

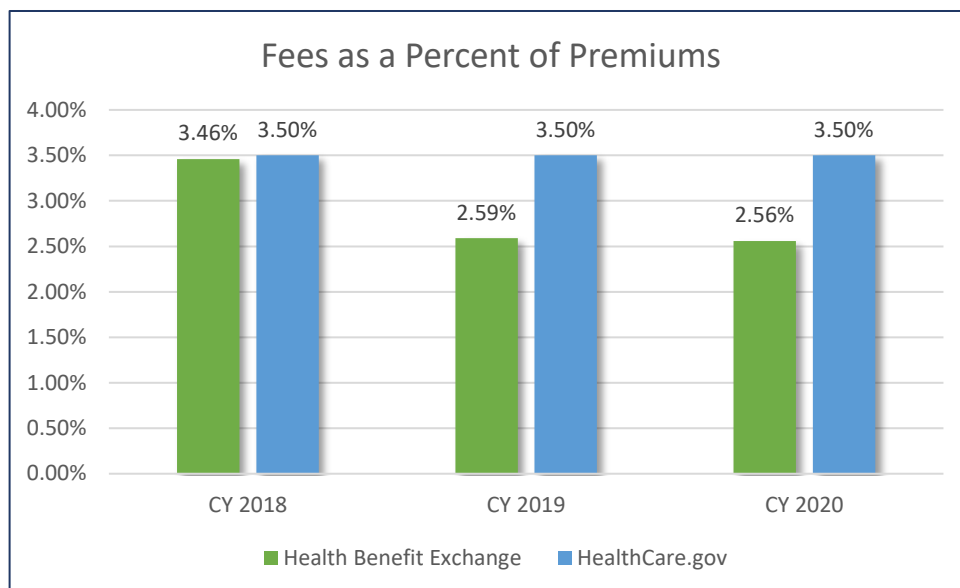
Health Benefit Exchange 2019 Legislative Priority *Support for Biennial Budget Request*

Value to Washington State

The Washington Health Benefit Exchange (Exchange) operates the health portal (*Washington Healthplanfinder* or HPF) used by 1.7 million Washington residents.

- Serves 1.5 million MAGI Medicaid enrollees and 220,000 Qualified Health Plan (QHP) enrollees
- Provides eligibility and enrollment services, including electronic applications, call center services, special enrollment requests, and sending legal notices
- Utilizes an extensive network of community-based navigators and enrollment centers to maximize the number of individuals with insurance coverage in Washington
- Operates *Washington Healthplanfinder*, one of the most modern platforms in Washington State

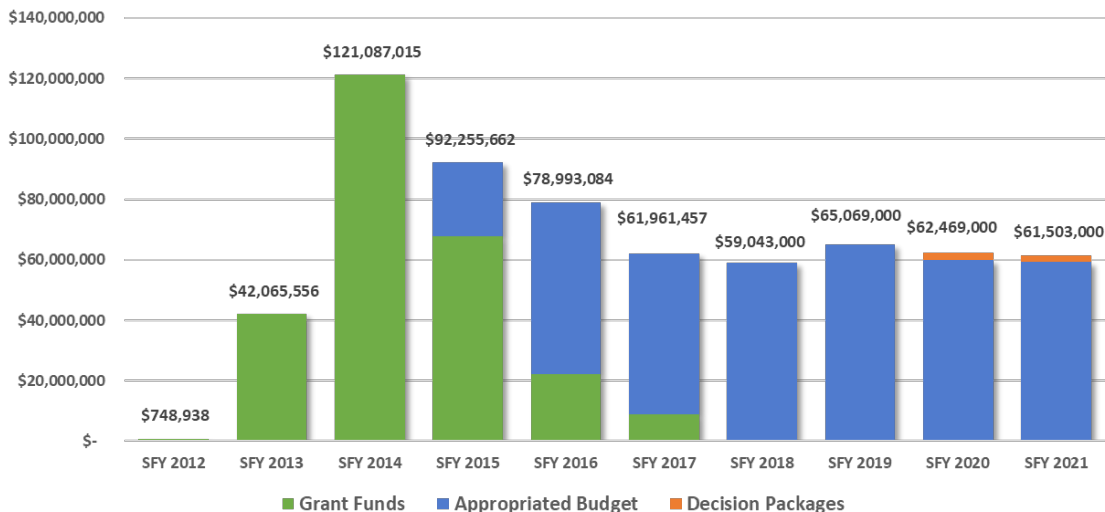
The Exchange continues to increase its cost effectiveness as compared to the federal eligibility and enrollment platform. Beginning in calendar year 2019, the Exchange reduced the carrier assessment by 55%, from \$7.46 per member per month to \$3.36 per member per month.



