

Maintenance Level

Agency:

107 Health Care Authority on Behalf of the Health Benefit Exchange

Decision Package Code/Title:

ML-WF-HBE Maintain Software Capabilities

Agency RecSum:

The Washington Health Benefit Exchange (Exchange) requests additional funding to support increased costs of essential software the Exchange currently uses. The Exchange depends on third party technology to deliver customer-focused services. Based on recent experience and industry projections, the Exchange has seen these annual maintenance and licensing costs increase by as much as 10 percent, and this funding request supports ongoing maintenance and operations of the Exchange’s IT systems and software.

Fiscal detail:

| Operating Expenditures | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
|---------------------------|--------------------|--------------------|--------------------|--------------------|
| 17T-1 HBEA | \$360,000 | \$360,000 | \$360,000 | \$360,000 |
| 001-C GF-Federal | \$674,000 | \$674,000 | \$674,000 | \$674,000 |
| Total Expenditures | \$1,034,000 | \$1,034,000 | \$1,034,000 | \$1,034,000 |
| Biennial Totals | \$2,068,000 | | \$2,068,000 | |
| Staffing | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
| FTEs | 0.0 | 0.0 | 0.0 | 0.0 |
| Average Annual | 0.0 | | 0.0 | |
| Object of Expenditure | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
| Obj. C | \$1,034,000 | \$1,034,000 | \$1,034,000 | \$1,034,000 |
| Revenue | FY 2024 | FY 2025 | FY 2026 | FY 2027 |
| 001-C GF-Federal | \$674,000 | \$674,000 | \$674,000 | \$674,000 |
| Total Revenue | \$674,000 | \$674,000 | \$674,000 | \$674,000 |
| Biennial Totals | \$1,348,000 | | \$1,348,000 | |

Package Description

Customers, partners, and employees depend on the Exchange systems and software to be available to them 24 hours a day, 7 days a week. Information technology maintenance and software license updates are an essential part of ensuring this availability.

Proper support, prompt repairs, regular maintenance, and staying current with third-party technology will help ensure the Exchange’s electronic services are secure, reliable, and available.

For additional information contact:

Nicholas Aaseby, Associate Director of Strategic Budget Planning
360-688-1574 nicholas.aaseby@wahbexchange.org

Technology evolves rapidly compared to other disciplines. If organizations don't stay reasonably current, they end up with antiquated, unsupportable systems in a very short time. Without adequate funding, the Exchange may not be able to stay current with maintenance contracts and software licenses.

In fiscal year 2024, the Exchange expects hardware maintenance contracts and software licenses to increase by an average of ten percent (10%) due to inflation as well additional license usage.

To ensure the Exchange is getting the best value possible for purchasing software, it leverages a nationwide NASPO contract. NASPO is the cooperative purchasing program of all 50 states, the District of Columbia and the territories of the United States. NASPO ValuePoint is a division of the National Association of State Procurement Officials (NASPO), a 501(c)(3) non-profit association dedicated to strengthening the procurement community through education, research, and communication. The NASPO agreement allows states use leverage resellers to procure maintenance contracts and software licensing with companies including but not limited to Microsoft, Oracle, Solarwinds, ForgeRock, Adobe, InRule, and others.

How is your proposal impacting equity in the state?

Which target populations or communities benefit from this proposal?

Underlying disparities continue in health coverage for low-income people and people of color. Customer and enrollment assistance feedback continues to reinforce the importance of stable and responsive tools for new and returning customers enrolling in health insurance. The system improvements for the current biennium and beyond will continue to improve HPF and will result in a more accessible application for all Washingtonians regardless of when and how they apply for coverage.

Effective and responsive access to health insurance is critical to advancing equity in health outcomes in Washington. Funding this request provides capacity for the Exchange to respond to market and state and federal efforts to further addresses health disparities.

Disproportionate Impact Considerations

The goal of the Exchange is for all Washingtonians to have full and equal access to health coverage. Funding this request will enable the Exchange to continue to support all residents of Washington with modern and responsive tools to help them obtain and maintain coverage.

Community outreach and engagement:

The Exchange engages in meaningful dialog with multiple committees and workgroups, comprised of individuals from diverse backgrounds, devoted to making Washington Healthplanfinder an efficient website that serves the people of Washington State.

