



Washington Health Benefit Exchange

Exchange Board Meeting
Financial Report
July 31, 2018
Carole Holland, CFO

Financial Update

Finance update

- End-of-year balance of \$2.8 million increased from prior month; with an overall 4.8% variance
- The primary reasons for the end of year variance include:
 - Salaries and benefits due to a 5% vacancy rate (25%)
 - Contract savings including lower costs in imaging, printing, call center savings and a few deliverables not received by the end of the fiscal year (50%)
 - Goods and services savings including reduced insurance costs, efficiencies in software purchasing, savings from reprocurring internal copiers, and transition of some contractors to staff (24%)
- Total spending on DDI enhancements were \$2.1 million more than originally allotted due to use of contingency funds



Expenditure report by fund source

June 2018

Fund	Budget	Expenditures	Variance under/(over)	Variance %
GF-State	\$ -	\$ -	\$ -	0.0%
GF-Federal	\$ 3,090,500	\$ 3,420,953	\$ (330,453)	-10.7%
17T	\$ 3,710,400	\$ 3,677,507	\$ 32,893	0.9%
Total	\$ 6,800,900	\$ 7,098,460	\$ (297,560)	-4.4%

Year to Date

Budget	Expenditures	Variance under/(over)	Variance %
\$ 5,184,000	\$ 5,184,000	\$ -	0.0%
\$ 24,888,000	\$ 24,092,371	\$ 795,629	3.2%
\$ 28,971,000	\$ 26,947,002	\$ 2,023,998	7.0%
\$ 59,043,000	\$ 56,223,372	\$ 2,819,628	4.8%

End of Year Projection- Total Funds

Fund	Budget	Expenditures	Variance under/(over)	Variance %
GF-State	\$ 5,184,000	\$ 5,184,000	\$ -	0.0%
GF-Federal	\$ 24,888,000	\$ 24,092,371	\$ 795,629	3.2%
17T	\$ 28,971,000	\$ 26,947,002	\$ 2,023,998	7.0%
Total	\$ 59,043,000	\$ 56,223,372	\$ 2,819,628	4.8%



Expenditure report by object

June 2018

Object	Budget	Expenditures	Variance under/(over)	Variance %
Salaries	\$ 870,800	\$ 986,029	\$ (115,229)	-13.2%
Benefits	\$ 336,500	\$ 329,494	\$ 7,006	2.1%
Contracts	\$ 5,051,400	\$ 5,239,397	\$ (187,997)	-3.7%
Goods and Services	\$ 528,800	\$ 529,667	\$ (867)	-0.2%
Travel	\$ 13,400	\$ 13,873	\$ (473)	-3.5%
Total	\$ 6,800,900	\$ 7,098,460	\$ (297,560)	-4.4%

Year to Date

Object	Budget	Expenditures	Variance under/(over)	Variance %
Salaries	\$ 10,398,600	\$ 10,069,372	\$ 329,228	3.2%
Benefits	\$ 3,852,000	\$ 3,543,333	\$ 308,667	8.0%
Contracts	\$ 39,239,600	\$ 37,815,238	\$ 1,424,362	3.6%
Goods and Services	\$ 5,370,600	\$ 4,647,098	\$ 723,502	13.5%
Travel	\$ 182,200	\$ 148,331	\$ 33,869	18.6%
Total	\$ 59,043,000	\$ 56,223,372	\$ 2,819,628	4.8%

End of Year Projection- Enacted Budget

Object	Budget	Expenditures	Variance under/(over)	Variance %
Salaries	\$ 10,398,600	\$ 10,069,372	\$ 329,228	3.2%
Benefits	\$ 3,852,000	\$ 3,543,333	\$ 308,667	8.0%
Contracts	\$ 39,239,600	\$ 37,815,238	\$ 1,424,362	3.6%
Goods and Services	\$ 5,370,600	\$ 4,647,098	\$ 723,502	13.5%
Travel	\$ 182,200	\$ 148,331	\$ 33,869	18.6%
Total	\$ 59,043,000	\$ 56,223,372	\$ 2,819,628	4.8%



Expenditure report by department

June 2018

Department	Budget	Expenditures	Variance under/(over)	Variance %
Communications	\$ 413,000	\$ 492,943	\$ (79,943)	-19.4%
Executive	\$ 163,500	\$ 126,547	\$ 36,953	22.6%
Finance	\$ 459,200	\$ 430,544	\$ 28,656	6.2%
IT	\$ 1,965,800	\$ 4,493,146	\$ (2,527,346)	-128.6%
Legal	\$ 111,100	\$ 131,115	\$ (20,015)	-18.0%
Operations	\$ 1,312,100	\$ 1,332,001	\$ (19,901)	-1.5%
Policy	\$ 97,300	\$ 92,164	\$ 5,136	5.3%
Unallotted	\$ 2,278,900	\$ -	\$ 2,278,900	0.0%
Total	\$ 6,800,900	\$ 7,098,460	\$ (297,560)	-4.4%

