Policy Level

Agency:
107 Health Care Authority on Behalf of the Health Benefit Exchange

Decision Package Code/Title:
PL-HP HBE Enhanced Security Program

Agency RecSum:
Funding for additional staff resources for the Exchange to fight against and respond to increasing malicious cyber activity

Fiscal detail:

Operating Expenditures	FY 2022	FY 2023	FY 2024	FY 2025
17T-1 HBEA	$107,000	$105,000	$105,000	$105,000
001-C GF-Federal	$222,000	$218,000	$218,000	$218,000
Total Expenditures	**$329,000**	**$323,000**	**$323,000**	**$323,000**
Biennial Totals	**$652,000**		**$646,000**	
Staffing	FY 2022	FY 2023	FY 2024	FY 2025
FTEs	2.0	2.0	2.0	2.0
Average Annual	**2.0**		**2.0**	
Object of Expenditure	FY 2022	FY 2023	FY 2024	FY 2025
Obj. C	$329,000	$323,000	$323,000	$323,000
Revenue	FY 2022	FY 2023	FY 2024	FY 2025
17T-1 HBEA	$107,000	$105,000	$105,000	$105,000
001-C GF-Federal	$222,000	$218,000	$218,000	$218,000
Total Revenue	**$329,000**	**$323,000**	**$323,000**	**$323,000**
Biennial Totals	**$652,000**		**$646,000**	

Package Description

What is the problem, opportunity or priority you are addressing with the request?

With the increased cyber activity due to the COVID pandemic on top of the already challenging threats, we have seen an increase of 200% on cyber-attacks and over 650% on phishing attacks by malicious users across the government and IT industries. Most of our security staff have focused on responding to security incidents to keep hackers outside of the network and ensure that malware, phishing, and cyber-attacks are unsuccessful, and no loss of data has occurred.

Security and IT industries sees this as the new normal. Increased staffing is needed to augment the current Security program to effectively respond to current emerging threats

What is your proposal?

For additional information contact:
Nicholas Aaseby, Financial Analysis and Reporting Manager
360-688-1574 nicholas.aaseby@wahbexchange.org

The Exchange requests funding to increase resources necessary to address this elevated threat and work to ensure the security of our entrusted client data. Increasing staff allows for quicker response time and allows staff to manage the development of additional security controls while managing the large influx of incidents submitted to the security team for review and action. Two additional resources will be added to help develop and enhance security controls.

How is your proposal impacting equity in the state?
Protecting consumer data and the integrity of the system is important for all current and potential consumers.

What are you purchasing and how does it solve the problem?
The exchange is requesting two additional staff to help the Exchange achieve three goals:
1. Increase capacity and productivity of our overall security team
2. Increase ability to detect vulnerabilities in the systems we support and the databases we operate.
3. Reduce the likeliness of a data or system breach

What alternatives did you explore and why was this option chosen?
There is an alternative of contracting for services to supplement the staff effort, but contracted staff would be considerably higher in cost and less well integrated into the organization.

Assumptions and Calculations
Expansion or alteration of a current program or service
This request is for an expansion of the Exchange's Security program.

Detailed assumptions and calculations
The estimate provided reflects the costs associated with expanding the Exchanges IT Security program.
- No increase in Carrier Assessment is expected to cover this expenditure.
- No new General Fund-State dollars are requested.
- This Expedited modernization is eligible for a 75% federal match rate.

Summary By Object	SFY22	SFY23	SFY24	SFY25
Salaries	$ 220,574	$ 220,574	$ 220,574	$ 220,574
Benefits	$ 72,523	$ 72,523	$ 72,523	$ 72,523
Goods and Services	$ 34,110	$ 30,110	$ 30,110	$ 30,110
Travel	$ 1,300	$ -	$ -	$ -
Grand Total	**$ 328,507**	**$ 323,207**	**$ 323,207**	**$ 323,207**

Workforce assumptions
The exchange has identified two new resources that would further enhance and fortify our system security and the Exchange's ability to respond to malicious activity on the network.

- **Senior Security Engineer-** The Senior System Engineer will be the primary subject matter expert and implementation coordinator for the security regulations, policies and infrastructure and deployment for all Security related Modernization and Modularization efforts. They will work with Architects to translate and draft ideas and design into

For additional information contact:
Nicholas Aaseby, Financial Analysis and Reporting Manager
360-688-1574 nicholas.aaseby@wahbexchange.org
2 | P a g e

actionable projects and milestones for the IT teams. They will work with teams to engineer and deploy the underlining security technologies for Microservices, Modularity, and Containerization. These technologies and policies will be done on Azure Compliance Manager, Container Firewalls, GitHub, and Rapid 7.

- **Network Security Administrator-** Analyzes, reviews and implements changes to the network based on security and compliance needs. It is the primary responsibility to detect, report, and remediate threats for and to the organization for review and escalation. This aligns a resource to directly support identifying and remediating risks for and with the Security team.

Strategic and Performance Outcomes

Strategic framework

This proposal relates to Results Washington's Healthy and Safe Communities goal and meets the Exchange's strategic plan to build on the success of Healthplanfinder technology, focused on innovative consumer-based solutions. Maintaining the security and integrity of the systems and data managed by the Exchange is important to meeting our strategic goals.

The Exchange operates Washington Healthplanfinder (Healthplanfinder), an online marketplace that helps nearly 1 in 4 Washington residents enroll in Qualified Health Plans (QHP) and Washington Apple Health (WAH). Healthplanfinder is a single portal that provides consumers the opportunity to determine their eligibility for WAH or federal subsidies for QHPs, compare different health plans, and enroll for coverage.

Performance outcomes

This request would enhance the processing of events to determine if it is an incident, containing protected data, and develop security controls to reduce potential events. This would increase the Exchange's ability to build additional skills necessary to translate a security threat to an actionable item.

Other supporting materials

Copies of the APD have been previously provided to HCA, OFM, the House and Senate.

Other Collateral Connections

Intergovernmental
None

Legal or administrative mandates
None

Changes from current law
None

State workforce impacts
None

For additional information contact:
Nicholas Aaseby, Financial Analysis and Reporting Manager
360-688-1574 nicholas.aaseby@wahbexchange.org   3 | P a g e

State facilities impacts
None

Puget Sound recovery
None

Other supporting materials
Copies of the APD have been provided to HCA, OFM, the House and Senate.

Stakeholder response
None

Information technology (IT)
ABS will pose the question below for *each* DP. If the answer is yes, you will be prompted to attach an IT addendum. (See Chapter 10 of the budget instructions for additional requirements.)

Information Technology

Does this DP include funding for any IT-related costs, including hardware, software (including cloud-based services), contracts or IT staff?

◉ No

○ Yes

Please download the IT-addendum and follow the directions on the bottom of the addendum to meet requirements for OCIO review. After completing the IT addendum, please upload the document to continue.

For additional information contact:
Nicholas Aaseby, Financial Analysis and Reporting Manager
360-688-1574 nicholas.aaseby@wahbexchange.org
4 | P a g e