in the Agency Management division will also be realized. The final proposed Local funds decrease of \$40,333,212 in the Provider Services division accounts for savings across multiple areas including managed care rates, Personal Care Assistants (PCA), using the administration fee from Medicaid managed care organizations paying hospitals up to the average commercial rate for hospital services, and emergency hospital care for Immigrant Children's Program (ICP) cost savings.

The proposed budget submission for Dedicated Tax funds reflects a decrease of \$7,400,006 in the Provider Services Division to align with revised revenue projections.

In Federal Medicaid Payments, a proposed decrease of \$269,362,849 across multiple divisions reflects adjustments for reimbursable services provided by the agency.

FY 2025 Proposed Full-Time Equivalents (FTEs)

Table HT0-7 contains the summary of FY 2025 Proposed Budgeted Full-Time Equivalents (FTEs).

Table HT0-7

Total FY 2025 Proposed Budgeted FTEs	378.1
Less: Interagency FTEs budgeted in this agency but employed by other agencies:	
BY0-Department of Aging and Community Living	(5.0)
CB0-Office of the Attorney General for the District of Columbia	(0.9)
HC0-Department of Health	(3.2)
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	(24.9)
Add: Interagency FTEs budgeted in other agencies but employed by this agency:	
JA0-Department of Human Services	4.9
Total Interagency FTEs budgeted in other agencies, employed by this agency	4.9
Total FTEs employed by this agency	358.0

Note: Table HT0-7 displays the impact of the buyer agencies budgets funding the seller agencies FTEs in the FY 2025 budget, compared to how FTEs were budgeted in FY 2024.

-It starts with the FY 2025 budgeted FTE figure, 378.1 FTEs.

-It subtracts 24.9 FTEs budgeted in HT0 in FY 2025 who are employed by another agency.

-It adds 4.9 FTEs budgeted in other agencies in FY 2025 who are employed by HT0.

-It ends with 358.0 FTEs, the number of FTEs employed by HT0, which is the FTE figure comparable to the FY 2024 budget.