Year to Date

Department	Budget	Expenditures	Variance under/(over)	Variance %
Communications	\$ 6,983,600	\$ 6,596,642	\$ 386,958	5.5%
Executive	\$ 1,962,500	\$ 1,596,065	\$ 366,435	18.7%
Finance	\$ 4,203,700	\$ 3,093,229	\$ 1,110,471	26.4%
IT	\$ 21,944,900	\$ 25,241,279	\$ (3,296,379)	-15.0%
Legal	\$ 1,307,700	\$ 1,181,531	\$ 126,169	9.6%
Operations	\$ 18,461,500	\$ 17,537,166	\$ 924,334	5.0%
Policy	\$ 1,130,300	\$ 977,462	\$ 152,838	13.5%
Unallotted	\$ 3,048,800	\$ -	\$ 3,048,800	0.0%
Total	\$ 59,043,000	\$ 56,223,372	\$ 2,819,628	4.8%

End of Year Projection- Enacted Budget

Department	Budget	Expenditures	Variance under/(over)	Variance %
Communications	\$ 6,983,600	\$ 6,596,642	\$ 386,958	5.5%
Executive	\$ 1,962,500	\$ 1,596,065	\$ 366,435	18.7%
Finance	\$ 4,203,700	\$ 3,093,229	\$ 1,110,471	26.4%
IT	\$ 21,944,900	\$ 25,241,279	\$ (3,296,379)	-15.0%
Legal	\$ 1,307,700	\$ 1,181,531	\$ 126,169	9.6%
Operations	\$ 18,461,500	\$ 17,537,166	\$ 924,334	5.0%
Policy	\$ 1,130,300	\$ 977,462	\$ 152,838	13.5%
Unallotted	\$ 3,048,800	\$ -	\$ 3,048,800	100.0%
Total	\$ 59,043,000	\$ 56,223,372	\$ 2,819,628	4.8%

Note: The IT budget is overspent because the Exchange invested any available funds in system enhancements to continue to improve the customer experience and generate future efficiencies.



FTE's by department

June 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	13.5	2.0	12.9%
IT	10.0	33.5	32.0	1.5	4.5%
Legal	0.0	11.5	11.5	0.0	0.0%
Operations	0.0	35.0	34.0	1.0	2.9%
Policy	0.0	8.0	8.0	0.0	0.0%
Total	10.0	129.5	124.0	5.5	4.2%

Year to Date

	Contractor FTEs	Budgeted FTEs	Actual FTEs	Variance under/(over)	Variance %
	0.0	16.5	16.6	-0.1	-0.5%
	0.0	10.0	9.5	0.5	5.0%
	0.0	15.7	14.4	1.3	8.0%
	9.7	33.0	31.5	1.5	4.4%
	0.0	11.5	10.7	0.8	7.2%
	0.0	34.8	33.0	1.8	5.1%
	0.0	8.0	7.3	0.7	8.3%
Total	9.7	129.5	123.1	6.4	5.0%



Expenditures for major contracts

June 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	\$ 785,754	\$ 825,449	\$ 11,189,001	\$ 11,152,620	\$ 11,152,620	\$ 36,381	0.3%
Deloitte- M&O	\$ 413,297	\$ 643,960	\$ 5,384,025	\$ 5,642,190	\$ 5,642,190	\$ (258,165)	-4.8%
Deloitte- DDI	\$ -	\$ 2,113,525	\$ 4,098,373	\$ 6,208,417	\$ 6,208,417	\$ (2,110,044)	-51.5%
KP	\$ 193,222	\$ 158,744	\$ 3,306,386	\$ 2,891,639	\$ 2,891,639	\$ 414,747	12.5%
Navigators	\$ 203,000	\$ 216,263	\$ 2,691,686	\$ 2,763,918	\$ 2,763,918	\$ (72,231)	-2.7%
GMMB	\$ 38,750	\$ 2,427	\$ 1,550,000	\$ 1,524,919	\$ 1,524,919	\$ 25,081	1.6%
Total	\$ 1,634,024	\$ 3,960,368	\$ 28,219,471	\$ 30,183,702	\$ 30,183,702	\$ (1,964,231)	-7.0%



Revenue

State Fiscal Year 2018 Revenue Projections

Revenue Source	SFY18 Projection	SFY18 Actuals	Variance
17T- QHP Medical	\$ 31,885,354	\$ 36,657,041	\$ 4,771,687
17T- QHP Family Dental	\$ 474,003	\$ 860,810	\$ 386,807
17T- QHP Pediatric Dental	\$ 71,672	\$ 72,367	\$ 695
Total	\$ 32,431,029	\$ 37,590,218	\$ 5,159,189

Revenues exceed projections due to higher than anticipated enrollment and premium growth.



