

## Minnesota Budget Narrative

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### Total Budget Request

#### A. Salaries and Wages

##### Personnel

Total	\$11,936,002
Exchange Establishment Grant	\$10,114,323
Medicaid Cost Allocation	\$1,821,679
Sources of Funding	Exchange Level-two Establishment Grant and Enhanced Federal Medicaid Match

Position Title	Annual	Time	Months	Amt. Requested
<b>Senior Management</b>				
Exchange Director*	\$154,850	100%	12 months	\$154,850
Chief Operations Officer*	\$149,613	100%	12 months	\$149,613
Public Relations Officer*	\$130,229	100%	12 months	\$130,229
Chief Financial Officer*	\$144,515	100%	12 months	\$144,515
General Counsel*	\$130,229	100%	12 months	\$130,229
Board and Federal Relations Manager*	\$101,564	100%	12 months	\$101,564
Business Analyst – Program Reporting	\$56,376	100%	12 months	\$56,376
<b>Support Operations/Administrative Assistance</b>				
Executive Assistant*	\$76,346	100%	12 months	\$76,346
Administrative Specialist	\$50,396	100%	12 months	\$50,396
Administrative Assistants (2)	\$50,149	100%	12 months	\$100,298
Administrative Assistant (IT)	\$50,149	100%	12 months	\$50,149
<b>Legal/Appeals</b>				
Program Integrity Manager*	\$101,564	100%	12 months	\$101,564
Chief Security Officer*	\$101,564	100%	12 months	\$101,564
Appeals Manager*	\$101,564	100%	12 months	\$101,564
Paralegal	\$51,242	100%	12 months	\$51,242
Auditors (2)	\$55,102	100%	12 months	\$110,204
<b>Financial Management</b>				
Management Services Supervisor	\$86,000	100%	12 months	\$86,000
Human Resources Specialist	\$79,752	100%	12 months	\$79,752
Budgeting/Grant/Reporting Coordinator	\$74,733	100%	12 months	\$74,733
Accounting Supervisor	\$77,000	100%	12 months	\$77,000
Accounting/Billing/Collections (4)	\$53,265	100%	12 months	\$213,060
Facilities Coordinator	\$40,000	100%	12 months	\$40,000
Accounting/Facilities Support	\$40,000	100%	12 months	\$40,000

**Policy and Plan Management**

Policy and Plan Management Director*	\$130,229	100%	12 months	\$130,229
Measurement Business Analyst	\$80,785	100%	12 months	\$80,785
Health Services Data and Policy Analyst	\$80,785	100%	12 months	\$80,785
Health Policy Liaison	\$72,390	100%	12 months	\$72,390
Reporting Analyst	\$80,785	100%	12 months	\$80,785
Reporting Associate	\$69,614	100%	12 months	\$69,614
Provider Data Analyst	\$69,614	100%	12 months	\$69,614

**Individual Eligibility and Enrollment**

Individual Eligibility and Enrollment Director*	\$117,091	100%	12 months	\$117,091
Individual Elig/Enrollment Business Analyst (3)	\$80,785	100%	12 months	\$242,355
Individual Customer Service Escalation (2)	\$80,785	100%	12 months	\$161,570
Notice Coordinator	\$80,785	100%	12 months	\$80,785

**SHOP**

SHOP Director*	\$117,091	100%	12 months	\$117,091
SHOP Bus. Analyst - Policy	\$80,785	100%	12 months	\$80,785
SHOP Sales/Customer Service Escalation (2)	\$80,785	100%	12 months	\$161,570

**Customer Service**

Customer Services Director*	\$130,229	100%	12 months	\$130,229
Customer Service Training Coordinator	\$80,785	100%	12 months	\$80,785
Operations Coordinator Lead	\$72,390	100%	12 months	\$72,390

**Navigator/Broker**

Navigator/Broker /Assister Program Director*	\$101,564	100%	12 months	\$101,564
Producer Account Specialist	\$80,785	100%	12 months	\$80,785
Navigator/IPA Account Specialist (2)	\$80,785	100%	12 months	\$161,570
Navigator/Broker /Assister Prog Coordinator	\$80,785	100%	12 months	\$80,785

**Communications**

Communications & Marketing Director*	\$117,091	100%	12 months	\$117,091
Communications Coordinator	\$72,390	100%	12 months	\$72,390
Communications Analyst	\$72,036	100%	12 months	\$72,390
Outreach Analyst	\$72,036	100%	12 months	\$72,390
Stakeholder Relations Coordinator	\$80,785	100%	12 months	\$80,785
Information Analyst	\$72,390	100%	12 months	\$72,390
Outreach Coordinators (8)	\$41,600	100%	9 months	\$249,600

**MNsure Call Center**

Call Center Director*	\$117,091	100%	12 months	\$117,091
Call Center Supervisors (3)	\$51,594	100%	12 months	\$154,782
Tier 1 Call Center Agents (20)	\$35,997	100%	12 months	\$719,940
Tier 2 Enrollment Specialists (7)	\$38,461	100%	12 months	\$269,227
Data Analytics/Quality Specialist	\$56,209	100%	12 months	\$56,209
Instructional Design and Training Specialist	\$54,330	100%	12 months	\$54,330

**Interagency Agreements****MN.IT @ DHS**

Chief Information Officer	\$130,751	100%	12 months	\$130,751
Systems Administrator (3)	\$79,970	100%	12 months	\$239,910
System Administrator	\$89,137	100%	12 months	\$89,137
Network Administrator	\$79,970	100%	12 months	\$79,970
Security Technician	\$99,013	100%	12 months	\$99,013
Security Administrator	\$79,970	100%	12 months	\$79,970
Security Administrator	\$89,137	100%	12 months	\$89,137
Database Administrator	\$99,013	100%	12 months	\$99,013
Database Administrator	\$89,137	100%	12 months	\$89,137
Integration Administrator (Sys Arch)	\$106,237	100%	12 months	\$106,237
Integration Administrator (2)	\$89,137	100%	12 months	\$178,274
Messaging Administration	\$89,137	100%	12 months	\$89,137
Web Administration	\$89,137	100%	12 months	\$89,137
System Admin Unit Supervisor	\$99,013	100%	12 months	\$99,013
Filenet Administration	\$89,137	100%	12 months	\$89,137
Informatica Administrator	\$89,137	100%	12 months	\$89,137
Informatica Programmer/data modeler	\$89,137	100%	12 months	\$89,137
Data Warehouse DBA	\$89,137	100%	12 months	\$89,137
User Support (2)	\$79,970	100%	12 months	\$159,940

**MN.IT @ MNsure**

Information Technology Director	\$109,662	100%	12 months	\$109,662
Report Developer	\$89,137	100%	12 months	\$89,137
Developer Supervisor	\$99,013	100%	12 months	\$99,013
Developer	\$99,013	100%	12 months	\$99,013
Developer	\$79,970	100%	12 months	\$79,970
Program Developer (2)	\$89,137	100%	12 months	\$178,274
Project Manager	\$89,137	100%	12 months	\$89,137
Functional Analyst	\$89,137	100%	12 months	\$89,137
System Architect	\$106,237	100%	12 months	\$106,237
Technical Writer	\$79,970	100%	12 months	\$79,970
Business Analyst (2)	\$89,137	100%	12 months	\$178,274
Quality Assurance	\$89,137	100%	12 months	\$89,137
User Support – Call Center CRM	\$79,970	100%	12 months	\$79,970

