

4800 California Health Benefit Exchange

The California Health Benefit Exchange/Covered California mission is to increase the number of insured Californians, improve health care quality, lower costs, and reduce health disparities through an innovative, competitive marketplace that empowers consumers to choose the health plan and providers that give them the best value.

Covered California is a public entity within state government with a five-member board appointed by the Governor and Legislature. Per Government Code 100503(o), the board authorizes a budget from the California Health Trust Fund to pay program expenses to administer the Exchange. In June of 2015, the Board adopted a budget for Fiscal Year 2015-16. The proposed 2016-17 budget will be approved by the board in the spring of 2016.

3-YR EXPENDITURES AND POSITIONS

	Positions			Expenditures		
	2014-15	2015-16	2016-17	2014-15*	2015-16*	2016-17*
4200 California Health Benefit Exchange	1,150.0	1,150.0	1,150.0	\$428,896	\$340,978	\$340,978
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	1,150.0	1,150.0	1,150.0	\$428,896	\$340,978	\$340,978
FUNDING				2014-15*	2015-16*	2016-17*
0890 Federal Trust Fund				\$320,515	\$76,628	\$-
0995 Reimbursements				26,343	5,941	5,941
3175 California Health Trust Fund				82,038	258,409	335,037
TOTALS, EXPENDITURES, ALL FUNDS				\$428,896	\$340,978	\$340,978

LEGAL CITATIONS AND AUTHORITY

PROGRAM AUTHORITY

42 United States Code 18031

Government Code Sections 100500-100521

DETAILED BUDGET ADJUSTMENTS

	2015-16*			2016-17*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
Workload Budget Adjustments						
Other Workload Budget Adjustments						
• Expenditure by category redistribution	\$-	\$12,735	-	\$-	\$14,033	-
• Pro Rata	-	-	-	-	4,613	-
• SWCAP	-	-	-	-	3,279	-
• Salary Adjustments	-	1,615	-	-	1,666	-
• Benefit Adjustments	-	922	-	-	1,224	-
• Miscellaneous Baseline Adjustments	-	12,995	-	-	744	-
• Retirement Rate Adjustments	-	563	-	-	563	-
• Budget Position Transparency	-	-12,735	-345.0	-	-14,033	-345.0
Totals, Other Workload Budget Adjustments	\$-	\$16,095	-345.0	\$-	\$12,089	-345.0
Totals, Workload Budget Adjustments	\$-	\$16,095	-345.0	\$-	\$12,089	-345.0
Totals, Budget Adjustments	\$-	\$16,095	-345.0	\$-	\$12,089	-345.0

PROGRAM DESCRIPTIONS

4200 - CALIFORNIA HEALTH BENEFIT EXCHANGE

The California Health Benefit Exchange is responsible in part for the implementation of the federal Patient Protection and Affordable Care Act. Specifically, it facilitates the enrollment of qualified individuals and small employers in qualified health plans in the individual and small employer markets. Eligible consumers can obtain qualified health plan coverage with advance payment of the premium tax credit established by the federal Internal Revenue Code.

* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

4800 California Health Benefit Exchange - Continued

DETAILED EXPENDITURES BY PROGRAM

		2014-15*	2015-16*	2016-17*
PROGRAM REQUIREMENTS				
4200	CALIFORNIA HEALTH BENEFIT EXCHANGE			
State Operations:				
0890	Federal Trust Fund	\$320,515	\$76,628	\$-
0995	Reimbursements	26,343	5,941	5,941
3175	California Health Trust Fund	<u>82,038</u>	<u>258,409</u>	<u>335,037</u>
Totals, State Operations		\$428,896	\$340,978	\$340,978
TOTALS, EXPENDITURES				
State Operations		<u>428,896</u>	<u>340,978</u>	<u>340,978</u>
Totals, Expenditures		\$428,896	\$340,978	\$340,978

EXPENDITURES BY CATEGORY

	1 State Operations			Expenditures		
	Positions					
	2014-15	2015-16	2016-17	2014-15*	2015-16*	2016-17*
PERSONAL SERVICES						
Baseline Positions	1,495.0	1,495.0	1,495.0	\$67,181	\$69,321	\$70,619
Budget Position Transparency	-	-345.0	-345.0	-	-12,735	-14,033
Total Adjustments	<u>-345.0</u>	<u>-</u>	<u>-</u>	<u>-10,594</u>	<u>6,206</u>	<u>4,851</u>
Net Totals, Salaries and Wages	1,150.0	1,150.0	1,150.0	\$56,587	\$62,792	\$61,437
Staff Benefits	-	-	-	22,018	32,888	33,190
Totals, Personal Services	1,150.0	1,150.0	1,150.0	\$78,605	\$95,680	\$94,627
OPERATING EXPENSES AND EQUIPMENT				<u>\$350,291</u>	<u>\$245,298</u>	<u>\$246,351</u>
TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)				\$428,896	\$340,978	\$340,978

