



Washington Health Benefit Exchange

Financial Report

Exchange Board Meeting

September 13, 2018

Terry Westhoff, AD Finance

Financial Update

August Finance update

- August month end variance of \$9,300 or 0.2%
- The primary reasons for this nominal variance include:
 - Slight delay in the ramp up of Azure cloud project activities and contractors as the Exchange works to bring managed services in-house.
 - Vacancy savings
- HBE submitted the five Board approved decision package requests (one Supplemental and four Biennial) to HCA for transmittal to OFM for the 2019 legislative session
- Draft Financial Statements for Fiscal Year 2018 received; no findings or weaknesses noted
- CMS approved Deloitte Amendment 42, representing the Requests for Change (RFC's) included in Release 6.1



SFY 2019 Expenditure report by fund source

August 2018

Fund	Budget	Expenditures	Variance under/(over)	Variance %
GF-State	\$ 556,230	\$ 432,541	\$ 123,689	22.2%
GF-Federal	\$ 1,821,199	\$ 1,959,282	\$ (138,083)	-7.6%
17T	\$ 2,100,692	\$ 2,076,982	\$ 23,710	1.1%
Total	\$ 4,478,121	\$ 4,468,806	\$ 9,315	0.2%

Year to Date

Budget	Expenditures	Variance under/(over)	Variance %
\$ 1,124,750	\$ 836,609	\$ 288,141	25.6%
\$ 3,881,967	\$ 3,724,231	\$ 157,736	4.1%
\$ 4,482,795	\$ 4,021,407	\$ 461,388	10.3%
\$ 9,489,512	\$ 8,582,247	\$ 907,265	9.6%

End of Year Projection- Total Funds

Fund	Budget	Expenditures	Variance under/(over)	Variance %
GF-State	\$ 5,651,000	\$ 5,362,859	\$ 288,141	5.1%
GF-Federal	\$ 27,182,374	\$ 27,124,638	\$ 57,736	0.2%
17T	\$ 32,235,626	\$ 32,009,392	\$ 226,234	0.7%
Total	\$ 65,069,000	\$ 64,496,889	\$ 572,111	0.9%



SFY 2019 Expenditure report by object

August 2018

Object	Budget	Expenditures	Variance under/(over)	Variance %
Salaries	\$ 952,560	\$ 860,816	\$ 91,744	9.6%
Benefits	\$ 337,641	\$ 303,870	\$ 33,771	10.0%
Contracts	\$ 2,773,150	\$ 2,916,856	\$ (143,706)	-5.2%
Goods and Services	\$ 394,090	\$ 379,935	\$ 14,155	3.6%
Travel	\$ 20,680	\$ 7,328	\$ 13,352	64.6%
Total	\$ 4,478,121	\$ 4,468,806	\$ 9,315	0.2%

Year to Date

Object	Budget	Expenditures	Variance under/(over)	Variance %
Salaries	\$ 1,894,530	\$ 1,729,502	\$ 165,028	8.7%
Benefits	\$ 667,582	\$ 606,723	\$ 60,859	9.1%
Contracts	\$ 5,862,360	\$ 5,416,521	\$ 445,839	7.6%
Goods and Services	\$ 1,023,680	\$ 815,845	\$ 207,835	20.3%
Travel	\$ 41,360	\$ 13,657	\$ 27,703	67.0%
Total	\$ 9,489,512	\$ 8,582,247	\$ 907,265	9.6%

End of Year Projection- Enacted Budget

Object	Budget	Expenditures	Variance under/(over)	Variance %
Salaries	\$ 11,909,968	\$ 11,744,694	\$ 165,274	1.4%
Benefits	\$ 4,092,442	\$ 4,031,583	\$ 60,859	1.5%
Contracts	\$ 43,284,020	\$ 43,073,581	\$ 210,439	0.5%
Goods and Services	\$ 5,534,140	\$ 5,426,305	\$ 107,835	1.9%
Travel	\$ 248,430	\$ 220,727	\$ 27,703	11.2%
Total	\$ 65,069,000	\$ 64,496,889	\$ 572,111	0.9%



