



Washington Health Benefit Exchange

Financial Report

Operations Committee

April 26, 2018

Carole Holland, CFO

Financial Update

Finance update

- Expenditures remain on track for SFY 2018
- End of year projection reduced by about \$100,000 from previous month report, from \$946,922 to \$837,969
- Final Quarterly Report to Legislature to be submitted by end of April



Expenditure report by fund source

March 2018

Fund	Budget	Expenditures	Variance under/(over)	Variance %
GF-State	\$ 441,500	\$ 410,977	\$ 30,523	6.9%
GF-Federal	\$ 1,725,500	\$ 2,008,609	\$ (283,109)	-16.4%
17T	\$ 2,055,400	\$ 1,981,832	\$ 73,568	3.6%
Total	\$ 4,222,400	\$ 4,401,418	\$ (179,018)	-4.2%

Year to Date

Budget	Expenditures	Variance under/(over)	Variance %
\$ 4,797,800	\$ 4,614,906	\$ 182,894	3.8%
\$ 17,491,600	\$ 16,782,045	\$ 709,555	4.1%
\$ 20,353,500	\$ 18,586,380	\$ 1,767,120	8.7%
\$ 42,642,900	\$ 39,983,331	\$ 2,659,569	6.2%

End of Year Projection- Total Funds

Fund	Budget	Expenditures	Variance under/(over)	Variance %
GF-State	\$ 5,184,000	\$ 5,180,706	\$ 3,294	0.1%
GF-Federal	\$ 24,888,000	\$ 24,630,745	\$ 257,255	1.0%
17T	\$ 28,971,000	\$ 28,393,580	\$ 577,420	2.0%
Total	\$ 59,043,000	\$ 58,205,031	\$ 837,969	1.4%



Expenditure report by object

March 2018

Object	Budget	Expenditures	Variance under/(over)	Variance %
Salaries	\$ 870,800	\$ 818,278	\$ 52,522	6.0%
Benefits	\$ 336,500	\$ 301,638	\$ 34,862	10.4%
Contracts	\$ 2,668,000	\$ 2,990,530	\$ (322,530)	-12.1%
Goods and Services	\$ 333,700	\$ 274,375	\$ 59,325	17.8%
Travel	\$ 13,400	\$ 16,597	\$ (3,197)	-23.9%
Total	\$ 4,222,400	\$ 4,401,418	\$ (179,018)	-4.2%

Year to Date

Object	Budget	Expenditures	Variance under/(over)	Variance %
Salaries	\$ 7,786,200	\$ 7,414,576	\$ 371,624	4.8%
Benefits	\$ 2,842,500	\$ 2,604,474	\$ 238,026	8.4%
Contracts	\$ 27,795,400	\$ 26,851,202	\$ 944,198	3.4%
Goods and Services	\$ 4,076,800	\$ 3,001,606	\$ 1,075,194	26.4%
Travel	\$ 142,000	\$ 111,472	\$ 30,528	21.5%
Total	\$ 42,642,900	\$ 39,983,331	\$ 2,659,569	6.2%

End of Year Projection- Enacted Budget

Object	Budget	Expenditures	Variance under/(over)	Variance %
Salaries	\$ 10,398,600	\$ 10,069,976	\$ 328,624	3.2%
Benefits	\$ 3,852,000	\$ 3,613,974	\$ 238,026	6.2%
Contracts	\$ 39,239,600	\$ 39,417,402	\$ (177,802)	-0.5%
Goods and Services	\$ 5,370,600	\$ 4,936,006	\$ 434,594	8.1%
Travel	\$ 182,200	\$ 167,672	\$ 14,528	8.0%
Total	\$ 59,043,000	\$ 58,205,031	\$ 837,969	1.4%

The variance in contracts is due largely to a Deloitte deliverable which was originally budgeted for January 2018. The variance in the end of year projection is due to additional cloud transition costs.



Expenditure report by department

March 2018

Department	Budget	Expenditures	Variance under/(over)	Variance %
Communications	\$ 430,800	\$ 341,486	\$ 89,314	20.7%
Executive	\$ 153,500	\$ 145,724	\$ 7,776	5.1%
Finance	\$ 359,300	\$ 230,575	\$ 128,725	35.8%
IT	\$ 1,580,100	\$ 2,210,434	\$ (630,334)	-39.9%
Legal	\$ 111,100	\$ 95,809	\$ 15,291	13.8%
Operations	\$ 1,394,900	\$ 1,302,129	\$ 92,771	6.7%
Policy	\$ 90,000	\$ 75,261	\$ 14,739	16.4%
Unallotted	\$ 102,700	\$ -	\$ 102,700	0.0%
Total	\$ 4,222,400	\$ 4,401,418	\$ (179,018)	-4.2%

Year to Date

Budget	Expenditures	Variance under/(over)	Variance %
\$ 5,690,800	\$ 5,312,745	\$ 378,055	6.6%
\$ 1,457,000	\$ 1,241,744	\$ 215,256	14.8%
\$ 3,078,900	\$ 2,252,954	\$ 825,946	26.8%
\$ 15,935,300	\$ 15,871,641	\$ 63,659	0.4%
\$ 974,400	\$ 869,089	\$ 105,311	10.8%
\$ 14,561,800	\$ 13,712,634	\$ 849,166	5.8%
\$ 842,000	\$ 722,523	\$ 119,477	14.2%
\$ 102,700	\$ -	\$ 102,700	0.0%
\$ 42,642,900	\$ 39,983,331	\$ 2,659,569	6.2%

