

**Health Insurance Exchange
Grant Budget Summary**

Table 1 – HIX Budget Summary

	Planning	August 2011 Level 1			February 2012 Level 1			August 2012 Level 1 Application		
	Actual	Total	Exchange	MA	Total	Exchange	MA	Total	Exchange	MA
Salaries	\$208,693	\$1,157,338	\$1,099,534	\$57,803	\$1,115,899	\$1,037,197	\$78,702	\$1,990,319	\$1,736,921	\$253,398
Fringe Benefits	\$52,504	\$361,451	\$343,070	\$18,381	\$354,856	\$329,829	\$25,027	\$632,921	\$552,341	\$80,580
Total Personnel Costs	\$261,197	\$1,518,789	\$1,442,604	\$76,185	\$1,470,754	\$1,367,025	\$103,729	\$2,623,240	\$2,289,262	\$333,978
Contract	\$663,147	\$4,755,857	\$2,206,100	\$2,549,757	\$40,283,894	\$18,857,437	\$21,426,457	\$35,233,000	\$24,066,991	\$11,166,009
Equipment (incl. hardware)	\$0	\$67,600	\$65,599	\$2,001	\$4,159,600	\$2,419,134	\$1,740,466	\$3,845,450	\$2,296,131	\$1,549,319
Supplies (incl. software)	\$4,158	\$60,400	\$58,158	\$2,242	\$187,400	\$133,672	\$53,729	\$17,869,526	\$10,379,825	\$7,489,701
Travel	\$16,279	\$39,429	\$39,429	\$0	\$29,159	\$29,159	\$0	\$0	\$0	\$0
Other	\$1,747	\$108,494	\$103,614	\$4,880	\$226,765	\$168,780	\$57,985	\$356,923	\$317,620	\$39,303
Indirect (14%)	\$51,593	\$263,231	\$252,565	\$10,666	\$370,815	\$356,293	\$14,522	\$3,222,820	\$3,176,063	\$46,757
Total Exchange	\$998,121	\$6,813,800	\$4,168,070	\$2,645,730	\$46,728,387	\$23,331,499	\$23,396,888	\$63,150,959	\$42,525,892	\$20,625,067
Total all grants								\$117,691,267	\$71,023,582	\$46,667,685

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Table 2 – HIX Budget Details

	Planning	August 2011	February 2012	August 2012 Application
Personnel Costs	<p>\$262,297</p> <p>Interagency agreements with Minnesota Department of Health, Minnesota Department of Human Services and Minnesota Management and Budget for staff time associated with initial planning on the Exchange. Portion of staff time ranged from 5% to 40%.</p>	<p>\$1,442,603</p> <p>Funding for 12 FTEs including Exchange Director, Information Technology Director, Operations Director, Finance Director, General Council, Executive Assistance, Information Technology Project Director, Plan Management and Measurement Director, Small Group Marketing Director, Individual Market and Program Integration Director, and Consumer and Marketing Director. 10 filled and 2 vacant.</p>	<p>\$1,367,025</p> <p>Continued funding of 12 FTEs from August grant plus additional 8 positions including Customer Service Director, Business Analyst (4), Researcher, Data Base Administrator and Administrative Assistant.</p>	<p>\$2,623,240</p> <p>Exchange operational development and information technology infrastructure staff for Exchange (54) plus staff for Commerce and Health. Includes:</p> <ul style="list-style-type: none"> • 3 administrative infrastructure positions for HR, Finance and Procurement, • 4 administrative assistance, • 3 appeals and program integrity positions, • 18 IT positions to stand-up and maintain IT infrastructure, • 4 business analyst for eligibility, plan management, federal regulations and small business. • 6 communication and outreach positions • Business development and stakeholder director position • 4 customer service and training development positions, • 10 business developer position and one director for creating and maintaining business relationships with stakeholders, • 7.5 FTEs for Commerce regulatory functions • 12 FTEs for Health regulatory functions • .6 FTE for Health evaluation activities