For additional information contact:

Nicholas Aaseby, Associate Director of Strategic Budget Planning
360-688-1574 nicholas.aaseby@wahbexchange.org

Health insurance coverage is complex, and many Washington residents prefer to seek help reviewing their coverage options and enrolling through Washington Healthplanfinder. The Exchange's Lead Navigator Organizations have become trusted, knowledgeable resources in their communities after 10 years serving their local partners. Lead Organizations conduct community-led outreach and engagement on behalf of the Exchange. Lead Navigator Organizations know their communities and how to connect with the hardest to reach populations who continue to experience disparities in coverage rates. By serving as the trusted source of information in their services areas, Lead Navigator Organizations oversee and provide technical application support to a network of diverse partner organizations. Additionally, Navigator Organizations operate three storefront enrollment centers (Federal Way, Spokane, and Yakima) and collectively provide training and support for a cumulative 900 navigators statewide.

What are you purchasing and how does it solve the problem?

This maintenance level decision package seeks funding to cover the anticipated increase in hardware and software maintenance contracts and licensing. This funding will enable the Exchange to remain current.

What alternatives did you explore and why was this option chosen?

N/A

Assumptions and Calculations

Expansion or alteration of a current program or service

This maintenance level decision package does not expand or alter a current program or service. This decision package seeks funding to cover the anticipated cost increase of existing hardware and software maintenance agreements and licensing.

Detailed assumptions and calculations

The Exchange requests ongoing funding of \$1,034,000 per year to support increased costs related to current software capabilities.

- No increase in Carrier Assessment is anticipated to fund this effort.
- No new General Fund-State dollars are requested.
- These software costs directly support the operations of Washington Healthplanfinder and are eligible for an average of 75% federal match rate.

Based on industry projections and historical information, hardware maintenance and software licenses costs will continue to increase. Software maintenance and support includes new enhancement purchases, procurements done in support of federal and state requirements, and modernization of current systems.

For additional information contact:

Nicholas Aaseby, Associate Director of Strategic Budget Planning
360-688-1574 nicholas.aaseby@wahbexchange.org

Hardware and software maintenance contracts extending into fiscal year 2024 were included as negotiated within the contract.

All hardware, software, and maintenance expenses are on-going to provide exceptional service to the Exchange customers with minimal interruptions.

Workforce assumptions

No impact on workforce

Strategic and Performance Outcomes

Strategic framework

This is a maintenance level package.

Keeping technology up-to-date by providing regular maintenance and licensing support the Governor's Results Washington goal 5: "Efficient, Effective and Accountable Government" by allowing the Exchange to provide efficient, effective customer services.

Technology services are integral to achieving the agency's strategic plan objectives to:

- Increase access to affordable health plans
- Organize a transparent and accountable insurance market to facilitate consumer choice
- Provide an efficient, accurate, and customer-friendly eligibility determination process
- Enhance health plan competition on value: price, access, quality, service, and innovation

These objectives would be unachievable without up-to-date, maintained technology. This decision package will ensure ongoing maintenance and licenses to meet these objectives, and the needs of the organization.

Performance outcomes

The expected outcome for this request is to maintain all hardware, software and licensing and to minimize potential disruption of services for the customer.

Other supporting materials

None

Other Collateral Connections

Intergovernmental

This package will keep the Exchange maintenance contracts and software licenses current which will reduce the risk of impacts to other partners.

For additional information contact:

Nicholas Aaseby, Associate Director of Strategic Budget Planning
360-688-1574 nicholas.aaseby@wahbexchange.org

Legal or administrative mandates

Software licenses are required periodically to meet the legal requirement for use.

Changes from current law

There are no changes to current law that requires this decision package.

State workforce impacts

There is no impact to existing staff, collective bargaining agreements, compensation or benefits.

State facilities impacts

Not applicable to this request.

Puget Sound recovery

Not applicable to this request.

Other supporting materials

IT Addendum Equipment Maintenance & Software License List
IT Addendum

Information technology (IT)

ABS will pose the question below for *each* DP. If the answer is yes, you will be prompted to attach an IT addendum. (See Chapter 10 of the budget instructions for additional requirements.)

Information Technology

Does this DP include funding for any IT-related costs, including hardware, software (including cloud-based services), contracts or IT staff?

No

Yes

Please download the [IT-addendum](#) and follow the directions on the bottom of the addendum to meet requirements for OCIO review. After completing the IT addendum, please upload the document to continue.

For additional information contact:

Nicholas Aaseby, Associate Director of Strategic Budget Planning
360-688-1574 nicholas.aaseby@wahbexchange.org