June Contracts Update

June contract updates

Contract #	Company	start	end	Description	Additional value	Total contract value	Changes Through June 2018
HBE-387	PLAIN Strategies	6/5/18	6/30/19	Digital strategy alignment project	N/A	\$43,660	Digital strategy alignment project
IAA-066-C	Granicus	8/30/17	8/29/19	Platform for email marketing and outreach efforts	\$32,680	\$74,978	Targeted messaging setup and configuration for R.6.0
HBE-386	Quinn Thomas	7/1/18	6/30/20	Strategic Partner for advertising, marketing & communication	N/A	\$600,000	Strategic partner for advertising, marketing & communication
HBE-217	Resource Group	3/11/16	6/30/19	Financial System Replacement	\$0.00	\$588,735	Replace Schedule No. 1 (ongoing software maintenance and support for Intacct) in its entirety
HBE-171	TEKsystems	9/21/15	6/30/18	Optional use contract for technical staffing	\$0.00	\$4,000,000	Added resource: Software QA/Testing
HBE-171	TEKsystems	9/21/15	6/30/18	Optional use contract for technical staffing	\$0.00	\$4,000,000	Added resource: Technology Solutions Coordinator
HBE-342	Korean Women's Association	8/1/17	6/30/19	Navigator Organization	\$80,133	\$140,266	Add funding; Extend period of performance; Update Data Security exhibit and payment terms; Incorporate 2018-19 outreach plan



June contract updates

Contract #	Company	start	end	Description	Additional value	Total contract value	Changes Through June 2018
HBE-337	GetInsured	5/12/17	6/30/19	Consumer decision support tool for QHP shopping on HPF	\$11,800	\$922,120	Update plan formulary data for the GetInsured delivered Smart Plan Finder product
MLA-334	Microsoft	2/1/17	1/31/19	Premier Support Services	\$77,760	\$684,886	Extend Azure consulting services
IAA-390	Ironmark Law Group	7/1/18	4/30/22	Trademark Legal Services	N/A	\$7,000	Trademark Legal Services
HBE-171	TEKsystems	9/21/15	12/31/19	Optional use contract for technical staffing	\$0.00	\$4,000,000	Add position: Systems Administrator
HBE-357	Judge Lauren Erickson	7/12/17	6/30/21	Presiding Officer	\$50,000	\$100,000	Add additional language; extend period of performance; add funding
HBE-343	Better Health Together	8/1/17	6/30/19	Lead Navigator	\$333,197	\$646,022	Add funding; extend period of performance; update Data Security exhibit and payment terms; incorporate 2018-19 outreach plan; change Contractor's Contract Manager
HBE-349	Yakima Neighborhood Health Services	8/1/17	6/30/19	Lead Navigator	\$171,342	\$330,394	Add funding; extend period of performance; update Data Security exhibit and payment terms; incorporate 2018-19 outreach plan



June contract updates

Contract #	Company	start	end	Description	Additional value	Total contract value	Changes Through June 2018
HBE-359	Judge John Dziejcz	7/12/17	6/30/21	Presiding Officer	\$50,000	\$90,000	Add additional language; extend period of performance; add funding
HBE-217	The Resource Group	3/11/16	6/30/19	Financial System Replacement	\$0.00	\$588,735	Replace quote TRG-02558-W9Y0 in its entirety with quote TRG-02599-R5D6
IAA-066-I	En Point	10/1/16	9/30/19	Microsoft Enterprise Agreement and License Subscriptions	\$3,455	\$564,062	20 Microsoft 365 E5 unlimited site licenses
HBE-358	Judge James McNamara	7/12/17	6/30/21	Presiding Officer	\$50,000	\$100,000	Add additional language; extend POP; add funding
HBE-348	Whatcom Alliance for Healthcare Access	8/1/17	6/30/19	Lead Navigator	\$405,848	\$782,585	Add funding; extend period of performance; update Data security exhibit and payment terms; incorporate 2018-19 outreach plan
HBE-171	TEKsystems	9/21/15	6/30/18	Optional use contract for technical staffing	\$0.00	\$4,000,000	Work Order for Systems Administrator
HBE-344	CHOICE Regional Health Network	8/1/17	6/30/19	Lead Navigator	\$252,700	\$487,273	Add funding; extend period of performance; update Data Security exhibit and payment terms; incorporate 2018-19 outreach plan