End of Year Projection- Enacted Budget

Department	Budget	Expenditures	Variance under/(over)	Variance %
Communications	\$ 6,983,600	\$ 6,877,145	\$ 106,455	1.5%
Executive	\$ 1,962,500	\$ 1,887,244	\$ 75,256	3.8%
Finance	\$ 4,203,700	\$ 3,992,754	\$ 210,946	5.0%
IT	\$ 21,944,900	\$ 21,924,241	\$ 20,659	0.1%
Legal	\$ 1,307,700	\$ 1,244,389	\$ 63,311	4.8%
Operations	\$ 18,461,500	\$ 18,272,334	\$ 189,166	1.0%
Policy	\$ 1,130,300	\$ 1,060,823	\$ 69,477	6.1%
Unallotted	\$ 3,048,800	\$ 2,946,100	\$ 102,700	3.4%
Total	\$ 59,043,000	\$ 58,205,031	\$ 837,969	1.4%

The IT overspend in March is due to an Oracle IAM security suite upgrade which was planned to be covered with the additional authority for 2018 in the legislative supplemental budget. (This was part of the Legislative correction of fiscal year expenditures.)



FTE's by Department

March 2018

	Contractor FTEs	Budgeted FTEs	Actual FTEs	Variance under/(over)	Variance %
Communications	0.0	16.5	16.5	0.0	0.0%
Executive	0.0	9.5	8.5	1.0	10.5%
Finance	0.0	15.5	14.5	1.0	6.5%
IT	9.0	33.5	31.5	2.0	6.0%
Legal	0.0	11.5	10.5	1.0	8.7%
Operations	0.0	35.0	34.0	1.0	2.9%
Policy	0.0	8.0	7.0	1.0	12.5%
Total	9.0	129.5	122.5	7.0	5.4%

Year to Date

	Contractor FTEs	Budgeted FTEs	Actual FTEs	Variance under/(over)	Variance %
	0.0	16.5	16.5	0.0	0.0%
	0.0	10.3	9.8	0.4	4.1%
	0.0	15.8	14.5	1.3	7.9%
	10.0	32.8	31.2	1.6	4.8%
	0.0	11.5	10.7	0.8	6.8%
	0.0	34.8	32.8	1.9	5.5%
	0.0	8.0	7.3	0.7	8.3%
Total	10.0	129.5	122.9	6.6	5.1%



Expenditures for major contracts

March 2018

Contractor	Current Month Budget	Current Month Expenditures	Annual Budget	YTD Expenditures	Projected End of Year	End of Year \$ Variance	End of Year % Variance
Faneuil	\$ 821,405	\$ 803,374	\$ 11,189,001	\$ 8,788,155	\$ 11,146,037	\$ 42,963	0.4%
Deloitte- M&O	\$ 413,170	\$ 413,763	\$ 5,384,025	\$ 4,141,634	\$ 5,381,399	\$ 2,626	0.0%
Deloitte- DDI	\$ 292,800	\$ 293,798	\$ 4,098,373	\$ 3,470,706	\$ 4,096,306	\$ 2,067	0.1%
KP	\$ 240,586	\$ 196,118	\$ 3,306,386	\$ 2,385,694	\$ 3,064,915	\$ 241,471	7.3%
Navigators	\$ 203,000	\$ 193,981	\$ 2,691,686	\$ 2,126,507	\$ 2,735,507	\$ (43,820)	-1.6%
GMMB	\$ 51,667	\$ -	\$ 1,550,000	\$ 1,517,054	\$ 1,517,054	\$ 32,946	2.1%
Total	\$ 2,022,628	\$ 1,901,034	\$ 28,219,471	\$ 22,429,749	\$ 27,941,217	\$ 278,253	1.0%

Navigator contracts were not finalized until after allotments were developed; sufficient funds are available in the Communications budget to cover the costs.



Revenue

Revenue Source	YTD Projected	YTD Actuals	Variance	Original Forecast	Updated Annual Projection	Variance
17T- QHP Medical	\$ 20,930,827	\$ 22,016,506	\$ 1,085,679	\$ 31,885,354	\$ 33,099,213	\$ 1,213,859
17T- QHP Family Dental	\$ 362,612	\$ 242,784	\$ (119,828)	\$ 474,003	\$ 672,671	\$ 198,668
17T- QHP Pediatric Dental	\$ 54,883	\$ 17,239	\$ (37,644)	\$ 71,672	\$ 54,292	\$ (17,380)
Total	\$ 21,348,322	\$ 22,276,529	\$ 928,207	\$ 32,431,029	\$ 33,826,176	\$ 1,395,147

Additional revenue is due to the increased enrollment (from August 2017 forecast) for the carrier assessment portion of the revenue. This variance does not include the reconciliation of carrier 2017 tax year filings which will be reported next month.



March Contracts Update

March contract updates

Contract #	Company	start	end	Description	Additional value	Total contract value	Changes Through March 2018
HBE-171	TEKsystems	9/21/15	4/14/18	Optional use contract for technical staffing	\$0.00	\$4,000,000	Increase Contractor work order (Jeff Cooke) to 40 hours per week
HBE-352	The Athena Group	7/7/17	6/30/19	Lean Consultant	\$150,000	\$260,000	Extend POP; Add funding for FY18 & 19
MLA-219	Oracle	2/11/16	2/10/21	Linux and VM Products	\$57,884.32	\$99,079.28	New Oracle Linux Licenses and Support - Qty 150
HBE-383	Cline Consulting	3/29/18	6/30/19	Organization Development	N/A	\$35,000	Leadership Team Development





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