



Washington Health Benefit Exchange

**Financial Report to the Board
January 17, 2016**

GOVERNOR INSLEE'S 2016 SUPPLEMENTAL

- Financial system replacement (\$500,000 GF-S)
- Authority to receive reimbursement from DSHS for CSO access costs (\$376,000)
- Medicaid cost allocation adjustment
 - Cost allocation is typically a simple fund shift
 - Governor's budget increased appropriation level by \$12.6 million which has been identified as a technical error and will be adjusted by legislative staff
 - Practically, the Governor's proposed supplemental Exchange budget increased by \$876,000
 - Additional language directs Health Care Authority to transfer 17T payments in July and January and requires monthly revenue and expenditure meetings involving HBE, HCA, OIC, and OFM
 - To fully resolve cash flow issues both an operating cash reserve and timely Medicaid reimbursement will be required.



FINANCE UPDATE

- Financial system replacement
- Accuracy of financial information
- Revenue cycle, cash flow and no operating cash reserves
- Timeliness of financial close
- Staffing
- Audit findings
- Update of accounting and contracting policies and procedures
- Contracts





Washington Health Benefit Exchange

**Monthly Financial Report –
Contracts Update As of December 31, 2015**

CONTRACTS UPDATE

Contract #	Company	Type	start	end	Contract Owner	Description	Initial Contract	Total contract value	Changes Through Dec. 2015
HBE-003	Clark Nuber	Finance	4/20/12	12/31/16	Carole Holland	CPA firm assisting with financial management and accounting.	\$946,097	\$989,900	Amendment to extend contract end date.
HBE-047	Dorothy Graham	HR	8/1/12	12/31/16	Brian Peyton	Special executive projects	\$5,250	\$99,999	Amendment extending contract end date.
HBE-048	KP LLC	Operations	3/12/13	2/19/16	Beth Walter	HPF printing services	\$4,000,000	\$7,000,000	Amendment extending contract end date.
HBE-050	Outsolve LLC	HR	1/10/13	12/31/16	Brian Peyton	Affirmative action consultation	\$1,900	\$6,604	Amendment extending contract end date and increasing compensation by \$1,568.
HBE-068	Milliman	Actuary	6/1/12	12/31/16	Molly Voris	Financial and policy related projects.	\$530,000	\$1,062,364	Amendment extending contract end date.
HBE-072	Moss Adams	Finance	6/15/13	8/31/16	Carole Holland	External CPA auditor to conduct yearly financial audits.	\$400,000	\$400,000	Two amendments 1) to extend contract end date 2) adjustment to SOW maximum expenditure.
HBE-085	John Flanagan	Finance	6/26/12	12/31/16	Carole Holland	Contract consultation	\$250,000	\$350,000	Amendment to extend contract end date.
HBE-086	Milestone	IT	4/1/15	12/31/16	Jayne Wuerch	IT services	\$2,200,000	\$2,200,000	Two work orders extending staff engagements.



CONTRACTS UPDATE

Contract #	Company	Type	start	end	Contract Owner	Description	Initial Contract	Total contract value	Changes Through Dec. 2015
HBE-122	Kelly Reese Harmon	Legal	11/13/13	12/31/16	Brian Peyton	Presiding Officer services	\$50,000	\$50,000	Amendment to extend contract end date.
HBE-156	Immersion	IT	4/18/14	Auto-Renew	Jayne Wuerch	MLA/SharePoint services, consulting, software licenses.	\$61,713	\$168,000	Amendment increasing compensation by \$35,000 and adding SOW for deployment of SharePoint LMS.
HBE-163	Altriva	IT	9/7/14	12/31/16	Jayne Wuerch	CRM consultant/analyst	\$19,800	\$70,750	Amendment to extend end date and increase amount by \$70,000.
HBE-164	GBS	IT	6/29/14	12/31/16	Beth Walter	Software for anonymous browsing of small group plans.	\$149,999	\$185,625	Amendment to extend end date and increase SOW by \$70,000 to increase total contract by \$35,626.
HBE-167	Atmosera	IT	12/29/14	12/31/16	Jayne Wuerch	1 st level response/triage services in support of Oracle environment.	\$145,000	\$145,000	Amendment extending contract end date.
HBE-170	Ciber	IT	2/1/15	12/31/16	Jayne Wuerch	IT Convenience staffing contract	\$4,000,000	\$4,000,000	Eight new work orders extending staff engagements.



CONTRACTS UPDATE

Contract #	Company	Type	start	end	Contract Owner	Description	Initial Contract	Total contract value	Changes Through Dec. 2015
HBE-171	TEKSystems	IT	1/1/15	12/31/16	Jayne Wuerch	IT Convenience staffing contract	\$4,000,000	\$4,000,000	Two new work orders extending staff engagements.
HBE-180	IRM	IT	3/1/13	2/29/16	Pam MacEwan	Consulting services to PMO plan management and HPF projects.	\$589,000	\$589,000	Amendment extending contract end date.
HBE-181	Cambria	IT	2/23/15	12/31/16	Pam MacEwan	Remove premium aggregation/payment function for individual market from HPF for 2016.	\$625,360	\$625,360	Two amendments 1) adding Premium Aggregation Removal work under SOW 2) adding staff to SOW.
HBE-213	KJS Company LLC	Lease	1/1/16	6/1/18	Carole Holland	Lease for parking lot	\$37,120	\$37,120	New contract for lease of parking lot.



CONTRACTS UPDATE

Notifications were sent to 24 vendors to confirm expiration of their contracts with HBE as of December 31, 2015.

Vendors with contracts allowed to expire included:

- Acturus
- BDO
- Bluecrane
- Benefits Management Inc.
- Cambria
- Ciber
- Coolsoft
- Freedman Health Care
- KPMG
- Gary McLean
- GMMB
- Health Management Associates
- IRM Services Group
- Milestone
- Navigant
- PCG
- Point B
- TEKSystems
- Wakely

Please note – HBE does still contract with some of the vendors noted above, such as Ciber, IRM, TEKSystems and Wakely.





Washington Health Benefit Exchange

Monthly Financial Report –As of November 2015



Washington Health Benefit Exchange

Staff and Contractor FTEs –November 2015

STAFFING

Department	October 2015			November 2015		
	FTE (bodies)	Contractor	TOTAL	FTE (bodies)	Contractor	TOTAL
Regular Employees						
Executive/PMO	7	5	12	6	4	10
Policy	10	0	10	10	0	10
Legal	8	0	8	8	0	8
Communications	16	0	16	17	0	17
Finance & Administration	15	3	18	17	3	20
Operations	31	3	34	33	3	36
IT	23	26	49	23	24	47
SUBTOTAL	110	37	147	114	34	148
Temporary & Project Employees						
Finance	5			2		
Invoices						
Eligibility	13			9		
Outreach						
Enrollment						
Reconciliation						
Level 2 Triage	3			2		
Carrier Support	30			26		
Post Validation/Data Analyst	4			4		
SUBTOTAL	55			43		
TOTAL	165	37	202	157	34	191

