



## DC Health Benefit Exchange Authority (HBX) – H10

Mila Kofman, Executive Director  
1225 Eye St. NW, Suite 400  
Washington, DC 20005  
202-715-7576  
<http://hbx.dc.gov/>

### Central Purpose

- The DC Health Benefit Exchange Authority (HBX) was established as a requirement of Section 3 of the Health Benefit Exchange Authority Establishment Act of 2011, effective March 3, 2012 (D.C. Law 19-0094) pursuant to enactment of the federal health reform law: the Patient Protection and Affordable Care Act (ACA).
- HBX is responsible for implementing a state-based on-line health insurance marketplace under the ACA.
- The marketplace, called DC Health Link ([www.DCHealthLink.com](http://www.DCHealthLink.com)), enables individuals and small businesses to compare health insurance prices and benefits and to purchase affordable, quality health insurance. For the first time, individual and small business consumers have the purchasing power of large employers and have choices of coverage from multiple insurance companies.
- Through a “no wrong door” approach, eligibility for premium reductions through federal tax credits (called advanced premium tax credits) and eligibility for Medicaid is done on-line through DCHealthLink.com.

### Key Facts about HBX

- HBX is an independent, quasi-government agency that reports to an 11 member Executive Board -- 7 voting members who are private District residents and 4 ex-officio members who are directors of District Agencies.
- Prior to creating HBX, the District empowered Department of Health Care Finance, Department of Human Services, Department of Health, and the Department of Insurance Securities and Banking to lead implementation and planning

efforts under the ACA for the on-line marketplace.

- HBX voting Board Members were nominated by the Mayor and confirmed by the Council in the summer of 2012.
- After a national search, the HBX Board hired an Executive Director (January 2013).
- In January 2013, the District (OCP) entered into an IT services contract to build an online exchange marketplace with Infosys Public Services.
- DC Health Link opened for business on time on October 1, 2013 for individual and small business customers. Bloomberg News reported that the District was one of only four states that opened on time and was operational all day on October 1.
- DC Health Link has a Contact Center that provides telephone and email help to people. Since opening, the Contact Center has received 150,881 calls total. The average call volume during open enrollment was 14,453 calls per month. The average call volume after the conclusion of open enrollment was 10,676 calls per month. The number is 1-855-532-5465.
- HBX trains and certifies health insurance brokers to provide one-on-one help to small businesses and individuals seeking to purchase health insurance through DC Health Link.
- HBX supports DC Health Link Assisters to provide one-on-one assistance to customers seeking help.
- Information for certified brokers and DC Health Link Assisters is available at DCHealthLink.com and on DC Health Link Mobile Device Apps for Individuals and Small Businesses -- both available through Apple App Store and Google Play.
- In October 2013, the federal government designated the District’s small business marketplace as the source of coverage for Members of Congress and their designated staff.

- In December 2013, President Obama enrolled in coverage through DC Health Link.
- As of October 22, 2014, DC Health Link has served 62,122 people who chose a health plan or qualified for Medicaid coverage: 15,511 people have enrolled themselves and their families in qualified health plans, 14,632 people have enrolled through their employer, and 31,979 have been determined eligible for Medicaid through DC Health Link.
- For 2015, four health insurers (Aetna, CareFirst, Kaiser and United) are offering 196 different qualified health plans to small businesses.
- For 2015, there are 31 qualified health plans for individuals and their families offered by Aetna, CareFirst and Kaiser.
- Individual and small business plans vary from high deductible health plans to zero deductible options; and include HMO, PPO, and POS plans.
- HBX policy decisions are made through a stakeholder driven process. In 2013 and 2014 HBX had many working groups and continues to have standing advisory committees in addition to a Standing Advisory Board. The HBX Board has adopted consensus recommendations from working stakeholder groups and committees. All policies adopted through resolutions are available at <http://hbx.dc.gov/page/adopted-resolutions>.
- In 2013, the Council passed legislation called Better Prices, Better Quality, Better Choices for Health Coverage Act of 2013 reflecting policies adopted by HBX:
  - Provide a meaningful choice of health plans.
  - Provide enhanced benefits.
  - Build a competitive private insurance marketplace by not limiting the number of QHPs in the exchange.
  - Require health plans to offer plan options at the bronze, silver and gold metal levels.
  - Create one large marketplace that provides individuals, small businesses and their employees the same leverage as large companies.
  - Defines habilitative services to include treatment of autism.
- To date, HBX has used federal grant dollars for establishment and implantation. That will continue through most of 2015.
- The federal grants received by HBX to build DC Health Link's on-line eligibility functionality leverages federal dollars to help the District use one state-of-the-art eligibility system for all social service programs (i.e. food stamps, TANF etc.).

