



Washington Health Benefit Exchange

Exchange Operations Committee Meeting

Financial Report

Jim Crawford, CFO

March 19, 2020

Financial Update

March Finance Update

- February month end variance of \$638,000 or 13% under budget
 - Vacancy savings continue to be a significant driver of the underspend
 - Contracts were underspent in February
 - Consumer relations costs (call center and mailings) were below budget
 - Timing of expenditures for website enhancement activities also resulted in underspend for February
- End of Year Projections are updated
- Legislative budget update



19-21 Biennial Budget by Fund Source

	2019-21 Biennium
Biennial Appropriation	\$ 121,489,000

Objects	Year 1 Budget	Year 2 Projected Budget	Biennial Budget
General Fund - State	\$ 6,407,000	\$ 5,234,000	\$ 11,641,000
General Fund - Medicaid	\$ 22,293,970	\$ 28,034,030	\$ 50,328,000
17T	\$ 30,209,480	\$ 29,310,520	\$ 59,520,000
Total	\$ 58,910,450	\$ 62,578,550	\$ 121,489,000

*Does not reflect final supplemental legislative budget



SFY 2020 Expenditure Report by Fund Source

February 2020

Fund	Budget	Expenditures	Variance under/(over)	Variance %
GF-State	\$ 546,020	\$ 410,423	\$ 135,597	24.8%
GF-Federal	\$ 1,993,210	\$ 1,543,668	\$ 449,542	22.6%
17T	\$ 2,420,960	\$ 2,367,749	\$ 53,211	2.2%
Total	\$ 4,960,190	\$ 4,321,840	\$ 638,350	12.9%

Year to Date

Budget	Expenditures	Variance under/(over)	Variance %
\$ 4,631,030	\$ 4,671,635	\$ (40,605)	-0.9%
\$ 14,475,700	\$ 14,084,822	\$ 390,878	2.7%
\$ 19,281,680	\$ 17,140,519	\$ 2,141,161	11.1%
\$ 38,388,410	\$ 35,896,976	\$ 2,491,434	6.5%

End of Year Projection- Total Funds

Fund	Budget	Expenditures	Variance under/(over)	Variance %
GF-State	\$ 6,407,000	\$ 6,407,000	\$ 0	0.0%
GF-Federal	\$ 22,293,970	\$ 21,903,092	\$ 390,878	1.8%
17T	\$ 30,209,480	\$ 28,068,319	\$ 2,141,161	7.1%
Total	\$ 58,910,450	\$ 56,378,411	\$ 2,532,039	4.3%



SFY 2020 Expenditure Report by Object

February 2020

Object	Budget	Expenditures	Variance under/(over)	Variance %
Salaries	\$ 1,024,420	\$ 954,464	\$ 69,956	6.8%
Benefits	\$ 381,890	\$ 357,598	\$ 24,292	6.4%
Contracts	\$ 3,236,030	\$ 2,719,818	\$ 516,212	16.0%
Goods and Services	\$ 300,080	\$ 285,246	\$ 14,834	4.9%
Travel	\$ 17,770	\$ 4,714	\$ 13,056	73.5%
Total	\$ 4,960,190	\$ 4,321,840	\$ 638,350	12.9%

Year to Date

Budget	Expenditures	Variance under/(over)	Variance %
\$ 8,219,610	\$ 7,434,844	\$ 784,766	9.5%
\$ 3,038,780	\$ 2,681,150	\$ 357,630	11.8%
\$ 23,186,940	\$ 22,353,277	\$ 833,663	3.6%
\$ 3,778,590	\$ 3,319,618	\$ 458,972	12.1%
\$ 164,490	\$ 108,087	\$ 56,403	34.3%
\$ 38,388,410	\$ 35,896,976	\$ 2,491,434	6.5%

End of Year Projection- Enacted Budget

Object	Budget	Expenditures	Variance under/(over)	Variance %
Salaries	\$ 12,328,720	\$ 11,543,954	\$ 784,766	6.4%
Benefits	\$ 4,571,950	\$ 4,214,320	\$ 357,630	7.8%
Contracts	\$ 35,886,880	\$ 35,012,612	\$ 874,268	2.4%
Goods and Services	\$ 5,887,330	\$ 5,428,358	\$ 458,972	7.8%
Travel	\$ 235,570	\$ 179,167	\$ 56,403	23.9%
Total	\$ 58,910,450	\$ 56,378,411	\$ 2,532,039	4.3%