**MN.IT Central**

Identity Management Admin	\$89,137	100%	12 months	\$89,137
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**Minnesota Department of Commerce**

Commerce - Rate Analysis	\$72,036	50%	12 months	\$36,018
Commerce - Policy Forms Analysis (2)	\$72,036	100%	12 months	\$144,072
Commerce – Enforcement Supervisor	\$72,036	50%	12 months	\$36,018
Commerce Enforcement Analyst	\$91,350	50%	12 months	\$45,675
Commerce Enforcement/Complaint Review (5)	\$72,036	100%	12 months	\$360,180
Fraud Prevention Investigator	\$73,362	100%	12 months	\$73,362

**Minnesota Department of Health***Compliance Monitoring*

Health Program Reps Seniors (2)	\$59,195	100%	12 months	\$118,390
Health Program Reps (5)	\$49,569	100%	12 months	\$247,845
Health Research Analyst Specialist (3.27)	\$68,257		12 months	\$223,200
Management Analyst (2)	\$70,971	75%	12 months	\$106,457
Health Program Mgr	\$84,418	50%	12 months	\$42,209
Health Technology Analyst	\$73,362	11%	12 months	\$9,279

*Module 5*

Health Economics Director	\$100,475	2%	12 months	\$2,009
Health Program Supervisor	\$65,626	18%	12 months	\$11,813
Health Economics Planner Principle	\$52,409	25%	12 months	\$13,102
Health Economics Planning Director	\$58,213	18%	12 months	\$10,478
Health Economics Program Adm Sr	\$89,951	18%	12 months	\$16,191
Health Economics Program Adm Sr	\$90,912	6%	12 months	\$5,455
Information Technology Supervisor	\$98,136	30%	12 months	\$29,441
Information Technology Analyst	\$84,355	50%	12 months	\$42,178
Information Technology Project Mgr	\$84,355	100%	12 months	\$84,355
Information Technology Mgmt Support	\$110,664	20%	12 months	\$22,133

*Risk Adjustment Analysis*

Health Economics Director	\$100,475	3%	12 months	\$3,014
Health Economics Planner Principle	\$52,409	100%	12 months	\$52,409
Health Economics Planning Director	\$58,213	100%	12 months	\$58,213
Health Economics Program Adm Sr	\$89,951	3%	12 months	\$2,699
Information Technology Supervisor	\$98,136	5%	12 months	\$4,907
Information Technology Analyst	\$84,355	25%	12 months	\$21,089

**Justification**

Below are brief position descriptions for each of the proposed existing and new MNsure staff. Funding is requested for continuation of prior requested positions plus an additional 7 new full time and 8 new part time positions in MNsure central office. The new positions are also reflected in the request to re-budget and extend the January 2013 grant for calendar year 13 costs for these positions. Funding is also requested for positions to operate an in house call center. Funding is also requested to continue funding for the Department of Commerce and Department of Health staff for QHP certification, evaluation, provider information, and fraud prevention. New positions are noted in the narrative below. Staff roles will transition from the design and development into the daily operations of the Minnesota Insurance Marketplace (MNsure) including program operations, back office operations, and IT operations. Funding will be spread equally among the four quarters of calendar year 2014.

MNsure Management positions are eligible for a performance based payment. Salary amounts listed in this request include a 10% performance payment for managers. Managers are noted with a \*.

Job Descriptions

New positions are noted.

***Senior Management/Office Administration***

**Executive Director\***: The Executive Director is the Chief Executive Officer of the Exchange and is responsible for the entirety of MNsure activities, working closely with MNsure staff, Commissioners of State agencies, and the Advisory Task Force to define and execute its mission and responsibilities.

**Chief Operations Officer\***: The Chief Operations Officer is responsible for providing strategic direction for the business operations of MNsure. Included in those operations are Eligibility, SHOP, Plan Management and Quality Reporting, Customer Service and Navigator/Broker/Assister programs.

**Public Relations Officer\***: The Public Relations Officer is responsible for strategic direction and oversight of stakeholder engagement, public/media relations, and government relations as it relates to legislative activity and legislative relations.

**Chief Financial Officer\***: The Chief Financial Officer is responsible for providing strategic direction for the financial operation of MNsure. This position also ensures compliance with HHS financial monitoring and reporting activities and has lead responsibility for creating and overseeing MNsure financing mechanisms, financial operations for premium collection, and collaboration with the Department of Human Services on cost allocation between Medicaid and MNsure funding streams.

**General Counsel\***: The General Counsel is responsible for providing legal counsel and providing legal services on a variety of matters pertaining to MNsure and its programs and operations, including compliance with State and Federal laws and review and negotiation of all contracts. This position will also oversee the operational readiness of the appeals processes for MNsure.

**Board and Federal Relations Manager\***: This position is responsible for interactions and communications with the MNsure Board and Federal Agencies. This position is also responsible for ensuring that all grant reporting responsibilities are met. This position is also responsible for tracking all relevant Federal legislation, guidance, and proposed rules and coordinating appropriate responses with MNsure staff and interagency partners.

**Business Analyst – Program Reporting: (NEW)** The Business Analyst will report to the Board and Federal Relations Manager and assist that position in tracking federal and state information, federal program reporting, board reporting and metrics, and provide staffing for the board committees. This position will also coordinate with MNsure performance metric positions/activity as necessary to complete required federal and state program reports.

**Executive Assistant\***: The Executive Assistant is responsible for providing administrative support to MNsure Director and management of four Administrative Assistants for MNsure

**Administrative Assistant (4)**: The Administrative Assistants will be responsible for providing administrative support to the program operations (Individual Eligibility, SHOP, Navigator/Broker, Quality Measures and Plan Management) support offices (legal, appeals, audit, communications and marketing), and the call center and IT staff.

***Legal/Compliance/Appeals***

**Program Integrity Manager\***: This position will be responsible for the development and implementation of policies and procedures related to the oversight and monitoring of MNsure activities. This position will also be responsible for developing reporting structures with outside entities including the Department of Human Services, Office of the Legislative Auditor, Internal Revenue Service, Department of Health and Human Services, Office of Inspector General and other entities as appropriate.

**Chief Security Officer\***: The Chief Security Officer's primary responsibility is for ensuring that MNsure remains in compliance with all applicable privacy and security laws, including developing, implementing, monitoring, and maintaining all policies and procedures related to data privacy and security. In carrying

out these responsibilities, the Chief Security Officer will work in close partnership with the information technology staff, information security staff legal staff and compliance staff.

Appeals Manager\*: This position is responsible for the management of the adjudication of appeals functions for MNsure, including interfaces with external systems and partners.

Paralegal: This position will provide administrative assistance in the development and implementation of workflows for responding to appeals.

Auditors: These positions will be responsible for performing all routine audits related to MNsure operations, and will include audits of MNsure Community Assistance Partners.

### ***Financial Management***

Management Services Supervisor: This position will oversee management services including procurement, facilities and human resources for MNsure, ensuring policies and procedures are adhered to and procurement is processed in a timely fashion.

Human Resources Specialist: This position will coordinate human resource activities including position description drafting, posting, coordination of hiring processes, staff development implementation and other human resource activities for MNsure.