### Goals/Performance Measures

- To add functionality to DC Health Link that is required by federal law. Because HBX had only 8 months to develop and deploy a sophisticated online marketplace, only basic functionality for both individual and SHOP was implemented.
- To improve functionality of DC Health Link in response to customer experience and feedback. This is ongoing.
- To receive final certification as a State-based exchange marketplace. The District, like all states operating State-based exchange marketplaces, is currently conditionally approved.
- To continue to find and enroll eligible uninsured people.
- To advocate on behalf of our individual and small business customers.

### Programs/Services

- **WEBSITE HEALTH PLAN SHOPPING AND ENROLLMENT:**  
[www.DCHealthLink.com](http://www.DCHealthLink.com) is the online portal for the purchase of health insurance for individuals and small businesses. It allows customers to compare different health insurance products and prices. Customers can enroll on-line in a health plan.
- **ELIGIBILITY DETERMINATIONS FOR REDUCED PREMIUMS AND OTHER FINANCIAL HELP WITH HEALTH INSURANCE:**  
[www.DCHealthLink.com](http://www.DCHealthLink.com) is an on-line portal to help customers determine if they qualify for reduced health insurance premiums, cost-sharing help, and Medicaid coverage. The on-line portal verifies income, citizenship status and other eligibility criteria. Based on on-line

determinations, a customer can enroll in private coverage on-line or be transferred to an enrollment broker for Medicaid (different city agencies are responsible for Medicaid – DHCF and DHS). Premium reductions result in a monthly health insurance premium that is lower than full price; a customer is only responsible for the lower premium amount and the IRS pays the rest directly to the health plan chosen by the customer. DCHealthLink.com also has a cost [calculator](#) that enables customers to estimate their premiums before completing an application.

- **MEMBER SERVICES:**  
HBX member services assists customers with technical issues, on-line enrollment, and changes to enrollment. Member services investigates customer complaints and inquiries and works with the IT team and insurers to resolve customer issues.
- **CONTACT CENTER:**  
Provides assistance to customers by phone and email. Consumers can call the Contact Center at 1-855-532-5465 and complete an application over the phone, get answers to questions about the application process, and receive assistance if they've run into any technical difficulties. Customers can also email the contact center at [www.DCHealthLink.com](http://www.DCHealthLink.com) with questions or to submit documentation. The Contact Center serves individuals, families, small businesses, brokers, and assisters/navigators.
- **DC HEALTH LINK ASSISTERS:**  
Provide in person help to consumers and educate and enroll uninsured and hard to reach people. HBX provides grants to community based organizations and health centers. Some assisters are bi-lingual (Spanish, Amharic and other languages).
- **CERTIFICATION FOR HEALTH INSURANCE BROKERS:**  
HBX trains and certifies health insurance brokers to sell health insurance through DC Health Link. To date there are 362 certified brokers and that number continues to grow. Customers can find information for certified

brokers at [www.DCHealthLink.com](http://www.DCHealthLink.com). The Contact Center will also connect customers to a broker if a person would like expert advice on which health plan is best for them.

- **CERTIFIED APPLICATION COUNSELORS (CACs):**  
Provide in person help to customers, similar to DC Health Link Assisters. HBX does not provide grant funding. HBX provides training and certification. CACs work in community health centers and hospitals with an incoming population that may be uninsured.
- **MOBILE APPS:**  
HBX provides two mobile APPs – one for individual and family coverage and another for Small Business coverage. Both can be downloaded from the Apple App Store or Google Play. More information on these APPs can be found [here](#).
- **APPEALS:**  
HBX provides appeal services for customers appealing an eligibility decision, denial of premium reductions, terminations of coverage, etc. Customers can contact the Contact Center to file an appeal or can complete an Appeal Request for Individuals and Families Form and send it by fax, email or mail. Our website details this [information](#).
- **PLAN MANAGEMENT:**  
HBX plan management unit works with health plans to ensure that broad coverage options are available to customers and that the benefit and premium information accurately displays for customer shopping and purchase.