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Budget by Fiscal Year

The Exchange is not requesting additional General Fund-State dollars but requires expenditure authority. The Governor’s proposed budget for the 2019-21 biennium increases Exchange expenditure authority by \$4.8 million from the current level budget, for a total biennial appropriation of \$119.2 million. This amount is 4.1 percent lower than the 2017-19 biennium.



2019-21 Biennial Decision Packages

New expenditures included in the proposed budget include:

- **Federal Requirement IV&V** - Funding to support new federal Independent Validation and Verification (IV&V) requirements (\$558,000)
- **Cloud Software Costs** - Additional funds for costs associated with modifying *Washington Healthplanfinder* and other significant Exchange applications (\$1.3 million). In SFY 2019, HPF moved from a server environment to a cloud platform, which requires that software products are kept current.
- **System Integrator Procurement** - One-time funding needed for our system integrator re-procurement (\$2.9 million)

Exchange Funding Sources

Health Benefit Exchange Account (17T) - \$56.7 million (47%)

Carrier Assessment is used for activities that benefit Qualified Health/Dental Plan (QHP/QDP) enrollees. Premium tax revenue is used as the state match for federal Medicaid funds.

General Fund Federal (GF-Federal) - \$52.1 million (44%)

Used to pay for activities that benefit Medicaid/Washington Apple Health (WAH) Enrollees.

General Fund State (GF-State) - \$10.4 million (9%)

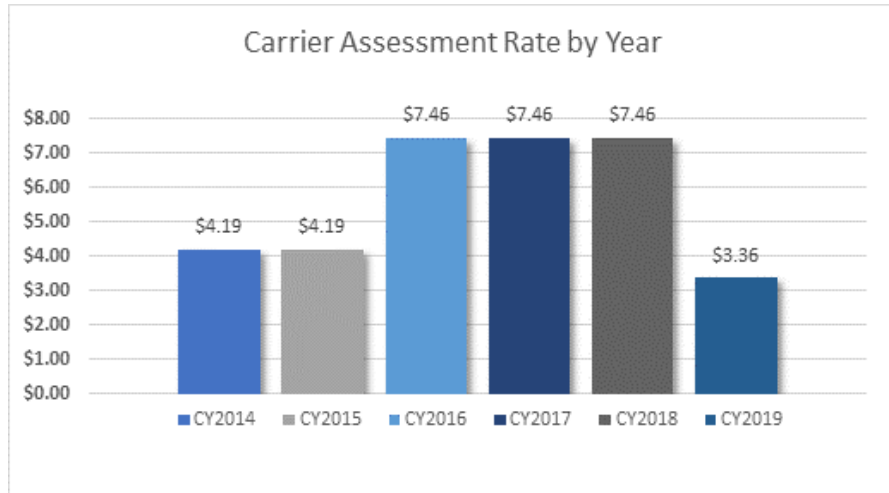
Generally used as the state match for federal Medicaid funds

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Exchange Funding Sources

The Health Benefit Exchange Account (17T) receives revenue from two sources:

- A **premium tax** collected on medical and stand-alone dental plans offered through the Exchange (2%), and
- A **carrier assessment** on health and dental plans sold through the Exchange in an amount necessary to fund the operations of the Exchange in the following calendar year



Beginning in calendar year 2019, the Exchange reduced the carrier assessment by 55%, from \$7.46 per member per month to \$3.36 per member per month, which is passed on to the enrollee.

Progress on Strategies to Reduce Cost

The Exchange continues to strive for operational efficiencies, an improved customer experience and enhanced system modularity. Examples include:

- The Exchange recently completed a re-procurement of its call center vendor, which will result in the addition chat functionality without increasing the total call center costs.
- The Exchange modified its approach to managing passwords, which has resulted in fewer customer calls to the call center. New tools were implemented by Faneuil, the call center vendor, which streamlined the work for customer service representatives.
- Changes were made to improve the consistency of Healthplanfinder enrollment screens to avoid customer confusion.
- Mobile applications continue to increase, with 113,000 downloads of the app and 31,400 documents uploaded since it was implemented.
- In January 2019, Medicaid clients will have their plan insurance information available on the mobile app.
- In 2018, the Exchange worked collaboratively with the Secretary of State and Department of Licensing to improve outreach for Exchange enrollees regarding voter registration.
- A Lean initiative was launched to improve business processes and drive better financial and programmatic outcomes. Results from the first two Lean pilots reduced cycle time in the organization's financial monthly close process and made systemic improvements to the Exchange's customer complaint referral process.