Budget/Grant/Reporting Coordinator: This position will be responsible for grant management and reporting on MNsure grant activities, including quarterly federal operational and fiscal reports. This position is also responsible for assisting the MNsure CFO in the creation of operating accounting, budget and reporting structures.

Accounting Supervisor: This position will oversee day to day accounting needs of MNsure, overseeing accounts payable and receivable, account reconciliation, processing revenue refunds, implementing cost allocation plans and other accounting functions.

Accounting/Billing and Collection(4): These positions will process premium payments and provide for daily reconciliation between MNsure, the state accounting system, the state e-payment and lock-box provider on all funds flowing through MNsure.

Facilities Coordinator (NEW): This position will ensure facility needs are met including central office mail delivery, meeting room set-up including audio visual set up coordination, assist with asset management processes, and building security access for staff and vendors.

Accounting/Facilities Support (NEW): This position will be responsible for providing administrative support service as well as assisting with technical day to day accounting/procurement data entry into the state procurement and accounting system.

### ***Policy and Plan Management***

Policy and Plan Management Director\*: The Policy and Plan Management Director provides analysis and development of MNsure policy issues, manages issues associated with certification rules and processes, oversees mechanisms for collection, analysis and display of various types of plan data and manages MNsure's reporting and data analysis infrastructure.

Measurement Business Analyst: The Plan/Provider Comparison Specialist provides technical expertise and coordination of activities related to reporting and comparison of health care provider and insurer information. This position is responsible for analyzing complex federal requirements related to MNsure functions and ensure Minnesota's model for reporting and comparison aligns with these requirements and is interoperable with other essential MNsure functions. This position is responsible for working closely with external contractors, MNsure staff, and other state agencies to develop and implement models for effectively reporting, comparing, and updating cost, quality, and customer satisfaction information related to health care providers and insurers.

Health Services Data and Policy Analyst: The Health Services Data Analyst provides technical expertise and coordination of highly technical and advanced health services research activities related to MNsure analytics and reporting and design and development of methods for health insurer ratings.

Health Policy Liaison: This position supports issuers offering plans through MNsure. This position will respond to carrier inquiries on information about QHPs, coordinate communications, and assist plans with compliance issues to ensure continuity of services for MNsure customers.

Reporting Analyst: This position will provide leadership, project management and subject matter expertise related to the development, implementation and maintenance of MNsure's data reporting infrastructure. The position will work with information technology staff to build a data warehouse from which standardized and ad hoc reporting will be produced. The position will also work with business operations staff to identify needs for standardized reports, develop the content of those standardized reports, and set up and maintain a schedule for production of standardized reports. The position will also coordinate with colleagues from other agencies.

Reporting Associate: This position will support the Reporting Analyst with the testing, production, delivery and troubleshooting of regularly scheduled and ad hoc reporting. This position will assist in building a data warehouse to support MNsure's reporting program and assist in executing a data stewardship program.

Provider Data Analyst: This position will be responsible for managing data collection, maintenance and quality assurance activities related to the receipt, storage and use of provider network information. This position is needed to support implementation of a centralized provider data repository that will be used as a data source for assessment of network adequacy as well as the population of an on-line consolidated provider directory. This position will interact with carriers supplying provider network information as well as with MNsure and staff from the Departments of Health and Human Services.

### ***Individual Eligibility and Enrollment***

Individual Eligibility and Enrollment Director\*: The Eligibility and Enrollment Director is responsible for coordinating, developing, and implementing strategy for individual eligibility and enrollment operations related to MNsure, including interactions with the Minnesota Department of Human Services in its role as Minnesota's Medicaid Agency.

Individual Eligibility and Enrollment Business Analysts (3): These positions provide leadership, technical expertise, and coordination of Individual Market activities related to eligibility and enrollment business policy, system design, operational development and procedures. These positions will analyze complex State and Federal policy and operational requirements and document and implement those requirements through the functional components of the MNsure insurance marketplace. These positions will work closely with the business staff from all business areas of MNsure including, Small Business Health Options Program (SHOP), Plan Management, Finance, and Legal. Working jointly with technical staff this position will manage rules within the IBM/Curam Product, coordinate rule changes with the Department of Human Services to ensure business rules architecture integrity and evaluate policy design changes to rule sets.

Individual Eligibility and Enrollment Customer Service (2): This team will support the eligibility and enrollment of individuals eligible to purchase a QHP, receive an Advance Premium Tax Credit and/or Cost Sharing Reduction through MNsure in coordination with the Customer Service Center. This team will serve as an escalation point for complex eligibility and enrollment issues that cannot be resolved in the Customer Service Center. To the extent that an appeal from an individual eligibility determination is needed, this team would create appeals summary case files and work with legal resources for review of legal reference and authority in preparation of MNsure appeals hearings. This team would also facilitate the completion of ID proofing as necessary, perform eligibility determinations and facilitate enrollment

on complex cases, develop operational and implementation processes in coordination with the customer service agreements with the Department of Human Services.

Notices Development Coordinator (1) (NEW): This position would manage the development and long term maintenance of MNsure notices across all business functional areas. This position will work with staff from all business areas and legal and technical teams to ensure that all system generated notices follow template and content standards through the use of EZnotify notice generator software.

### **SHOP**

SHOP Director\*: The SHOP Director is responsible for coordinating, developing, and implementing strategy for the small business operations of MNsure and managing individual and small employer MNsure integration issues.

SHOP Business Analyst - Policy: The SHOP Business Analyst provides technical and subject matter expertise on the commercial business design of MNsure. This position is responsible for analyzing complex state and federal policy and leading activities to document business design requirements for the functional components of MNsure with a focus on small employer eligibility and enrollment requirements, business processes and work flows. This position is responsible for ensuring initial system design meets business requirements and establishes the capacity to expand and support future program changes.

SHOP Customer Service (2): This team will support small employers serviced through MNsure in coordination with the Customer Service Center. This team will serve as an escalation point for complex issues that cannot be resolved in the Customer Service Center, including questions on defined contribution, enrollment in Section 125 plans and application for the small employer tax credit. To the extent that an appeal from a small employer regarding eligibility determination is needed, this team would also create appeals summary case files and work with legal resources for review of legal reference and authority in preparation of appeals hearings.

### **Customer Services**

Customer Services Director\*: The Customer Services Director is responsible for managing MNsure's provision of customer services including the call center, oversight of Navigator/Assistor/Broker program, training for all aspects of MNsure and coordinating activities with State and Federal agencies.

Customer Service Training Coordinator: This position would provide direction and coordination for all training associated with MNsure including call center agents, Navigators, Brokers, and Assistors. This position will also manage relationships with external vendors providing training materials or executing training on behalf of MNsure.

Operations Coordinator Lead (NEW): This position would provide oversight and coordination of cross departmental activities and deliverables. This includes items like fulfillment coordination across teams, monitoring data feeds and responding to any issues, working with the call center and operations teams on cross departmental issues and working with IT on operational issues requiring IT response.

### **Navigator/Broker/IPA**

Navigator /Broker/Assister Program Manager\*: This position is responsible for the oversight of the day to day activities of the Navigator/Broker/Assister programs including contracting, training curriculum development, monitoring, payment, metrics and support.