### First Quarter CY2015 Hot Button Issue(s)

#### OVERSIGHT ACTIVITIES:

The ACA involves the implementation of significant new insurance standards, the establishment of a new program – a transparent on-line health insurance marketplace – new tax credits and a tax requirement to have health coverage, and more. As a result, there are significant federal and local oversight activities to which HBX is subject.

- There are five audits through the Department of Health and Human Services Office of Inspector General, the Treasury Inspector General, and various District audits. The federal audits are on all state-based marketplaces.
- HBX receives requests from the House and Senate oversight committees and is required to respond. Responses include document production.
- HBX receives and responds to numerous Freedom of Information Act (FOIA) requests from individuals, law firms, and news organizations.
- HBX receives numerous requests on a monthly basis from other interested parties such as the U.S. Government Accountability Office, research institutions, and consumer advocacy organizations.

#### **FEDERAL GRANT OPPORTUNITY:**

HBX will be submitting a request for federal grant funds; application is due by November 15, 2014 and requires a letter of support signed by the Mayor and health agencies in the District.

#### **FINANCIAL SUSTAINABILITY:**

A prerequisite for certification as a state-based marketplace, a marketplace must show that it will be self-sustaining. The Council passed emergency and temporary legislation for an assessment of all health carriers operating in the District. The assessment is broad based and includes all health carriers, including those selling plans outside of DC Health Link. This year's assessment was 1% of premiums and carriers were assessed on August 18, 2014. Passage of permanent legislation is necessary to meet the financial sustainability requirements of a state based marketplace.

#### **Facts about the Assessment:**

1. Having a broad based assessment ensures all those who benefit from the exchange marketplace contribute to its operation. All health carriers benefit from the exchange marketplace through lower direct claims and a broader marketplace for the sale of supplemental benefit plans such as vision insurance.
2. The assessment is modeled after an existing assessment on insurers in the District to fund the Healthcare Ombudsman Program.
3. The assessment is tied to the budget the DC Council approves for the operation of the marketplace.
4. The Health Benefit Exchange Authority budget, assessment, and expenditures will be reviewed and audited by the Insurance Regulatory Trust Fund Bureau that has been reviewing and auditing the Department of Insurance budget and assessment since 1993.

#### **SMALL BUSINESS TRANSITION TO ONE BIG MARKETPLACE:**

In 2013, the Council passed legislation to create one large marketplace in the District that provides individuals, small businesses and their employees the same leverage as large companies. All individual and small group products are sold through DC Health Link. Creating a competitive insurance marketplace where consumers are able to see all prices and products has resulted in real price competition. In 2013, insurers refiled proposed premiums with lower prices. The 2014 rates were also competitive as a result of full transparency by requiring all products to be available to all consumers in one place. The legislation built in a transition to one large marketplace. In 2015 small businesses at renewal will be coming through DC Health Link. HBX has implemented a conversion plan to help with this transition. For the majority of small businesses, their health insurance carrier or broker will manage the transition for them. The conversion

plan was developed with all the health insurers selling through DC Health Link.

#### **HEALTH PLAN CERTIFICATION PROCESS:**

The ACA requires state-based marketplaces to certify health plans. The certification includes consumer protection requirements like ensuring the insurer is licensed and in good standing; a health plan has an adequate network of providers, premium increases are justified and reasonable, a health plan does not discriminate in marketing or benefit design against consumers with high medical needs, etc.

In early 2013, HBX's stakeholder working group recommended a certification process, which the Board adopted. Now with two years of experience, the Board's Insurance Committee is reviewing the process in preparing for plan year 2016 and is planning to adopt updated certification requirements in key areas in early 2015. Health insurance carriers, consumers have been and will continue to be included in the process and all meetings, deliberations, and decisions are public.