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Contracts/Consulting	<p>\$663,147</p> <p>Jonathon Gruber, Health Economist - \$229,000 Bela Gorman, Actuary - \$151,000 Proof of Concept Stipends - \$230,000 – Advanced Strategies –RFP development - \$53,147</p>	<p>\$2,206,100</p> <p>Saltier Mitchell – Market Analysis - \$169,000, Management Analysis Division, MMB interagency - Project Management Consulting - \$25,525 Maximus - \$4,480,332 Total, \$1,930,575 grant</p>	<p>\$18,857,437</p> <p>Jonathon Gruber, Health Economist - \$100,000 Bela Gorman, Actuary - \$80,000 Management Analysis Division, MMB Master contract for private business consultants for operation development and project management- \$1,076,000 Maximus - \$36,765,894 Total, \$16,104,488 grant Trisential– Project management framework- \$78,000 Aeritea Risk Assessment and risk mitigation - \$15,500 (Grant and MA) SERFF– SERFF upgrades for streamline submission of health plan data- \$22,500 Ambient Consulting–Project Management for Certification- \$22,000 Total \$13,000 grant Checkbook Center for Study of Services - methodology development for insurer and health benefit plan rating system - \$265,000 IT staff augmentation –various vendors for business analyst, project managers, and other IT temporary sourcing needs - \$921,000 Total \$535,000 grant</p> <p>Additional contracting needs include:</p> <ul style="list-style-type: none"> • Independent Verification and Validation for risk and security assessment on IT infrastructure and contract. • Marketing Campaign Development and Branding to develop marketing strategies including branding, public relations and introductory market campaign. 	<p>\$24,066,991</p> <p>Contract needs include: Maximus Contract amendment for system maintenance, licensing and support - \$4,404,500 Total, \$2,836,070 grant IT Solution Enhancements – reporting, appeals, etc IV&V (addition to prior grant) IT Service Integration – integration build out and software integration services Security Assessment – ongoing security audit of Exchange system and system interfaces. Provider Network Information Collection and Access – technology development for information collection, data security, interfaces and access to necessary provider network information IT Staff augmentation – continued funding from prior grant for short term IT staff for business analysis, project management, security, report development, network, security and database administration, program development, quality assurance, user acceptance testing, Cost/Data Quality Development – develop consumer testing of provider display options Quality Rating System Development – Develop quality rating system SHADAC – develop evaluation framework Policy Forms Analysis – assist Commerce Regulatory review activities Customer Service Development – design and development of call center, billing and collections, appeals. Broker/Navigator Program Development Market Research Development Public Awareness and Education Website Development Outreach and Communication Design and Development Mobile Application – develop interactive mobile application for targeted communications on the Exchange Third Party Review – Internal control assessment Design and Development Consultant Contracts</p>

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	Planning	August 2011	February 2012	August 2012 Application
Equipment	\$0	\$65,599 Includes purchase of office furniture, printer costs, computers, phone and other communication equipment, etc. for staff funded in grant. Cost associated with IT staff are net of MA allocation.	\$2,419,134 Includes purchase of office furniture, printer costs, computers, phone and other communication equipment, etc. for new staff funded in the grant as well as on-site consultants and on-site vendor staff. Also includes initial hardware request for IT infrastructure development. IT costs are net of MA allocation.	\$2,296,131 Includes purchase of office furniture, printer costs, computers, phone and other communication equipment, etc. for staff funded in the grant as well as on-site consultants and on-site vendor staff. Also includes supplemental hardware request for IT infrastructure development. IT costs are net of MA allocation.
Supplies	\$4,158 General supplies	\$58,158 Includes general office supplies, communication material, software and software licensing agreements, for staff funded in grant. Costs associated with IT staff are net of MA allocation.	\$133,672 Includes general office supplies, communication material, software and software licensing agreements, for staff funded in grant as well as on-site consultants and vendor staff. Costs associated with IT staff are net of MA allocation.	\$10,379,825 Includes general office supplies, communication material, software and software licensing agreements, for staff funded in grant as well as on-site consultants and vendor staff. Costs associated with IT staff are net of MA allocation. Also includes purchase of IT software licenses for development, testing and production environments. \$17,701,076 Total, \$10,241,843 grant.
Travel	\$16,279	\$39,429	\$29,159	\$0
	Includes cost associated in state and out of state travel. In state travel includes travel associated with task force and stakeholder meetings. Out of state travel includes costs associated with quarterly grant meetings and other Exchange related meetings (NAIC, SERFF, Establishment reviews, etc)			
Other	\$1,747 Includes room rental for stakeholder meetings and printing costs.	\$103,614 Includes office space rental, room rental for meetings and communication services for staff funded in grant. Costs associated with IT staff are net of MA allocation.	\$168,780 Includes office space rental, room rental for meetings and communication services for staff funded in grant as well as on-site consultants and vendor staff. Costs associated with IT staff are net of MA allocation	\$317,620 Includes office space rental, room rental for meetings and communication services for staff funded in grant as well as on-site consultants and vendor staff. Also includes communication and printing costs for outreach and education activities, Costs associated with IT staff are net of MA allocation
Indirect	\$51,593	\$252,565	\$356,293	\$3,176,063
	14% federally approved indirect rate applied to salaries, supplies, equipment under \$5000, the first \$25,000 of any contract and other costs.			
Total (individual grant)	\$998,121	\$4,168,070	\$23,331,499	\$42,525,892