



Washington Health Benefit Exchange

Exchange Board Meeting
Financial Report
March 21, 2019
Carole Holland, CFO

Financial Update

March Finance update

- February month end variance of \$124k or 2.9%
- The primary reasons for the variance include:
 - Vacancy savings of \$60,000
 - Receipt of broker training payments totaling \$60,000
 - Partially offset by software spend, which was slightly over budget due to timing of software renewals and purchases
- Review of internal controls underway and to be completed in March 2019
- Legislative budgets expected to be out the last week of March



HBE fiscal notes – 2019-21 costs

- COFA Dental – SB5274
 - \$1,173,000 in 17T in the 2019-21 Biennium
- Public Option (Cascade Care) – SHB 1523 and SSB 5526
 - \$1,148,000 (\$1,048,000 17T and \$100,000 GF-State) in the 2019-21 Biennium
- All Payer Claims Database – HB 1776 and SSB 5741
 - No Fiscal Impact



SFY 2019 Expenditure report by fund source

February 2019

Fund	Budget	Expenditures	Variance under/(over)	Variance %
GF-State	\$ 479,540	\$ 481,415	\$ (1,875)	-0.4%
GF-Federal	\$ 1,781,858	\$ 1,816,874	\$ (35,016)	-2.0%
17T	\$ 1,994,633	\$ 1,833,407	\$ 161,226	8.1%
Total	\$ 4,256,031	\$ 4,131,696	\$ 124,335	2.9%

Year to Date

Budget	Expenditures	Variance under/(over)	Variance %
\$ 4,638,340	\$ 4,042,679	\$ 595,661	12.8%
\$ 17,413,375	\$ 16,352,184	\$ 1,061,191	6.1%
\$ 19,585,053	\$ 16,946,484	\$ 2,638,569	13.5%
\$ 41,636,768	\$ 37,341,346	\$ 4,295,422	10.3%

End of Year Projection- Total Funds

Fund	Budget	Expenditures	Variance under/(over)	Variance %
GF-State	\$ 5,651,000	\$ 5,645,339	\$ 5,661	0.1%
GF-Federal	\$ 27,176,114	\$ 27,016,498	\$ 159,616	0.6%
17T	\$ 32,241,646	\$ 30,531,076	\$ 1,710,570	5.3%
Total	\$ 65,068,760	\$ 63,192,912	\$ 1,875,848	2.9%



SFY 2019 Expenditure report by object

February 2019

Object	Budget	Expenditures	Variance under/(over)	Variance %
Salaries	\$ 961,500	\$ 907,241	\$ 54,259	5.6%
Benefits	\$ 345,471	\$ 339,270	\$ 6,201	1.8%
Contracts	\$ 2,639,250	\$ 2,438,902	\$ 200,348	7.6%
Goods and Services	\$ 289,100	\$ 426,644	\$ (137,544)	-47.6%
Travel	\$ 20,710	\$ 19,639	\$ 1,071	5.2%
Total	\$ 4,256,031	\$ 4,131,696	\$ 124,335	2.9%

Year to Date

Budget	Expenditures	Variance under/(over)	Variance %
\$ 7,659,920	\$ 7,124,459	\$ 535,461	7.0%
\$ 2,710,558	\$ 2,530,952	\$ 179,606	6.6%
\$ 27,473,250	\$ 24,417,307	\$ 3,055,943	11.1%
\$ 3,627,450	\$ 3,164,259	\$ 463,191	12.8%
\$ 165,590	\$ 104,370	\$ 61,220	37.0%
\$ 41,636,768	\$ 37,341,346	\$ 4,295,422	10.3%

End of Year Projection- Enacted Budget

Object	Budget	Expenditures	Variance under/(over)	Variance %
Salaries	\$ 11,943,628	\$ 11,681,167	\$ 262,461	2.2%
Benefits	\$ 4,092,442	\$ 4,004,436	\$ 88,006	2.2%
Contracts	\$ 43,250,120	\$ 42,249,151	\$ 1,000,969	2.3%
Goods and Services	\$ 5,534,140	\$ 5,070,949	\$ 463,191	8.4%
Travel	\$ 248,430	\$ 187,210	\$ 61,220	24.6%
Total	\$ 65,068,760	\$ 63,192,912	\$ 1,875,848	2.9%



SFY 2019 Expenditure report by department

February 2019

Department	Budget	Expenditures	Variance under/(over)	Variance %
Communications	\$ 425,670	\$ 367,819	\$ 57,851	13.6%
Executive	\$ 158,610	\$ 124,795	\$ 33,815	21.3%
Finance	\$ 273,030	\$ 262,013	\$ 11,017	4.0%
IT	\$ 1,833,260	\$ 1,782,539	\$ 50,721	2.8%
Legal	\$ 34,641	\$ 23,659	\$ 10,982	31.7%
Operations	\$ 1,425,010	\$ 1,474,623	\$ (49,613)	-3.5%
Policy	\$ 105,810	\$ 96,249	\$ 9,561	9.0%
Unallotted	\$ -	\$ -	\$ -	0.0%
Total	\$ 4,256,031	\$ 4,131,696	\$ 124,335	2.9%

