



TECHNOLOGY COST IMPLICATIONS FROM RULE CHANGES

Board of Directors Meeting
Monday, March 13, 2017

Technology cost implications from proposed CMS rule changes

Recap

- 6-week Open Enrollment
- Reduced carrier rate filing schedule
- SEP verifications
- Plan changes
- Repeal and replace measures
 - Changes to APTC eligibility criteria and calculation
 - APTC for catastrophic plans

Implications

- High degree of schedule risk
- Need for stability and performance
- Increased need to prevent and deal with customer issues faster
- Potential for extremely short turnaround for APTC changes

We have provisionally approved the following set of projects

Category	Project	Relative cost	Primary vendor	Funding source
Required new functionality	State financial assistance 400-500FPL	Major	CGI	CGI discretionary hours will be used but are not expected to be sufficient
	Test database migration	Small	CGI	Funded from discretionary hours
	Additional carrier reporting support	n/a	C4HCO internally	n/a
	Plan design changes	Medium	hCentive	Will be accounted for within fixed capacity model
	Quality ratings	Small	hCentive	
Stability and performance	Performance improvements	Large	hCentive	
	Maintenance effective date	Large	hCentive	
	Life Change Events updates	Large	hCentive	
	Payload enhancements	Large	OIT	Reallocation of hours from cancelled, pre-funded projects. Expected that additional funding will be required within procurement limits.
	Verifications enhancements	Medium	OIT	
	RTE failure messaging	Small	OIT	
High-value projects	CSR level updates	Small	OIT	
	<others being analyzed>	n/a		TBD

Next steps

- We have already contracted with CGI for the state financial assistance project
 - 6-week contract period (~\$100k) will take us to the estimated decision point for the bill
 - CGI resources can be reallocated to other projects if bill fails
 - Go-live for state financial assistance project will be June 1st
 - Additional funding will be at needed if the bill proceeds
- Currently working with OIT to finalize costs
 - Procurement limits will not be exceeded
 - Expected that ~\$150k of additional funding will be needed for identified projects
 - In addition, we will allocate a contingency amount (~500 hours) to fund analysis and system design for potential repeal-and-replace plan year 2018 measures

Note that the following potential projects are not accounted for:

- Client correspondence
- Changes in APTC calculation and eligibility if required for 2018 plan year
 - Or other major provisions in the draft repeal-and-replace bill
- Full implementation of the proposed regulations for SEP verifications
- Significant changes to address areas of compliance