Producer Account Specialist – This position would be a licensed broker, responsible for providing account manager/recruiter activities for MNsure's certified producers. This position would coordinate the certification process, provide ongoing support to partners, performance manage partners, recruit brokers to utilize MNsure, subject matter expert on training, communications, and marketing as well as provide as liaison to SHOP.

Navigator/ Assistor Account Specialist (2): These positions will support Navigators and Assisters working with MNsure and they are responsible for coordinating outreach grantees, Navigator's/In-person Assisters, and Certified Application Counselors. These positions will coordinate the contracting and certification process, provide ongoing support to partners, oversee performance management with partners, and be subject matter experts on training, communications, and marketing.

Navigator/Broker/Assistor Program Coordinator: This position will assist the three account specialists. This position will provide project management for team projects, coordinate reporting and metrics, coordinate payment processes for grantees and Navigators/In-Person Assisters and provide back up for the producer account specialist.

### **Communications**

Communications and Marketing Director\*: The Communications and Marketing Director is responsible for developing and implementing strategies and work plans for communications, outreach and marketing of MNsure in order to educate Minnesotans about the benefits of MNsure.

Communications Coordinator: This position supports on-line communications including public education website, specifically coordinating and posting of information onto the website. This position will also support activities of the Communications and Outreach Analysts along with the overall communications and marketing area.

Communications Analyst: This position would be responsible for coordinating external communications including managing public information website and social media communications. This position is responsible for media relations.

Outreach Analyst: This position is responsible for the implementation of outreach efforts for the individual and SHOP populations including outreach coordination with community advocates such other state agencies, navigators, assisters, and community groups and tribes; as well as coordination with agents, brokers, and business associations for outreach and communications to small business owners.

Stakeholder Relations Coordinator: This position is responsible for establishing and maintaining relationships with a wide range of stakeholders broadly in coordination with other MNsure staff and specifically counties and tribes. This position is also responsible for communications around legislative policies and government relations to Tribal and county partners.

Information Analyst: This position is responsible for maintaining and updating the content of MNsure's public pages.

Outreach Community Liaisons (NEW): These eight positions will work under the lead of the Outreach Analyst and will provide a MNsure presence throughout the state to implement outreach strategies in coordination with the Navigator/Assister/Broker programs. In addition, they would staff local community events throughout the state, such as fairs, conferences and town hall meetings.

### **MNsure Call Center (NEW)**

Call Center Director\*: This position will provide direction and management of the in-house call center for MNsure. This position will ensure operational effectiveness, create financial efficiency, manage deliverables and work closely with internal and external business partners to meet the needs of consumers.

Call Center Supervisors (3): These positions will provide supervision of MNsure in-house call center staff. These positions are responsible for hiring, coaching and development of call center agents as well as working closely with other MNsure team members and state agencies to create sound processes and manage escalated issues.

Tier 1 Call Center Agents (20): These positions will provide direct line call center services for MNsure. These positions will assist consumers in general inquiries, plan information and navigation to other internal and external business partners.

Tier 2 Enrollment Specialists (7): These positions will provide specialized second tier call center services that include responding to more complex customer questions and needs.

Data Analytics/Quality Specialist: This position will be part of the call center command center and provide workforce scheduling, reporting and continuous quality improvement metrics. This position will also work closely with other MNsure team members and IT staff to develop and build meaningful reports and metrics.

Instructional Design and Training Specialist: This position will provide instructional design and training for the call center training needs. This position will be part of the call center command center and be responsible for management of the knowledge base for the call center in the SharePoint site.

### ***Interagency Staffing Agreements***

#### **MN.IT – DHS (Time Study)**

Chief Information Officer: The Chief Information Officer is responsible for providing strategic direction for the information technology design, development and implementation functions of MNsure. This position ensures state readiness and coordination with contractors for technology infrastructure, staff and other resources to support MNsure and ensuring seamless interfaces with federal and state systems.

System Administrators (4): These positions will provide server administrative activities and assist identifying, installing, monitoring and supporting the services for MNsure.

Network Administrator: This position will provide services to ensure connectivity between systems and servers is conducted properly and efficiently.

Security Technician: This position will create, install and maintain technical solutions to issues involving new tools and integration between State systems.

Security Administrator(2): This position will coordinate and provide security related to oversight to ensure the servers are meeting the necessary security requirements.

Data Base Administrator (2): These positions are responsible for providing services to create, maintain, and support data base activities. Positions will assist in data transfers between systems.

Systems Architect: This position will ensure the state systems and MNsure are fully integrated, properly sized and provide a high degree of expertise in the design and development of the MNsure environments.

Integration Administrator (2): These positions will perform application support for all middle tier architecture including Web-sphere components (WPS, WAS, Web, WTX-IS, etc.).

Messaging Administrator: This position will provide messaging system support where inter-system messaging is required for interfaces to external data sources or applications.

Web Administration: This position will provide web and general administrative services to ensure the MNsure web portal is properly configured for security and robust availability.

System Administration Unit Supervisor: This position will provide IT personnel oversight activities such as allocation of duties, work schedules, performance appraisals and other supervisory functions for IT staff.

FileNet Administrator: This position will provide administration of MNsure's FileNet solution.

Informatica Administration: This position will provide application administration of the Informatica solution.

Informatica Programmer/Data Modeler: This position will provide mapping design, data validation queries, performance tuning of the Informatica solution.

Data Warehouse DBA – This position will provide services to create, maintain and support data base activities for the data warehouse needs of MNsure.

User Support (2): These positions will help support the personal computer equipment for staff at MNsure.

### **MN.IT-MNsure**

New positions noted below are transitioning from contract staff to MNsure positions as MNsure transitions from design, development and implementation to operations.

Information Technology Director: The Information Technology Director is responsible for leading the successful implementation of all information technology functions of MNsure, including working with contractors on the design and development of the IT integration architecture and requirements that facilitate interaction with partnered systems.

Report Developer (NEW): This position will create and establish report templates and create standard reports for MNsure.

Development Supervisor: This position would oversee personnel, performance and work schedule of development staff. This position will also perform code promotion oversight.

Program Developer (4) (TWO NEW): These positions will provide development services not provided by COTS vendor and will ensure program knowledge transfer to other state resources. Positions will focus on iteration needs, modifications and fixes.

Project Manager: This position will provide governance and management services with the project participants and coordination of project activities.

Functional Analyst (NEW): This position will ensure analysis, design, development, testing and documentation are performed in a consistent and standardized manner according to established standards.

Systems Architect (NEW): This position will provide services to ensure State systems and the MNsure application operate in coordination with other state systems.

Technical Writer (NEW): This position will ensure proper documentation is recorded and maintained for technical systems. These documents will help for standard operations procedures, along with support and training material.

Business Analyst (2) (NEW): These positions will coordinate knowledge transfer from subject matter experts to the developers, as well as translate technical concepts back to the subject matter experts.

Quality Assurance (NEW): Quality Assurance Technician will ensure all methodologies and standards are followed during the creation or modification to the MNsure application. This person will be responsible for verifying that business requirements are met and implemented correctly. This person will also oversee any User Acceptance Testing criteria and methodologies.

Call Center User Support (NEW)– This position will provide technical support for call center software and IT equipment.

### **MN.IT Central**

Identity Management Administration: This position will provide identity management system integration and administration to ensure user accounts and roles are securely managed, that user authorization is valid and authentication is reliable and secure.