#### **IRS REPORTING:**

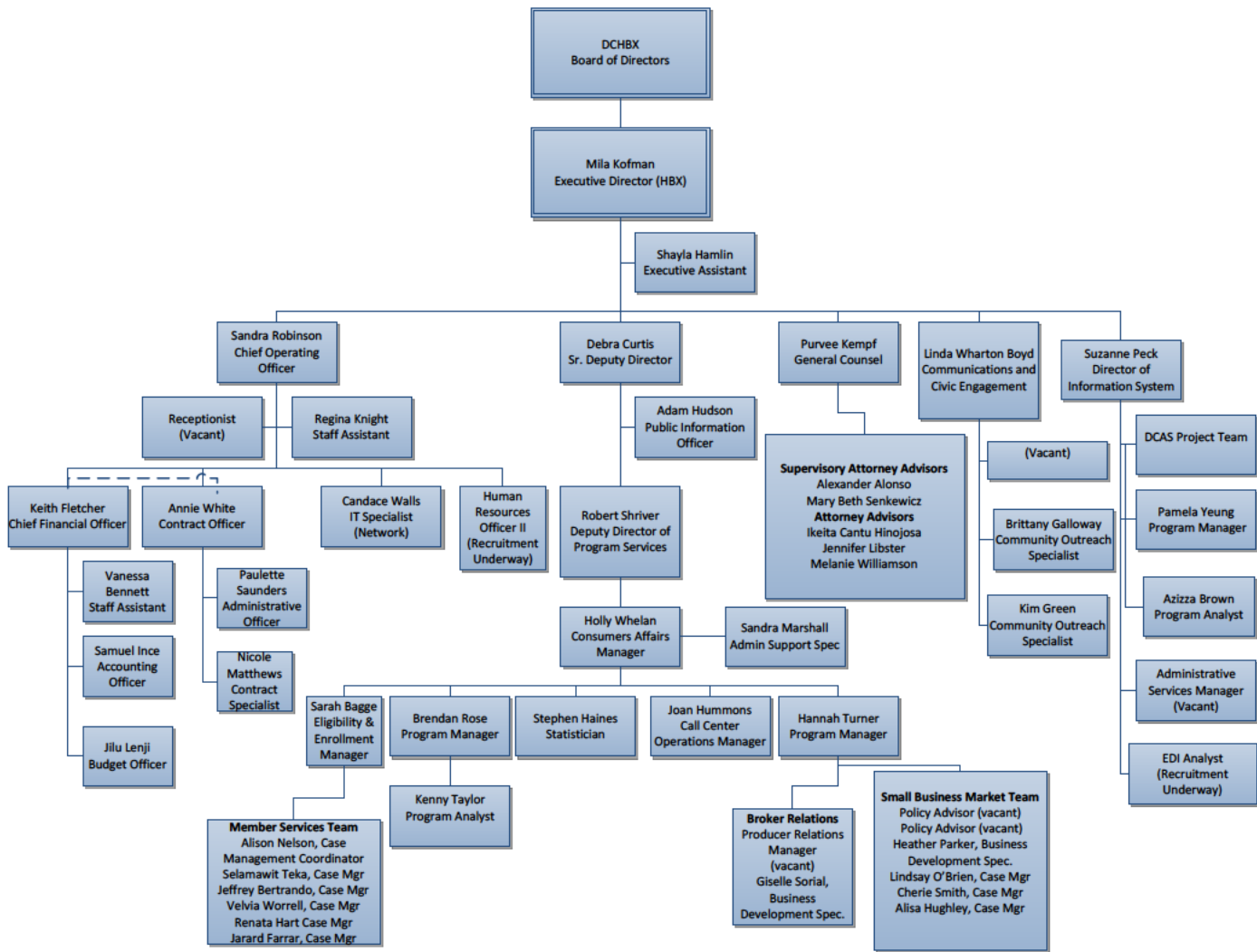
As part of the requirements of the ACA, the DC Health Benefit Exchange Authority is required to provide every DC Health Link customer with an IRS-mandated

form (called a 1095-A) that provides proof that they had health insurance coverage the preceding year and outlines what, if any, Advanced Premium Tax Credit the individual or family received. To ensure accurate data, HBX relies on enrollment data from the carriers. General questions on how to report this information on tax returns will be most appropriately answered by the IRS help line and HBX will refer people there. However, it will impact our Contact Center as well and it is likely to be a hot topic in early 2015 as people prepare their tax returns.

