

## Office of the Healthcare Advocate

### MCO39400

#### Permanent Full-Time Positions

Fund	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Insurance Fund	29	29	27	22	18	18	-

#### Budget Summary

Account	Actual FY 16	Actual FY 17	Governor Estimated FY 18	Original Appropriation FY 19	Governor Revised FY 19	Legislative FY 19	Difference Leg-Gov FY 19
Personal Services	1,874,765	1,994,650	2,079,010	1,683,355	1,578,246	1,596,950	18,704
Other Expenses	1,342,541	1,192,401	2,691,767	305,000	305,000	305,000	-
Equipment	14,883	14,990	15,000	15,000	5,000	5,000	-
<b>Other Current Expenses</b>							
Fringe Benefits	1,548,749	1,691,312	1,644,481	1,329,851	1,253,599	1,253,599	-
Indirect Overhead	142,055	142,055	106,630	106,630	106,630	106,630	-
<b>Agency Total - Insurance Fund</b>	<b>4,922,993</b>	<b>5,035,408</b>	<b>6,536,888</b>	<b>3,439,836</b>	<b>3,248,475</b>	<b>3,267,179</b>	<b>18,704</b>

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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## *Policy Revisions*

### Transfer SIM Resources to the Office of Health Strategy

Personal Services	(86,405)	(86,405)	-
Equipment	(10,000)	(10,000)	-
Fringe Benefits	(76,252)	(76,252)	-
<b>Total - Insurance Fund</b>	<b>(172,657)</b>	<b>(172,657)</b>	<b>-</b>
<b>Positions - Insurance Fund</b>	<b>(4)</b>	<b>(4)</b>	<b>-</b>

#### Background

The Office of Health Strategy is a new agency starting in FY 19 which combines programs from three agencies: the Department of Public Health, Department of Insurance and the Office of the Healthcare Advocate.

The State Innovation Model (SIM) Program was initiated under the federal Affordable Care Act, through the Center for Medicare and Medicaid Innovation (CMMI). The state received a planning grant in March of 2013 to develop SIM. SIM's purpose is to align all health care payers in the state (e.g. Medicaid, the state employee and retiree health plan, Medicare, commercial and self-funded plans) around a value-based payment methodology, which focuses reimbursement on quality metrics, as opposed to simply volume and cost reduction measures, through various means.

#### Governor

Transfer funding of \$172,657 and four positions to complete the transfer of SIM operations to the Office of Health Strategy.

#### Legislative

Same as Governor

Account	Governor Revised FY 19	Legislative FY 19	Difference from Governor
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### Annualize FY 18 Budgeted Lapses

Personal Services	(18,704)	-	18,704
<b>Total - Insurance Fund</b>	<b>(18,704)</b>	<b>-</b>	<b>18,704</b>

#### Background

The Governor's revised FY 19 budget allocates \$217.2 million in non-SEBAC lapses to various agencies.

#### Governor

Reduce funding by \$18,704 to reflect this agency's portion of the non-SEBAC lapses.

#### Legislative

Do not reduce funding.

### Totals

Budget Components	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - IF	3,439,836	3,439,836	-
Policy Revisions	(191,361)	(172,657)	18,704
<b>Total Recommended - IF</b>	<b>3,248,475</b>	<b>3,267,179</b>	<b>18,704</b>

Positions	Governor Revised FY 19	Legislative FY 19	Difference from Governor
Original Appropriation - IF	22	22	-
Policy Revisions	(4)	(4)	-
<b>Total Recommended - IF</b>	<b>18</b>	<b>18</b>	<b>-</b>