### **COMMERCE (Interagency Agreement – Time Study)**

Commerce Rate Analyst: This position will be responsible for analysis and validation of the rates for plans to be submitted for certification for MNsure. This position will review rates for accuracy, consistency and conformity with MNsure, state, and federal standards. This position will work with state rate review staff, and will prepare documentation of the process and procedures they develop. This position will also be responsible for producing required state and federal reports on MNsure rates.

Commerce Policy Form Specialist (2): These positions will be responsible for analysis of the policy forms for Qualified Health Plans (QHPs) to be submitted for certification for MNsure. The staff will review

policy forms for accuracy, consistency and conformity with MNsure, state, and federal standards. These positions will also determine whether approved plans are acceptable for certification for use in MNsure. Commerce Enforcement Supervisor: This position will be responsible for management of enforcement complaints and inquiries concerning MNsure, including all investigations of civil matters and responses to consumers. This position is also responsible for coordination and participation in responding to consumers and consumer outreach.

Commerce Enforcement Analyst: This position will assist the commerce special agents by effectively analyzing complex, detailed and sensitive felony insurance fraud cases. This activity includes the review, evaluation and organization of complex and voluminous financial and insurance records.

Commerce Enforcement/Complaint Rev (5): These positions would conduct compliance and administrative audits/investigations estimated at 125 to 150 per year. These positions will engage in outreach activities, intake of complains and responses to consumer requests and inquiries.

Fraud Prevention Coordinator: This position would be a licensed peace officer who manages and conducts complex, detailed, and sensitive felony investigations involving insurance fraud and related crimes. This position would prepare and present case summaries and report to federal and state prosecutors.

### **MINNESOTA DEPARTMENT OF HEALTH (Interagency Agreement - Time Study)**

Department of Health Compliance Monitoring staff – QHP service area and provider network review (12.27 program FTEs and .11 IT FTE): These positions or portions of positions would review service area and provider network submissions for carriers seeking to offer QHPs through MNsure; determine if each submission is consistent with ACA requirements as well as applicable state laws and rules. These positions will also review each carrier’s internal quality assurance and improvement programs and conduct periodic quality examinations to monitor compliance with ACA requirements as well as applicable state laws and rule and ensure that each provider maintains necessary accreditations. .11 FTE IT staff will provide support, educations, data preparation and loading for implementation and enforcement of market rules.

Department of Health – Health Economics Program staff - Module 5 Development - (.87 program FTEs): Portions of six positions will participate in key decisions for provider cost and quality measures as well as final approval processes for Module 5 Provider Display, oversee development of database and consulting on content for Module 5 display such as measure definition, methodology and descriptions.

Department of Health – Information Technology Positions – Module 5 Development 2.0 FTES: Portions of four positions will provide IT management functions such as setting priorities to meet deadlines and review requirements (.3 FTE), project management functions (1 FTE), security and architecture review (.2 FTE), as well as support, education, data preparation and loading for an online consolidated provider directory and cost and quality data for MNsure (.5 FTE).

Department of Health – Health Economics Program staff – Risk Adjustment – 2.06FTEs (NEW): Portions of four positions to participate in key decisions related to evaluation of risk adjustment including work on RFPS, contract development and management, legislative reports, rulemaking, and evaluation of alternative risk adjustment models.

Department of Health – Information Technology Positions - Risk Adjustment - .3 FTEs (NEW): Portions of two positions will provide IT management functions such as setting priorities to meet deadlines , review requirements (.05 FTE), as well as support, education, data preparation and loading for risk adjustment (.25 FTE).

**B. Fringe Benefits**

Total	\$3,795,649
Exchange Establishment Grant	\$3,216,355
Medicaid Cost Allocation	\$579,294
Sources of Funding	Exchange Level-Two Establishment Grant and Enhanced Federal Medicaid Match

31.8% of total salaries = fringe benefits  
 Fringe benefits will be split across all four quarters of calendar year 2014.

**C. Consultant Costs**

See Section I Consulting/Contractual Costs.

**D. Equipment**

Total	\$60,000
Exchange Establishment Grant	\$60,000
Medicaid Cost Allocation	\$0
Sources of Funding	Exchange Level-Two Establishment Grant

Item Requested	How Many	Unit Cost	Total Amount
Risk Adjustment			
<ul style="list-style-type: none"> <li>Additional Disk for MDH – Risk Adjustment</li> </ul>	1	\$50,000	\$50,000
<ul style="list-style-type: none"> <li>Back-up Space – MDH – Risk Adjustment</li> </ul>	1	\$10,000	\$10,000

**Justification**

Additional disk storage and back-up space will provide needed capacity to support, store and backup datasets for the risk adjustment analysis.

**E. Supplies (including Computer Software/Licenses)**

Total	\$271,215
Exchange Establishment Grant	\$255,667
Medicaid Cost Allocation	\$15,548
Sources of Funding	Exchange Level-One Establishment Grant and Enhanced Federal Medicaid Match

Description	Total Amount
General office supplies –central office staff (\$1500 x 66 FTEs)	\$99,000
General Office Supplies – Call Center staff (\$1500X 33FTEs)	\$49,500
General Office Supplies – MNsure IT Staff (\$1500 x 15 FTE)	\$22,500
General office supplies – business consultants (\$250 x 1.78FTE consultants)	\$446
General Office Supplies – on-site contractors (\$250 X 20 Contractors)	\$5,000

General Office Supplies – Commerce (\$1500 X 9.5 FTE)	\$14,250
General Office Supplies – Health (\$1500 X 17.61 FTE)	\$26,415
Enterprise Licensing Agreement – central office staff (\$130 x 66 staff)	\$8,580
Enterprise Licensing Agreement – Call Center (\$130 x 33 staff)	\$4,290
Enterprise Licensing Agreement – MNsure IT staff (\$130 x 15)	\$1,950
Enterprise Licensing Agreement – Consultants (\$130 x 7 Consultants)	\$910
Enterprise Licensing Agreement – Commerce (\$130 x 9.5)	\$1,235
Enterprise Licensing Agreement – Health (\$130 x 17.61)	\$2,289
Adobe Acrobat Creative Suite (\$1500 x 6)	\$9,000
Adobe Acrobat e-learning suite (\$1635 x 4)	\$6,540
West Law Subscription (\$402.3 per month for 4 staff x 12 months)	\$19,310

**Justification**

General office supplies will be used by MNsure staff and on-site contracted staff to carry out daily activities including pens, files, paper, copy costs, on-boarding supplies etc. Microsoft Office will be used to document activities, process reports, etc. Annual maintenance costs cover required State enterprise licensing costs. Supply costs will be equally split between all four quarters of calendar year 2014, with the exception of software costs which will be spent in the first quarter.