SFY 2019 Expenditure report by department

August 2018

Department	Budget	Expenditures	Variance under/(over)	Variance %
Communications	\$ 687,960	\$ 735,654	\$ (47,694)	-6.9%
Executive	\$ 173,170	\$ 120,287	\$ 52,883	30.5%
Finance	\$ 269,010	\$ 210,544	\$ 58,466	21.7%
IT	\$ 1,850,860	\$ 1,975,248	\$ (124,388)	-6.7%
Legal	\$ 34,651	\$ 34,942	\$ (291)	-0.8%
Operations	\$ 1,346,560	\$ 1,275,397	\$ 71,163	5.3%
Policy	\$ 115,910	\$ 116,734	\$ (824)	-0.7%
Unallotted	\$ -	\$ -	\$ -	0.0%
Total	\$ 4,478,121	\$ 4,468,806	\$ 9,315	0.2%

Year to Date

Budget	Expenditures	Variance under/(over)	Variance %
\$ 1,151,710	\$ 1,142,466	\$ 9,244	0.8%
\$ 346,340	\$ 237,020	\$ 109,320	31.6%
\$ 538,020	\$ 432,449	\$ 105,571	19.6%
\$ 4,409,980	\$ 3,901,185	\$ 508,795	11.5%
\$ 80,302	\$ 87,284	\$ (6,982)	-8.7%
\$ 2,736,840	\$ 2,554,089	\$ 182,751	6.7%
\$ 226,320	\$ 227,754	\$ (1,434)	-0.6%
\$ -	\$ -	\$ -	0.0%
\$ 9,489,512	\$ 8,582,247	\$ 907,265	9.6%

End of Year Projection- Enacted Budget

Department	Budget	Expenditures	Variance under/(over)	Variance %
Communications	\$ 7,603,900	\$ 7,594,656	\$ 9,244	0.1%
Executive	\$ 1,893,340	\$ 1,784,020	\$ 109,320	5.8%
Finance	\$ 3,991,910	\$ 3,886,339	\$ 105,571	2.6%
IT	\$ 25,057,640	\$ 24,898,845	\$ 158,795	0.6%
Legal	\$ 426,722	\$ 423,858	\$ 2,864	0.7%
Operations	\$ 19,181,150	\$ 18,998,399	\$ 182,751	1.0%
Policy	\$ 1,322,850	\$ 1,319,284	\$ 3,566	0.3%
Unallotted	\$ 5,591,488	\$ 5,591,488	\$ -	0.0%
Total	\$ 65,069,000	\$ 64,496,889	\$ 572,111	0.9%



SFY 2019 FTE's by department

August 2018

	Budgeted FTEs	Actual FTEs	Variance under/(over)	Variance %
Communications	17.5	17.5	0.0	0.0%
Executive	10.5	9.5	1.0	9.5%
Finance	15.5	14.5	1.0	6.5%
IT	38.5	32.5	6.0	15.6%
Legal	1.5	1.5	0.0	0.0%
Operations	45.0	42.0	3.0	6.7%
Policy	9.0	8.0	1.0	11.1%
Total	137.5	125.5	12.0	8.7%

Year to Date

	Budgeted FTEs	Actual FTEs	Variance under/(over)	Variance %
Communications	17.5	17.0	0.5	2.9%
Executive	10.5	9.5	1.0	9.5%
Finance	15.5	14.0	1.5	9.7%
IT	38.5	32.5	6.0	15.6%
Legal	1.5	1.5	0.0	0.0%
Operations	45.0	42.5	2.5	5.6%
Policy	9.0	8.0	1.0	11.1%
Total	137.5	125.0	12.5	9.1%



