Policy Level

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

Decision Package Code/Title:
PL-H3 HBE FEDERAL IV&V REQUIREMENTS

Agency RecSum:
The Health Benefit Exchange (Exchange) must meet new federal requirements for enterprise-wide Independent Validation and Verification (IV&V) contracted services. Funding was included in the Health Care Authority's budget for the contracted IV&V services. Two resources are added to the Exchange to support the enterprise-wide IV&V processes and independent contractor quality and risk mitigation services.

Fiscal detail:

Operating Expenditures	FY 2020	FY 2021	FY 2022	FY 2023
001-1 GF-State	$0	$0	$0	$0
17T-1 HBEA	$55,000	$55,000	$55,000	$55,000
001-C GF-Federal	$224,000	$224,000	$224,000	$224,000
Total Expenditures	**$279,000**	**$279,000**	**$279,000**	**$279,000**
Biennial Totals	**$558,000**		**$558,000**	
Staffing	FY 2020	FY 2021	FY 2022	FY 2023
FTEs	0.0	0.0	0.0	0.0
Average Annual	**0.0**		**0.0**	
Object of Expenditure	FY 2020	FY 2021	FY 2022	FY 2023
Obj. C	$279,000	$279,000	$279,000	$279,000
Revenue	FY 2020	FY 2021	FY 2022	FY 2023
17T-1 HBEA	$55,000	$55,000	$55,000	$55,000
001-C GF-Federal	$224,000	$224,000	$224,000	$224,000
Total Revenue	**$279,000**	**$279,000**	**$279,000**	**$279,000**
Biennial Totals	**$558,000**		**$558,000**	

Package Description
What is the problem, opportunity or priority you are addressing with the request?
The support of Medicaid enterprise-wide IV&V processes and deliverables is required to receive enhanced Medicaid funding. The CMS requirement for enterprise-wide IV&V services is a new requirement for the Exchange, HCA and DSHS. The Exchange requests funding for new contracted resources at the Exchange to work with the IV&V vendor to support the required Medicaid enterprise-wide processes and deliverables. Because these enterprise-wide IV&V services are a new CMS requirement, the Exchange has not previously requested funding to support this effort. Current resources are not able to perform these new activities. DSHS currently supports IV&V services and HCA does not currently have Design, Development, and Implementation (DDI) activities planned that require IV&V oversight.

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What is your proposed solution?

The proposed funding is requested to hire two additional Quality Assurance (QA) contractor resources. The new QA resources will facilitate and deliver IV&V Medicaid enterprise-wide related activities and products for the Exchange when working with the new IV&V vendor. Examples of these activities include project coordination and information sharing, preparing and managing required CMS documentation, and supporting QA activities related to the IV&V enterprise-wide project requirements. Contracted resources would be used initially as the State identifies what activities are needed to meet CMS requirements and which projects will be subject to the enterprise-wide IV&V processes and deliverables.

What are you purchasing and how does it solve the problem?

This funding package will be used to contract with two QA resources to support new enterprise-wide IV&V services. The QA resources will help to gather and create project documentation and artifacts and provide the QA activities needed for the Exchange's projects. The QA resources will work directly with the IV&V vendor and other state agencies to ensure there is a streamlined process and the necessary deliverables and coordination are provided throughout the life of an Exchange project.

What alternatives did you explore and why was this option chosen?

The Medicaid enterprise-wide IV&V services are a new CMS requirement. To support this requirement for Exchange responsibilities it is estimated that two, full-time equivalent contractor resources are required. The Exchange explored hiring two full time employees or contracting for the two resources with the necessary expertise in IV&V. The Exchange identified that hiring two contracted resources would be the lowest risk approach initially for meeting the new IV&V requirements.

Assumptions and Calculations

Expansion or alteration of a current program or service

None.

Detailed assumptions and calculations

No changes in FTEs are expected with this decision package. However, the Exchange may transition to FTEs if they are found to be cost effective and the Exchange can hire staff with the necessary skills.

No increase in Carrier Assessment is expected to cover this expenditure. No new General Fund-State dollars are requested. All costs associated with this decision package are eligible for 90% FFP.

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Summary By Object	Select the Cost Allocation Activity	SFY20	SFY21	SFY22	SFY23
Salaries	Applied up above	$ -	$ -	$ -	$ -
Benefits		$ -	$ -	$ -	$ -
Contracts (Manually enter Contracts)	HPF DDI	$ 278,400	$ 278,400	$ 278,400	$ 278,400
Goods and Services	Support Staff and Activities	$ -	$ -	$ -	$ -
Travel	Support Staff and Activities	$ -	$ -	$ -	$ -
Grand Total		**$ 278,400**	**$ 278,400**	**$ 278,400**	**$ 278,400**

SECTION 7:

Summary by Fund	Fund	SFY20	SFY21	SFY22	SFY23
HBE 17T	17T-1 Health Benefit Exchange Account	$ 54,596	$ 54,596	$ 54,596	$ 54,596
Medicaid Federal	001-C GF-Federal	$ 219,057	$ 219,057	$ 219,057	$ 219,057
CHIP Federal	001-2 GF-Federal	$ 4,747	$ 4,747	$ 4,747	$ 4,747
Grand Total		**$ 278,400**	**$ 278,400**	**$ 278,400**	**$ 278,400**

Workforce assumptions

Consultant	Hourly Rate	Hours Per Month	Annual Cost
UAT Analyst	$60.00	160	$115,200
Senior UAT Analyst	$85.00	160	$163,200
Total			$278,400

Task	UAT Analyst	Senior UAT Analyst
Review the scenarios	X	X
Go through the DATA requirements for the scenarios	X	X
Helping them to complete the scenarios with work arounds if they come across with any issues with scenarios	X	X
Help them in running the required HPF batches	X	X
Help them in Validating the EDI files and Correspondences	X	X
Co ordinating with Deloitte for System availability	X	X
Checking on UAT environment and updating the system dates as needed	X	X
Coordinating with other testing team to use the UAT environment		X
Coordinating with CMS for the testing Schedule		X
Tracking the status of CMS Test scripts in respect to Validations		X
Project coordination and information sharing with DSHS and HCA		X
Preparing and managing required CMS documentation		X
Work with System Integrator (SI) vendor to analyze test issues/defects		X
Work with business analysts to clarify on ICDs		X
Analyzing CMS requirements		X
Participating in CMS meetings to get the updates on Fed hub changes		X
Compile test results		X
Facilitate testing meetings		X

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Strategic and Performance Outcomes

Strategic framework

The Exchange seeks to continuously improve how Washingtonians secure health insurance through innovative and practical solutions and an easy-to-use customer experience. These are reflected in our values of integrity, respect, equity, and transparency as they relate to those we work with and those we serve.

This decision package supports the Governor's goal of healthy and safe communities by benefiting over 1 in 4 Washington residents served through the Exchange, including over 1.6 million Medicaid enrollees and around 200,000 Qualified Health Plan enrollees.

Performance outcomes

By adding the additional contracted resources, the Exchange will be able to meet the new CMS requirements for independent verification and validation on IT projects receiving enhanced federal funding. By meeting these requirements, the Exchange will continue to be able to receive enhanced federal funding for the enhancement and operation of the Healthplanfinder.

Other supporting materials
None.

Other Collateral Connections

Intergovernmental
None.

Legal or administrative mandates
None.

Changes from current law
None.

State workforce impacts
None.

State facilities impacts
None.

Puget Sound recovery
None.

Other supporting materials
None.

Stakeholder response
None

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Information technology (IT)
None.

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.

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