#### **CONGRESS:**

The ACA requires that Members of Congress and their designated staff obtain coverage through health insurance exchanges. In October 2013, the U.S. Office of Personnel Management designated HBX as the source of coverage for all Members of Congress and their designated staff. The designation occurred after DC Health Link opened for business. HBX coordinated with OPM and House and Senate personnel offices to effectively enroll Members of Congress and their designated staff through DC Health Link in their 2013 open enrollment period, which began on November 11, 2013. The 2015 open enrollment period for Congress is November 10 – December 8, 2014.

### Organization Chart



**Boards and Commissions relevant to the agency (if any)**

Board Name	Name of Chairperson	No. of Members
District of Columbia Health Benefit Exchange Authority Executive Board	Diane C. Lewis	7 voting members of the public 4 ex officio members (District Government Agency Directors)

**Budget FY2015**

Total Budget	\$ 28,751,244
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**No. of Employees**

Current No. of FTEs	54
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**Union Representation**

Union(s)	Union Representative	No. of Members
N/A		

**Facility Location(s)**

Facility Name / ID	Address	Zip Code	Ward	Main Phone No.
HBX Main Office	1225 Eye Street, NW, #400	20005	2	(202) 715-7576
Contact Center	955 L'Enfant Plaza, SW, #100P	20024	6	(855) 532-5465

\* No Facility ID because we are located in a non-government building\*

**Key Projects/Initiatives –**

Project/Initiative Name	Brief Description	Delivery Date
Open Enrollment for Individuals	November 15, 2014 – February 15, 2015 is the open enrollment period for coverage in 2015. During this window, anyone who is eligible can purchase coverage through DC Health Link’s individual marketplace. We have planned enrollment activities and initiatives to inform the public about enrollment opportunities. An abbreviated list of these activities includes: partnerships with government agencies, community and business groups, and Council Members; “storefront” locations at MLK library, and three other sites; and enrollment events throughout the period. Our calendar at <a href="http://www.hbx.dc.gov">www.hbx.dc.gov</a> always has our events listed.  NOTE: People who are found eligible for Medicaid can obtain Medicaid coverage at any time during the year, they are not limited to open enrollment. Small businesses may also apply at any time.	November 15, 2014 – February 15, 2015
Special Enrollment Periods	Even after open enrollment closes, individuals often become eligible for health insurance coverage by meeting certain qualifying life events – like the birth of a child, marriage, loss of minimum essential coverage, or moving to a new jurisdiction. Thus, enrollment continues year-round through DC Health Link.	Year -round

Project/Initiative Name	Brief Description	Delivery Date
IRS Reporting	DC Health Benefit Exchange Authority is required by federal law to issue a 1095-A form to people enrolled in health insurance through the individual marketplace; requirement does not apply for group coverage through DC Health Link. The 1095-A provides proof that a person had health insurance coverage the preceding year and outlines what, if any, Advanced Premium Tax Credit the individual or family received. That form will be the basis to determine if a person owes additional taxes or is entitled to additional APTC. The form will also be the basis for determining whether an individual or family had health coverage for the previous year or owes a tax penalty to the IRS.	January – April 2015

**Capital Program(s)**

Project Name	Budget ID	Funding Source	Project Budget	Current Balance	Delivery Date
N/A					