June contract updates

Contract #	Company	start	end	Description	Additional value	Total contract value	Changes Through June 2018
HBE-356	Judge Gail Maurer	8/1/17	6/30/21	Presiding Officer	\$50,000	\$100,000	Add additional language; extend period of performance; add funding
HBE-346	Public Health – Seattle & King County	8/1/17	6/30/19	Lead Navigator	\$671,881	\$1,298,796	Add funding; extend period of performance; update Data Security exhibit, invoice and billing procedures, and payment terms; incorporate 2018-19 outreach plan
HBE-389	Ames Bros	6/25/18	6/30/19	Creative Services/Marketing/Design	N/A	\$300,000	Creative services/marketing/design
HBE-169	Coolsoft	9/21/15	12/31/19	Optional use contract for technical staffing	\$0.00	\$4,000,000	Extend period of performance; replace Data Security exhibit
HBE-385	Accenture	5/21/18	6/30/18	Agile Team Accelerator and Agile Workflow Coach	\$1,300	\$51,850	26 additional certifications
HBE-171	TEKsystems	9/21/15	12/31/19	Optional use contract for technical staffing	\$0.00	\$4,000,000	Extend period of performance; revised Authorized Hourly Price List to reflect a 5% cost increase
HBE-171	TEKsystems	9/21/15	12/31/19	Optional use contract for technical staffing	\$0.00	\$4,000,000	Extend contractor (Software QA/Testing) Work Order
HBE-171	TEKsystems	9/21/15	12/31/19	Optional use contract for technical staffing	\$0.00	\$4,000,000	Extend Systems Administrator Work Order



June contract updates

Contract #	Company	start	end	Description	Additional value	Total contract value	Changes Through June 2018
HBE-171	TEKsystems	9/21/15	12/31/19	Optional use contract for technical staffing	\$0.00	\$4,000,000	Extend contractor (Technology Solutions Coordinator) Work Order
HBE-386	Quinn Thomas	7/1/18	6/30/20	Strategic Partner for advertising, marketing & communication	\$0.00	\$2,000,000	Corrected maximum compensation; replaced Statement of Work section Compensation and Payment
HBE-197	Sitecrafting	7/26/15	6/30/19	Corporate website development	\$21,500	\$151,450	Extend period of performance; add funding; add new Statement of Work
HBE-345	Kitsap Public Health District	8/1/17	6/30/19	Lead Navigator	\$76,930	\$148,341	Add funding; extend period of performance; update Data Security exhibit and payment terms; Incorporate 2018-19 outreach plan
SLA-156	Immersion Technical Services	4/18/14	6/30/19	Professional Consulting Services	\$9,250	\$253,650	Extend period of performance; add new Statement of Work and corrected maximum not to exceed error that was made in amendment #10
HBE-347	Sea Mar Community Health Center	8/4/17	6/30/19	Lead Navigator	\$549,436	\$1,059,461	Add funding; extend period of performance; Update Data Security exhibit and payment terms; incorporate 2018-19 outreach plan



June contract updates

Contract #	Company	start	end	Description	Additional value	Total contract value	Changes Through June 2018
HBE-028	Faneuil	2/23/13	6/30/19	Call Center Operations	\$150,000	\$86,230,000	Amend call forecast for FY2019 and add funds
IAA-066-J-DLT	DLT Solutions	7/1/18	6/30/19	Licenses for Cloud-Hosted Learning Management System for Navigator and Broker Training	N/A	\$17,175	Licenses for Cloud-hosted Learning Management System for Navigator and Broker training
HBE-351	Wenatchee Valley Hospital	8/1/17	6/30/19	Lead Navigator	\$132,012	\$254,555	Add funding; extend period of performance; update Data Security exhibit and payment terms; incorporate 2018-19 outreach plan
HBE-350	Tri-Cities Community Health	8/1/17	6/30/19	Lead Navigator	\$167,089	\$322,193	Add funding; extend period of performance; Update Data Security exhibit and payment terms; incorporate 2018-19 outreach plan
HBE-170	Ciber	9/21/15	12/31/19	Optional use contract for technical staffing	\$0.00	\$4,000,000	Extend period of performance; change Contract Managers; replace Data Security Exhibit
SLA-221	Anitian	4/29/16	12/31/30	IT Consulting Services	\$39,500	\$128,500	Cloud Security architecture assessment





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