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

1 STATE OPERATIONS	2014-15*	2015-16*	2016-17*
0890 Federal Trust Fund			
APPROPRIATIONS			
Government Code section 100520 (transfer to California Health Trust Fund)	\$425,852	-	-
Adjustment to align with Board approved budget	-1,910	76,628	-
Allocation for employee compensation	649	-	-
Allocation for staff benefits	263	-	-
Past year adjustments	-105,337	-	-
Section 3.60 pension contribution adjustment	<u>998</u>	<u>-</u>	<u>-</u>
TOTALS, EXPENDITURES	\$320,515	\$76,628	\$-
0995 Reimbursements			
APPROPRIATIONS			
Reimbursements	<u>\$26,343</u>	<u>\$5,941</u>	<u>\$5,941</u>
TOTALS, EXPENDITURES	\$26,343	\$5,941	\$5,941
3175 California Health Trust Fund			
APPROPRIATIONS			
Government Code section 100520	\$411,694	\$293,824	\$335,037
Adjustment to align with Board approved budget	-3,821	38,113	-

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4800 California Health Benefit Exchange - Continued

1 STATE OPERATIONS	2014-15*	2015-16*	2016-17*
Allocation for employee compensation	1,298	1,615	-
Allocation for staff benefits	526	922	-
Budget Position Transparency	-	-12,735	-
Expenditure by category redistribution	-	12,735	-
Past year adjustments	-9,141	-	-
Section 3.60 pension contribution adjustment	<u>1,997</u>	<u>563</u>	<u>-</u>
TOTALS, EXPENDITURES	\$402,553	\$335,037	\$335,037
Less funding provided by Federal Trust Fund	<u>-320,515</u>	<u>-76,628</u>	<u>-</u>
NET TOTALS, EXPENDITURES	\$82,038	\$258,409	\$335,037
Total Expenditures, All Funds, (State Operations)	\$428,896	\$340,978	\$340,978

FUND CONDITION STATEMENTS

	2014-15*	2015-16*	2016-17*
3175 California Health Trust Fund ^N			
BEGINNING BALANCE	\$162,174	\$329,406	\$305,499
Prior Year Adjustments	<u>-21,411</u>	<u>-</u>	<u>-</u>
Adjusted Beginning Balance	\$140,763	\$329,406	\$305,499
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
4129100 Other Fees and Licenses - External - Private Sector	215,874	234,400	269,200
4163000 Investment Income - Surplus Money Investments	214	100	100
4170900 Contributions to Fiduciary Funds	54,575	-	-
4171400 Escheat - Unclaimed Checks, Warrants, Bonds, and Coupons	18	2	-
4171690 External Revenue - Other	<u>1</u>	<u>-</u>	<u>-</u>
Total Revenues, Transfers, and Other Adjustments	<u>\$270,682</u>	<u>\$234,502</u>	<u>\$269,300</u>
Total Resources	\$411,445	\$563,908	\$574,799
EXPENDITURE AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
4800 California Health Benefit Exchange (State Operations)	402,553	335,037	335,037
Expenditure Adjustments:			
Less funding provided by Federal Trust Fund (State Operations)	<u>-320,514</u>	<u>-76,628</u>	<u>-</u>
Total Expenditures and Expenditure Adjustments	<u>\$82,038</u>	<u>\$258,409</u>	<u>\$335,037</u>
FUND BALANCE	\$329,406	\$305,499	\$239,762
Reserve for economic uncertainties	329,406	305,499	239,762

CHANGES IN AUTHORIZED POSITIONS

	Positions			Expenditures		
	2014-15	2015-16	2016-17	2014-15*	2015-16*	2016-17*
Baseline Positions	1,495.0	1,495.0	1,495.0	\$67,181	\$69,321	\$70,619
Budget Position Transparency	-	-345.0	-345.0	-	-12,735	-14,033
Salary and Other Adjustments	<u>-345.0</u>	<u>-</u>	<u>-</u>	<u>-10,594</u>	<u>6,206</u>	<u>4,851</u>
Totals, Adjustments	<u>-345.0</u>	<u>-345.0</u>	<u>-345.0</u>	<u>-\$10,594</u>	<u>-\$6,529</u>	<u>-\$9,182</u>
TOTALS, SALARIES AND WAGES	1,150.0	1,150.0	1,150.0	\$56,587	\$62,792	\$61,437

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