**Important/Significant Dates**

Event	Brief Description	Delivery Date
Open Enrollment	Open enrollment for private health insurance coverage for individuals and families for plan year 2015: Open enrollment is the window during which any eligible individual can apply for coverage through DC Health Link or change their coverage for the following year. After the open enrollment period, only people who qualify for a Special Enrollment Period can obtain coverage. The two exceptions to this are: <ul style="list-style-type: none"> <li>1) People found eligible for Medicaid, can always obtain Medicaid coverage at any time of the year;</li> <li>2) Small businesses may enroll for coverage at any time throughout the year.</li> </ul>	November 15, 2014 – February 15, 2015 (as required by the Federal government)
Congressional Open Enrollment	The Office of Personnel Management has ruled that in order for a Member of Congress or their designated staff to receive their employer contribution for health insurance, they are required to enroll in coverage through DC Health Link’s small business marketplace.	November 10, 2014 – December 8, 2014 (dates change slightly each year)

**Key Contracts**

Project Name	Vendor Name	Total Contract Value	Contract Term
Training Services	Whitman Walker	\$506,215	09/30/2013 thru 05/27/2015
IT Consulting Services	Analytica Inc.	\$1,749,707	10/01/2014 thru 09/30/2015
IT Consulting Services	Obverse, Inc.	\$6,967,052	10/01/2014 thru 09/30/2015
IT Consulting Services	The Pittman Group Inc.	\$6,753,501	10/01/2014 thru 09/30/2015
IT Consulting Services	New Light Technologies	\$2,184,000	04/30/2013 thru 04/29/2014



IT Consulting Services	Enlightened Inc.	\$4,766,117	05/01/2014 thru 04/30/2015
IT Consulting Services	Networking for Future	\$2,537,000	04/30/2013 thru 09/30/2014
Marketing and Communication Services	Weber Shandwick	\$3,629,067	07/24/2013 thru 07/23/2014
Assister Training Services	Families USA	\$843,885	05/22/2013 thru 05/21/2014
Contact Service Center	Maximus, Inc.	\$5,784,204	07/11/2014 thru 07/10/2015
Premium Billing Services	NFP Health	\$990,000	10/01/2014 thru 09/30/2015
EDI Operations Services	Secure Exchange Solutions	\$999,000	10/01/2013 thru 09/30/2014
Staffing Agency	Business Strategy Consultants	\$609,195	10/01/2013 thru 09/30/2014

**Key Agreement(s) / Memorandum(s) of Understanding**

Project Name	Brief Description	Agreement Term
MOA with Department of Human Services-Economic Security Administration	To conduct eligibility determinations of individuals who are applying for Advance Payment of Premium Tax Credits and Qualified Health and Dental Plans through DC Health Link.	10/01/2013-09/30/2015
MOA with Office of Administrative Hearings	To conduct eligibility and enrollment appeals related to Qualified Health Plan, Small Business Options Program and Advanced Payments of Premium Tax Credits.	10/01/2013-09/30/2015
MOA with Department of Insurance, Securities and Banking	Premium assessment of insurance companies	10/01/2013-09/30/2015
MOA with DC Department of Human Resources	HR services	10/01/2013-09/30/2015
MOA with Department of Human Services	The contract for building the on-line website, DC Health Link, is through DHS and this MOA allows for reimbursement of those IT related expenditures.	10/01/2013-09/30/2015
MOA with OCTO-DCNET	OCTO-DCNET services associated with the Contact Center relocation.	10/01/2013-09/30/2015
MOA with OCTO-IT Assessment	Fixed cost: Enterprise Cloud Information Services, web support, and Enterprise application support	10/01/2014-09/30/2015
MOA with OCTO-Telecom	Fixed cost: Telephone services	10/01/2014-09/30/2015
MOA with Department of General Services	Fixed cost: leased space	10/01/2014-09/30/2015

**Grant(s) Awarded (or Pending Award) to Agency**

Grant Name	Name of Grantor	Total Grant Amount	Current Grant Balance	Grant Expiration
District of Columbia Health Benefit	Department of Health and Human Services, Centers for Medicare and	\$ 25,832,931	\$ 25,832,931	12/2015

Exchange Establishment	Medicaid Services			
Cooperative Agreement to Support Establishment of the Affordable Care Act's Health Insurance	Department of Health and Human Services, Centers for Medicare and Medicaid Services	\$42,402,977	\$42,402,977	10/2015

**Active Litigation(s)**

Project Name	Brief Description
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

**Consent Decree(s)**

Project Name	Brief Description	Agreement Term
N/A		