**F. Travel**

Total	\$120,672
Exchange Establishment Grant	\$120,672
Medicaid Cost Allocation	\$0
Sources of Funding	Exchange Level-One Establishment Grant

<u>Description</u>	<u>Cost</u>
In-State Travel	\$66,422
Out-of-State Travel	<u>\$54,250</u>
Total	\$120,672

<u>In-State Travel</u>	<u>Cost</u>
<i>Legal – audit activity 7 metro county audits and 80 outstate county audits</i>	
Metro county audits average 30 miles each @\$0.51/mile	\$179
Outstate audits - 25 - 3 day trips, average 100 miles per day	
Mileage - 25 x 3 x 100 x \$0.51	\$3,825
Per Diem - \$35 x 25 x 3	\$2,625
Lodging - 50 x \$150	\$7,500

Eligibility and Enrollment- 6 one day and 6 two day trips for 2

Mileage - (160 x 6 x \$0.51) + (200 x 6 x 2 x \$0.51)	\$1,714
Per Diem - (\$35 x 6 x 2) + (\$35 x 6 x 2 x 2)	\$1,260
Lodging - \$150 x 6 x 2	\$1,800

Navigator/Broker/Assister - 3 one day and 3 two trips for 3

Mileage - 160 x 3 x \$0.51 + 200 x 3 x 2 x \$0.51	\$857
Per Diem - \$35 x 3 x 3 + \$35 x 3 x 3 x 2	\$945
Lodging - \$150 x 3 x 3	\$1,350

SHOP - 3 one day and 2 two day trips for 1

Mileage - (160 x 3 x \$0.51) + (200 x 2 x 2 x \$0.51)	\$652
Per Diem - (\$35 x 3) + (\$35 x 2 x 2)	\$245
Lodging - \$150 x 2	\$300

Marketing and Communications - Community presentations - 75 annual presentations

Mileage - 75 x 100 x \$0.51	\$3,825
Per Diem - \$35 x 75	\$2,625
Mileage - Local Outreach Liaisons - 72000 x \$0.51	<u>\$36,720</u>
In-State Travel Total	\$66,422

**Justification** – Program auditors will be required to do a significant amount of travel because of the need to provide close oversight and monitoring of the many new Consumer Assistance Partners across the state. The grant request assumes one trip to each of the 87 Minnesota counties. Outstate trips will be coordinated to cover areas of the state.

Eligibility and Enrollment, NAB and SHOP will travel for purposes of business area outreach specific to each area including employer and broker association presentations, community presentations on individual eligibility, and regional training on individual market policies. Coordination will occur across business areas and with communication and marketing where possible. One day travel is estimated at 160 miles per day. Two day travel is estimated at 200 miles per day or a total of 400 miles for the trip.

Marketing and communications will provide community presentations throughout the state by central office MNsure outreach staff as well as additional travel for MNsure community liaisons. It is estimated that central office staff will provide 75 presentations and average 100 miles per trip and community liaisons will average 9000 miles per year.

<u>Out-of-State Travel</u>	<u>Cost</u>
Airfare - (50 trips \$500)	\$25,000
Per - Diem (50 3 days x\$35)	\$5,250
Lodging - (50 x 2 nights x \$200)	\$20,000
Ground Transportation - (50 trips x \$80)	<u>\$4,000</u>
Out of State Total	\$54,250

**Justification**

Outstate travel assumes a total of 50 trips including

- 4 grant management meetings for 4 staff,
- 4 trips for SERFF for 2 staff,
- 1 trip for 3 for Quality Management,
- 2 trips for 3 for eligibility and enrollment activities,

- 2 trips for 1 SHOP staff,
- 3 trips for 2 for marketing and communication staff and
- 1 trip for 1 Navigator/Broker staff.
- 2 trips for 2 staff for the Department of Commence
- 2 trips for 2 staff for the Department of Health
- Travel estimates are based on actual travel requirements for the last two years.

**G. Other**

Total	\$10,792,186
Exchange Establishment Grant	\$7,051,645
Medicaid Cost Allocation	\$3,740,541
Sources of Funding	Exchange Level-Two Establishment Grant and Enhanced Federal Medicaid Match

Description	Cost
<i>MNsure Central Office – General Administrative Costs</i>	
• Board Compensation (\$30,076 x 6)	\$180,456
• Rent – Central Office and Call Center	
o (22,842 square feet x \$21.70/square foot)	\$495,671
• Rent Golden Rule – Contractors and Consultants	
o (6818 square feet x \$19.25/square foot)	\$131,247
• Printers	
o 4 multi-function printers @ \$400/month	\$19,200
• MN.IT Wireless (\$1505/month x 12 months)	\$18,060
• MN.IT Long Distance (\$300/month x 12 months)	\$3,600
• MN.IT Intercall service (\$2000/month x 12 months)	\$24,000
• MN.IT support for WAN	\$96,060
• MN.IT – email/Linc/SharePoint \$14.10/user/month x 114 users	\$19,289
• MN.IT – email/Linc/SharePoint \$14.10/user/month x 9.5 Commerce	\$1,607
• MN.IT – email/Linc/SharePoint \$14.10/user/month x 17.61 MDH	\$2,980
• Staff Development - (\$375 x 114)	\$42,750
• IT support costs MDH - (\$99/month x 17.61)	\$20,921
• IT Support costs Commerce – (\$99/month x 9.5)	\$11,286

**Justification** – Board compensation is set in statute at 25% of the Governors Salary or \$30,076. Six board members are eligible for compensation with the seventh board member being the current commissioner of the Department of Human Services. Rent is based on signed lease agreements annualized for CY 14 for 22,842 @ 21.40 for 5 months and \$21.90 for 7 months of calendar year 2014. Printer costs are based on service agreements for 4 multi-functional printer devices for central office, the call center and contractor sites. Wireless charges based on use of 21 blackberries at \$60 per month, 6 wireless devises at \$40 per month and 7 wireless splitters at \$35 per month. Long distance and intercall costs are based on current usage. MN.IT costs for WAN/LAN/Desktop as well as back-up are based on MN.IT estimates for MNsure. E-mail/Linc and SharePoint costs are based on a monthly per user rate for MN.IT services. Commerce and MDH IT support costs are based on MN.IT rates for desktop support. Staff development is requested at \$375 per FTE per year.

<u>Business Operations</u>	<u>Costs</u>
<ul style="list-style-type: none"> <li>PO Boxes (Appeals and SHOP) 2 x \$2500</li> </ul>	\$5,000
<u>Marketing and Communications</u>	<u>Costs</u>
<ul style="list-style-type: none"> <li>Collateral Materials</li> <li>Outreach webinars</li> <li>Advertising Purchases</li> <li>Community Events Booth Rental (45 x \$500)</li> <li>Town Hall Meeting Rental (12 x \$300)</li> <li>Town Hall Video Production</li> <li>Outreach Postage</li> <li>Trumba License</li> <li>GovDelivery License</li> </ul>	\$400,000 \$12,000 \$2,000,000 \$22,500 \$3,600 \$20,000 \$3,000 \$5,000 \$25,000

**Justification**

Marketing materials, outreach and advertisement costs are based on continuing work from prior grants to implement MNSure's marketing work plan through open enrollment and the first year of MNSure operations. Trumba license will allow MNSure to develop an online, interactive calendar of events including outreach and community meetings, events and webinars as well as facilitate event registration. The GovDelivery license is MNSure's solution for direct e-mail messaging for delivery of regular bulletins and targeted messaging.