Year to Date

Department	Budget	Expenditures	Variance under/(over)	Variance %
Communications	\$ 5,615,330	\$ 5,022,796	\$ 592,534	10.6%
Executive	\$ 1,296,300	\$ 987,638	\$ 308,662	23.8%
Finance	\$ 2,549,790	\$ 2,030,503	\$ 519,287	20.4%
IT	\$ 17,382,160	\$ 15,705,170	\$ 1,676,990	9.6%
Legal	\$ 288,158	\$ 231,045	\$ 57,113	19.8%
Operations	\$ 13,624,760	\$ 12,546,156	\$ 1,078,604	7.9%
Policy	\$ 880,270	\$ 818,038	\$ 62,232	7.1%
Unallotted	\$ -	\$ -	\$ -	0.0%
Total	\$ 41,636,768	\$ 37,341,346	\$ 4,295,422	10.3%

End of Year Projection- Enacted Budget

Department	Budget	Expenditures	Variance under/(over)	Variance %
Communications	\$ 7,547,650	\$ 7,054,316	\$ 493,334	6.5%
Executive	\$ 1,927,000	\$ 1,698,338	\$ 228,662	11.9%
Finance	\$ 3,991,910	\$ 3,972,623	\$ 19,287	0.5%
IT	\$ 25,079,990	\$ 24,966,694	\$ 113,296	0.5%
Legal	\$ 426,722	\$ 369,609	\$ 57,113	13.4%
Operations	\$ 19,181,150	\$ 18,442,546	\$ 738,604	3.9%
Policy	\$ 1,322,850	\$ 1,287,298	\$ 35,552	2.7%
Unallotted	\$ 5,591,488	\$ 5,401,488	\$ 190,000	3.4%
Total	\$ 65,068,760	\$ 63,192,912	\$ 1,875,848	2.9%



SFY 2019 Expenditures for major contracts

February 2019

Fund	Current Month Budget	Current Month Expenditures	YTD Expenditures	Annual Budget	Projected End of Year	End of Year \$ Variance	End of Year % Variance
Faneuil	\$ 887,673	\$ 872,424	\$ 7,586,770	\$ 11,350,544	\$ 10,920,439	\$ 430,105	3.8%
Deloitte- M&O	\$ 413,763	\$ 413,763	\$ 3,310,104	\$ 4,965,156	\$ 4,965,156	\$ -	0.0%
Deloitte- DDI	\$ 324,309	\$ 304,223	\$ 2,891,831	\$ 3,667,287	\$ 3,636,206	\$ 31,081	0.8%
KP	\$ 125,485	\$ 194,879	\$ 1,781,460	\$ 2,925,772	\$ 2,506,781	\$ 418,991	14.3%
Navigators	\$ 238,075	\$ 213,827	\$ 1,941,335	\$ 3,125,000	\$ 2,893,635	\$ 231,365	7.4%
Total	\$ 1,989,305	\$ 1,999,116	\$ 17,511,500	\$ 26,033,759	\$ 24,922,217	\$ 1,111,542	4.3%



SFY 2019 FTE's by department

February 2019

	Budgeted FTEs	Actual FTEs	Variance under/(over)	Variance %
Communications	17.5	17.5	0.0	0.0%
Executive	9.5	9.0	0.5	5.3%
Finance	15.5	14.5	1.0	6.5%
IT	37.5	33.5	4.0	10.7%
Legal	1.5	1.5	0.0	0.0%
Operations	45.0	43.0	2.0	4.4%
Policy	9.0	9.0	0.0	0.0%
Total	135.5	128.0	7.5	5.5%

Year to Date

	Budgeted FTEs	Actual FTEs	Variance under/(over)	Variance %
Communications	17.5	17.4	0.1	0.7%
Executive	9.5	9.1	0.4	3.9%
Finance	15.5	14.4	1.1	7.3%
IT	37.5	33.8	3.8	10.0%
Legal	1.5	1.5	0.0	0.0%
Operations	45.0	42.4	2.6	5.8%
Policy	9.0	8.4	0.6	6.9%
Total	135.5	126.9	8.6	6.4%



February Contracts Update

February contract updates

Contract #	Company	Start	End	Description	Additional Value	Total Contract Value	Changes Through February 2019
MLA-414	Microsoft	2/1/2019	1/31/2020	Premier Support Services (Unified)		\$121,790	New contract
HBE-378	Secure-24	11/1/17	6/30/20	HPF Hosting Services	\$0	\$2,700,000	Add statement of work for Azure migration activities
HBE-383	Cline Consulting	4/1/18	6/30/19	Leadership Team Development	\$44,000	\$95,000	Add new statement of work for Policy management team development
HBE-383	Cline Consulting	4/1/18	12/31/19	Leadership Team Development	\$0	\$95,000	Extend period of performance
MLA-042	Oracle	3/30/16	3/30/21	Support Services and Licenses	\$16,008	\$5,285,955	Qty 2 GoldenGate - Processor 1 year; amend Oracle Master Agreement to include 2019 GoldenGate ordering document
SLA-116	Akamai	8/22/13	5/31/19	Solution to address evolving complexities of application acceleration in the cloud	\$9,750	n/a	Kona Security Solution Services: web and security services integration (up to 30 hours)
HBE-338	BetterDoctor	5/10/17	6/30/21	Provider Directory	\$578,172	\$1,189,062	Extend period of performance and add funding
MLA-179	Edifecs	3/13/15	3/13/19	Master License and Service Agreement	\$0	\$3,016,088	Change statement of work #1522 schedule
SLA-104	Crisis Reality Training	7/26/13	12/31/30	Workplace violence training for staff	\$3,000	\$21,000	Additional workplace violence training for staff





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