SFY 2020 Expenditure Report by Department

February 2020

Department	Budget	Expenditures	Variance under/(over)	Variance %
Communications	\$ 447,930	\$ 443,399	\$ 4,531	1.0%
Executive	\$ 111,360	\$ 105,252	\$ 6,108	5.5%
Finance	\$ 332,560	\$ 272,808	\$ 59,752	18.0%
IT	\$ 2,425,150	\$ 2,145,783	\$ 279,367	11.5%
Enterprise Strategy	\$ 205,970	\$ 133,062	\$ 72,908	35.4%
Operations	\$ 1,437,220	\$ 1,221,535	\$ 215,685	15.0%
Unalloted	\$ -	\$ -	\$ -	0.0%
Total	\$ 4,960,190	\$ 4,321,840	\$ 638,350	12.9%

Year to Date

Department	Budget	Expenditures	Variance under/(over)	Variance %
Communications	\$ 4,943,070	\$ 4,704,330	\$ 238,740	4.8%
Executive	\$ 943,750	\$ 752,739	\$ 191,011	20.2%
Finance	\$ 3,101,950	\$ 2,502,658	\$ 599,292	19.3%
IT	\$ 17,095,650	\$ 16,464,798	\$ 630,852	3.7%
Enterprise Strategy	\$ 1,483,620	\$ 1,140,180	\$ 343,440	23.1%
Operations	\$ 10,820,370	\$ 10,332,272	\$ 488,098	4.5%
Unalloted	\$ -	\$ -	\$ -	0.0%
Total	\$ 38,388,410	\$ 35,896,976	\$ 2,491,434	6.5%

End of Year Projection- Enacted Budget

Department	Budget	Expenditures	Variance under/(over)	Variance %
Communications	\$ 7,432,900	\$ 7,188,761	\$ 244,139	3.3%
Executive	\$ 1,418,850	\$ 1,227,839	\$ 191,011	13.5%
Finance	\$ 4,559,740	\$ 3,960,448	\$ 599,292	13.1%
IT	\$ 27,520,880	\$ 26,835,628	\$ 685,252	2.5%
Enterprise Strategy	\$ 2,110,620	\$ 1,777,180	\$ 333,440	15.8%
Operations	\$ 15,867,450	\$ 15,388,546	\$ 478,904	3.0%
Unalloted	\$ -	\$ -	\$ -	0.0%
Total	\$ 58,910,440	\$ 56,378,401	\$ 2,532,039	4.3%



Appendix

Statement of net position

	as of <u>01/31/2020</u>	as of <u>6/30/2019</u>
ASSETS		
<u>Current Assets</u>		
Cash and Cash Equivalents (1)	\$ 17,188,996	\$ 4,110,610
Receivables and Other Current Assets (2)	\$ 8,054,743	\$ 12,899,719
<u>Long -Term Assets and Deferred Outflows</u>		
Total Capital Assets, Net of Depreciation (3)	\$ 16,901,843	\$ 17,290,889
Total Other Long Term Assets	\$ -	\$ 675,259
Deferred Outflow of Resources-Pensions	\$ 1,742,403	\$ 1,742,403
Total Assets	<u>\$ 43,887,985</u>	<u>\$ 36,718,880</u>
LIABILITIES AND NET POSITION		
<u>Current Liabilities</u>		
Accounts Payable & Other Current Liabilities	\$ 26,467,699	\$ 18,215,670
<u>Long Term Liabilities and Deferred Inflows</u>		
Pension and Post-Employment Benefits (4)	\$ 6,365,108	\$ 6,365,108
Lease Liability (4)	\$ 1,741,938	\$ 1,733,597
Deferred Inflow of Resources-Pensions	\$ 2,395,785	\$ 2,395,785
Total Net Position (5)	<u>\$ 7,917,455</u>	<u>\$ 8,008,720</u>
Total Liabilities and Net Position	<u>\$ 43,887,985</u>	<u>\$ 36,718,880</u>

(1) Lump sum pre-payment of 17T and General Fund-State fund appropriations in January 2020 increased cash available.

(2) Accounts Receivable as of June 30th was higher primarily because carrier assessments were booked in June but not received until July 2019.

(3) Capitalized enhancements to HPF software continues to be our largest category of assets (about (70% of total net assets).

(4) Government Accounting Standards (GASB) require us to capitalize operational leases over one year (e.g. building lease), pension obligations, and post-employment benefits.

(5) Net Position decreased by \$91,000 (1.1%) in the first seven months of this fiscal year.





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