<u>Call Center Infrastructure Support</u>	<u>Costs</u>
<ul style="list-style-type: none"> <li>Inbound Toll Free Service               <ul style="list-style-type: none"> <li>\$0.044/minute x 914,321 minutes</li> </ul> </li> <li>Outbound Ling Distance               <ul style="list-style-type: none"> <li>\$0.049/minute x 229,015 minutes</li> </ul> </li> <li>MN.IT Data Hosting CRM and Telephone</li> <li>Voicemail agent               <ul style="list-style-type: none"> <li>50 units x \$1/month x 12 months</li> </ul> </li> <li>IVR with speech port               <ul style="list-style-type: none"> <li>50 units x \$65/month x 12 months</li> </ul> </li> <li>Quality Management/Seat – Calabria               <ul style="list-style-type: none"> <li>50 units x \$2/month x 12 months</li> </ul> </li> <li>Workforce Management/Seat – Calabria               <ul style="list-style-type: none"> <li>50 units x \$2/month x 12 months</li> </ul> </li> <li>Microsoft Dynamics CRM               <ul style="list-style-type: none"> <li>50 units x \$45/month x 12 months</li> </ul> </li> <li>WebEx Host Subscription               <ul style="list-style-type: none"> <li>4 units x \$49/month x 12 months</li> </ul> </li> <li>Customer Service Training Package License</li> <li>Language Line Services</li> <li>Customer Service Training Module License</li> </ul>	\$40,230 \$11,222 \$60,000 \$600 \$39,000 \$1,200 \$1,200 \$27,000 \$2,352 \$5,000 \$230,000 \$7,500

**Justification**

MNSure call center IT infrastructure set up is based on consulting with the state's centralized IT department and with experts from current state run call centers. Unit costs for all items are based on

current state pricing. Language line costs assume 14% of call volume estimates will require language assistance, similar to other current state health care program call centers.

Minnesota Department of Health Risk Adjustment Activities	Costs
• Additional Citrix User Licenses	\$50,000
• Additional Grouper Licenses	\$10,000
• Security Systems Audit	\$80,000

**Justification**

The Minnesota Department of Health is requesting additional end user licenses and VPN license connections to support the additional users for the risk adjustment analysis. In addition they are requesting additional Grouper Licenses. There are currently a number of risk adjustment solutions (groupers) available for conducting risk adjustment as required under the ACA to limit the potential effect of adverse selection in the small group and individual health insurance market. Although the U.S. Department of Health and Human Services is planning to a non-commercial solution (the Centers for Medicare and Medicaid Services Hierarchical Conditions Categories model, or HCC), there are commercial risk adjusters available whose relative performance Minnesota plans on testing against that of the HCC. These commercial solutions require a license fee. Finally, MDH is requesting a security systems due to adding users to the system to verify security needs are met based on the new needs and system changes.

Commerce Department Fraud Prevention Activities	Costs
• Updates to current fraud intake process	\$12,000
• Fraud Prevention Advertisement	\$7,500
• Office of Administrative Hearings	\$60,000

**Justification**

The complaint intake process will be modified to leverage the existing infrastructure. This process will include training of call center staff as well as modification to the existing phone system and call trees. These modifications will allow the public to call on consumer complaints, inquiries and questions to the Department of Commerce, as well as reporting fraud, waste and abuse. Costs for this expense type will be allocated across benefitting programs including MNsure.

Fraud prevention Advertisement will include bus, bus stop, pamphlets, etc., to inform the public and warn about fraudulent activity.

The Office of Administrative costs include hearing and related expenses concerning enforcement actions. It is estimated that each case receiving a hearing will cost between \$5,000 - \$10,000.

IT Support	Costs
• MN.IT @ DHS Staff support costs <ul style="list-style-type: none"> <li>○ \$7,000 x 24 FTE</li> </ul>	\$168,000
• MN.IT Back-up <ul style="list-style-type: none"> <li>○ 0.13/gig/month @ 48,000gig</li> </ul>	\$74,880
• Storage Costs <ul style="list-style-type: none"> <li>○ 40 terabytes @ .13 per gigabyte (\$5,324.80) per month</li> </ul>	\$63,898
• Virtual Instances	\$871,000

- SAN
  - .11/gig/month x 30,720 gig \$41,000

**Justification**

IT infrastructure support costs are based on analysis from the MN.IT services within the Department of Human Services and centralized MN.IT services based on current state rates. IT staff support costs are based on DHS costs estimates for annual direct staff non-personnel costs such as supplies, security, computer software support, etc. This is will be billed based on actual costs.

Annual Licensing/Maintenance/Support Agreements

	<u>Annual Costs</u>	<u>Renewal</u>	<u>Requested Costs</u>
<b>MNSure IT Solution</b>			
• Module 1 (IBM)	\$430,000	July 2014	\$215,000
• Non-MAGI (IBM) – non grant	\$230,000	October 2014	\$230,000
• Module 2 (Connecture)	\$165,000	October 2014	\$41,250
• Module 3 (Connecture)	\$250,000	October 2014	\$62,500
• Module 4 (Connecture)	\$410,000	October 2014	\$102,500
• Module 5 (Connecture)	\$165,000	October 2014	\$41,250
• Module 6 (EngagePoint)	\$374,000	October 2014	\$93,500
• Module 7 (EngagePoint)	\$307,500	October 2014	\$76,875
• Internal/Workspace User License (IBM)	\$252,000	October 2014	\$63,000
• EZ Suite (EngagePoint)	\$832,700	March 2014	\$624,525
• Activos (EngagePoint)	\$34,870	April 2014	\$23,363
• Informatica (EngagePoint)	\$201,099	April 2014	\$134,736
• IAM (Price Waterhouse Coopers)	\$229,508	January 2014	\$229,508
• WESP, WSRR, WASND WTX (IBM)	\$936,300	February 2014	\$780,250
• Web Services Security Layer (IBM)	\$17,600	January 2014	\$17,600
• Web Services Security Layer (IBM)	\$35,200	February 2014	\$32,267
• FileNet (IBM)	\$285,000	February 2014	\$237,500
• Rationale Licenses (IBM)	\$122,673	Sept. 2014	\$40,891
• IBM/Oracle hardware/software	\$124,000	May 2014	\$72,415
• IBM/Oracle hardware/software (mn.it)	\$1,812,368	January 2014	\$1,812,368
• IBM/Oracle hardware/software	\$117,164	January 2014	\$117,164
• IBM Oracle hardware software	\$224,000	Nov 2014	\$37,333
• IBM/Oracle hardware/software	\$35,000	August 2014	\$14,583
• IBM/Oracle – misc renewals	\$20,000		\$20,000
• Misc. IT licenses (Jira, Greenhopper, Crystal, etc)			\$20,000
• Monitoring Security Software	\$15,000	January 2014	\$15,000
• Security Agents	\$30,000	January 2014	\$30,000
• Vericode Licenses	\$120,000	January 2014	\$120,000
• Two Factor Authentication	\$30,000	January 2014	\$30,000
• Security Analysis	\$30,000	January 2014	\$30,000

**Justification**

Annual license, maintenance and support costs are based on purchases identified and purchased with Level 1 grant funds. Renewals will be allocated to the grant based on service dates.