SFY 2019 Expenditures for major contracts

August 2018

Fund	Current Month Budget	Current Month Expenditures	Annual Budget	YTD Expenditures	Projected End of Year	End of Year \$ Variance	End of Year % Variance
Faneuil	\$ 727,845	\$ 729,150	\$ 11,350,544	\$ 1,447,038	\$ 11,343,293	\$ 7,251	0.1%
Deloitte- M&O	\$ 413,763	\$ 413,763	\$ 4,965,156	\$ 827,526	\$ 4,965,156	\$ -	0.0%
Deloitte- DDI	\$ 301,226	\$ 301,226	\$ 3,621,103	\$ 602,452	\$ 3,621,103	\$ -	0.0%
KP	\$ 210,052	\$ 178,729	\$ 2,925,772	\$ 277,009	\$ 2,719,222	\$ 206,550	7.1%
Navigators	\$ 209,139	\$ 237,911	\$ 2,774,420	\$ 454,988	\$ 2,811,130	\$ (36,711)	-1.3%
Total	\$ 1,862,025	\$ 1,860,779	\$ 25,636,994	\$ 3,609,013	\$ 25,459,904	\$ 177,090	0.7%



SFY 2019 Revenue

State Fiscal Year 2019 Revenue Projections

Revenue Source	Original Projection (April Forecast)	Updated Projection (August Forecast)	Variance
17T- QHP Medical	\$ 38,928,439	\$ 37,405,213	\$ (1,523,226)
17T- QHP Family Dental	\$ 764,209	\$ 748,808	\$ (15,401)
17T- QHP Pediatric Dental	\$ 58,333	\$ 71,762	\$ 13,429
Total	\$ 39,750,981	\$ 38,225,783	\$ (1,525,198)

Revenue projection has been updated in August to reflect most recent Wakely actuarial enrollment forecast as well as the OIC premium tax forecast



August Contracts Update

August 2018 contract updates

Contract #	Company	Start	End	Description	Additional Value	Total Contract Value	Changes Through August 2018
MLA-362	Hewlett Packard Enterprise	8/3/17	8/2/19	Software support and licensing	\$45,957	\$88,427	Fortify - vulnerability assessment and application security solutions tool used to test application software
IAA-066-I	En Point	10/1/16	9/30/19	Microsoft Enterprise Agreement and License Subscriptions	\$4,253	\$568,316	Remote desk server user licenses (qty 20); Azure active directory licenses/subscriptions (qty 50)
MLA-363	Atlassian	8/1/17	8/1/19	Issue tracking software (Cloud) + Issue tracking software (Server) annual licensing	\$5,854	\$18,395	Test management software for issue tracking software core (100 users)
IAA-066-B	Pacific Office Automation	7/31/17	5/30/22	Lease agreement for copiers/scanners/faxes	\$0	\$0	Add new plotter printer and new standalone printer
HBE-171	TEKSystems	9/21/15	12/31/19	Optional use contract for technical staffing	\$0	\$4,000,000	Add IT Business Analyst - Service Desk Work Order
HBE-393	Applied Team Insurance	9/1/18	8/31/19	Full Service Enrollment Center	N/A	\$15,000	Full Service Enrollment Center
HBE-394	Financial Designs	9/1/18	8/31/19	Full Service Enrollment Center	N/A	\$10,384	Full Service Enrollment Center
HBE-395	FND Insurance	9/1/18	8/31/19	Full Service Enrollment Center	N/A	\$15,000	Full Service Enrollment Center
HBE-396	GHB Insurance	9/1/18	8/31/19	Full Service Enrollment Center	N/A	\$15,000	Full Service Enrollment Center
HBE-398	Rice Insurance	9/1/18	8/31/19	Full Service Enrollment Center	N/A	\$15,000	Full Service Enrollment Center
HBE-399	Suzie Health Solutions	9/1/18	8/31/19	Full Service Enrollment Center	N/A	\$9,950	Full Service Enrollment Center



August 2018 contract updates

Contract #	Company	Start	End	Description	Additional Value	Total Contract Value	Changes Through August 2018
HBE-400	Yakima Neighborhood Health Services	9/1/18	8/31/19	Full Service Enrollment Center	N/A	\$15,000	Full Service Enrollment Center
HBE-335	Ruxed	3/7/17	10/31/19	Design, development and implementation of HBE's SharePoint/Intranet	\$74,000	\$230,000	Extend period of performance; add funding; new statement of work: post-development backlog and priorities - #2
HBE-338	BetterDoctor	5/10/17	6/30/19	Provider Directory	\$0	\$610,890	Change of control to Quest Analytics; contract management change; additional terms and conditions incorporated





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