

**ECONOMIC SERVICES ADMINISTRATION
ESAR**



2016 SUPPLEMENTAL BUDGET

| Request | FY16 | FY17 | 15-17 |
|--------------|---------------------|---------------------|---------------------|
| FTE | 12.0 | 12.0 | 12.0 |
| GF-State | \$2,072,000 | \$2,080,000 | \$4,152,000 |
| Total | \$10,807,000 | \$10,926,000 | \$21,733,000 |

DECISION PACKAGE SUMMARY

The Economic Services Administration (ESA) requests \$21,737,000 (\$4,116,000 GF-State) in the 2016 Supplemental for ongoing maintenance and operations (M&O), which includes Health Benefit Exchange (HBE) change requests, for the Eligibility Service and Automated Client Eligibility System (ACES) Remediation (ESAR). These M&O activities will be supported by the ESAR Project Management Office (PMO) and, per the requirement of both the Office of the Chief Information Officer (OCIO) and Centers for Medicare and Medicaid Services (CMS), will receive independent oversight from Quality Assurance (QA) and Independent Verification and Validation (IV&V) consultants.

PROBLEM STATEMENT

With the implementation of the Affordable Care Act (ACA) in Washington State, ESA developed the Eligibility Service (ES). The ES is a key component of Healthplanfinder (HPF) and is required to be available and online to support HPF trial eligibility, and eligibility determinations for medical assistance and coverage in Washington State. The ES requires ongoing maintenance and without funding would not be supported.

In the 2015-17 Biennium Budget, the Legislature funded a proposal to continue work on ESAR Phase 2 and 3, and the M&O associated with operating the ES. Funding for ESAR Phase 2 and 3 M&O was included in the Information Technology Investment Pool (Ch. 4, Laws of 2015, sec. 705).

PROPOSED SOLUTION

This decision package requests funding for M&O costs to be appropriated directly in ESA's budget. The ongoing maintenance of the ES is provided through the IBM M&O contract that also supports ACES, aces.online, and Washington Connection. The M&O funds provide contracted technical, development, production control resources, hardware and software, as well as state staff resources for business analysis, testing, problem resolution and analysis and customer support.



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EXPECTED RESULTS

The M&O funding for the ESAR project will allow the ES to continue operations to support the transfer of data between the ES, ACES, and HPF. Funding this request will maintain the real-time interaction with HPF and other state systems. Additionally, appropriating M&O funds directly to ESA's budget will ensure timely maintenance to the system.

STAKEHOLDER IMPACT

The ES is a critical component to HBE and their HPF application, as well as critical to Health Care Authority (HCA) and the ProviderOne system. In addition to being critical to these organizations, it is the eligibility engine for Modified Adjusted Gross Income (MAGI) and Advanced Premium Tax Credit (APTC) medical and interacts with ACES for non-MAGI medical applications and eligibility determinations which impacts individual and families applying for and receiving public assistance related medical across the state. Maintaining work on the ESAR project will support the missions of ESA, HBE and HCA.



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