**H. Consulting/Contractual Costs**

Total	\$27,645,806
Exchange Establishment Grant	\$23,906,584
Medicaid Cost Allocation	\$3,739,222
Sources of Funding	Exchange Level-Two Establishment Grant and Enhanced Federal Medicaid Match

<u>Description</u>	<u>Cost</u>
<u>Information Technology</u>	
Exchange Maintenance module development (RFP)	
• On-site year 1 support	\$1,995,000
• System Enhancements	\$3,010,000
• Identity Access Management	\$1,760,576
• After Hours Support	\$104,400
• IT Infrastructure Training	\$200,000
• Department of Economic Development Interagency Agreement	\$12,444
<u>Business Operations</u>	
Business Operational Readiness	\$770,708
Appeals Interagency Agreement	\$2,504,128
Attorney General Interagency Agreement	\$25,030
Translation	\$160,000
Interpretation Services	\$120,000
Appeals Management System	\$250,000
Independent Audit	\$50,000
Premium Processing	\$1,000,000
Notices/Correspondence-printing, mailing	\$680,000
Quality Ratings and Enrollee Satisfaction System Implementation	\$250,000
Interagency with DHS – MNCare Operations	\$3,850,000
Call Center Overflow Contract	\$350,000
Call Center IVR Voice Talent	\$5,000
Third Party Review of NAB Program	\$200,000
IPA Compensation	\$5,200,000
IPA Infrastructure and Outreach Grants	\$4,000,000
SHOP Temporary Operations	\$83,520
Market Research	\$100,000
Advertisement negotiation and placement services	\$75,000
Creative design and development	\$400,000
MDH – Risk Adjustment – Data Audit	\$150,000
MDH Risk Adjustment - Data Definition Development	\$90,000
MDH Risk Adjustment – Evaluation Model Development	\$250,000

**Contract Details:**

On-Site Support

- Name of contractor: IBM/Curam, Connecture, EngagePoint
- Method of selection: Amendment
- Period of performance: Calendar year 2014.
- Scope of work: On-site support to MNSure and DHS staff for information technology knowledge transfer and training during initial year of implementation of MNSure systems.
- Method of accountability: Weekly meetings between MNSure staff and contractors and weekly progress reports from contractors.
- Budget request: \$1,995,000

**Justification**

Assumes up to 5700 hours at \$350 per hour for on-site support from Curam, Connecture and EngagePoint staff.

MNSure IT Solution Enhancements

- Name of contractor: IBM/Curam, Connecture, EngagePoint
- Method of selection: Amendment
- Period of performance: Calendar year 2014
- Scope of work: Development, design, and implementation of enhancements or fixes outside of current contract scope
- Method of accountability: Weekly meetings between MNSure staff and contractors and weekly progress reports from contractors.
- Budget request: \$3,010,000

**Justification**

Assumes up to 8600 hours at \$350 per hour for additional scope enhancements or modifications identified during first year of operations. Work would be coordinated with current contract work to ensure coordination of priorities for current project with high priority changes.

Identify Access Management

- Name of contractor: Price Waterhouse Coopers
- Method of selection: Amendment
- Period of performance: November 2013 to May 2014
- Scope of work: Development support of post GO Live enhancements including solution stabilization, additional functionality for 1/1/14 release, knowledge transfer plus one month of operation and triage support
- Method of accountability: Weekly meetings between MNSure staff and contractors and weekly progress reports from contractors.
- Budget request: \$1,760,576

**Justification**

Assumes up to 9498 hours at costs ranging from \$42 per hour to \$360 per hour to continue the work from prior grants for post Go Live enhancement and supports.

After Hours Support

- Name of contractor: TBD

- Method of selection: State contract
- Period of performance: Calendar Year 2014
- Scope of work: After hours support to provide 24 x 7 support for database, middle tier, hardware/OS, network and security needs of MNSure.
- Method of accountability: Weekly meetings between MNSure staff and contractors and weekly progress reports from contractors.
- Budget request: \$104,400

**Justification**

\$50 per hour for 2088 hours.

IT Infrastructure Training

- Name of contractor: TBD
- Method of selection: State contract
- Period of performance: Calendar Year 2014
- Scope of work: Training on new products within the MNSure suite to ensure knowledge transfer to MN.IT @ DHS or MN.IT @ MNSure
- Method of accountability: Weekly meetings between MNSure staff and contractors and weekly progress reports from contractors.
- Budget request: \$200,000

**Justification**

Amount is based on current usage of contracts for this type of activity.

Data Sharing Agreement – Department of Economic Development

- Name of contractor: Department of Economic Development
- Method of selection: Interagency Agreement
- Period of performance: Calendar Year 2014
- Scope of work: Weekly data sharing for employment information required by MNSure. Update data and change data format, etc. as necessary.
- Method of accountability: Weekly receipt of required data.
- Budget request: \$12,444

**Justification**

183 hours of Department of Economics staff at an average of \$68 per hour.

Business Operational Readiness

- Name of contractor: Minnesota Management and Budget
- Method of selection: Interagency agreements
- Period of performance: Third and fourth quarter of calendar year 2014. Assumes request to re-budget and extend the January 2013 grant for similar costs in the first half of 2014.
- Scope of work: To assist in project management across all areas of business operations during initial year of implementation of business processes included business processes associated with IT releases of MNSure system.
- Method of accountability: Direct oversight by MNSure management staff
- Budget request: \$770,708. Assumes 2080 hours for calendar 2014 for 10 consultants less amounts covered in a re-budget request for the grant awarded in September 2012.

**Justification**

Role	Rate	CY 14 Hours	Total
PM Business Operations	\$165	2088	\$344,520
PM Plan Management	\$143	2088	\$298,584
PM Legal and Compliance	\$120	2088	\$250,351
PM Finance/Fund Aggregation	\$145	2088	\$303,178
PM Eligibility	\$143	2088	\$298,584
PM Navigator	\$143	2088	\$298,584
PM Carrier Integration	\$145	2088	\$303,178
PM SHOP	\$143	2088	\$298,584
PM Training	\$165	2088	\$344,520
PM Call Center	\$143	2088	\$298,584
<b>Total</b>			<b>\$3,038,667</b>
<b>Less September Grant for CY 13 (rebudgeted)</b>			<b>\$2,267,959</b>
<b>Net Request</b>			<b>\$770,708</b>

Appeals

- Name of contractor: Department of Human Services/Office of Administrative Hearings
- Method of selection: Interagency Agreement
- Period of performance: Calendar year 2014
- Scope of work: Appeals transaction costs including eligibility and enrollment appeals for Individual and SHOP programs.
- Method of accountability: Operational metrics and weekly/monthly/quarterly reports.
- Budget request: \$2,504,128

**Justification**

Includes \$35,000 of consulting services through the office of Administrative Hearings on policies, procedures, process and triage recommendations. Assumes the following:

- |  |           |
|--|-----------|
| • Eligibility and Enrollment for SHOP (1816 appeals at \$315/appeal) | \$572,040 |
| • Employer Penalty Appeals (1000 @ \$315/appeal)                     | \$315,000 |
| • IAP not including MA or BHP (3357 @\$157.5/appeal)                 | \$528,728 |
| • QHP not including IAP (1239 @\$315/appeal)                         | \$390,285 |
| • Mandate Exemption (2105 @\$315/appeal)                             | \$663,075 |

Attorney General

- Name of contractor: Attorney General
- Method of selection: Interagency Agreement
- Period of performance: Calendar year 2014
- Scope of work: Legal advice and assistance on specialized areas, such as trademark/copyright law and for representation in litigation.
- Method of accountability: Operational metrics and weekly/monthly/quarterly reports.
- Budget request: \$25,030

**Justification**

Assumes 150 attorney hours at \$129/hour and 80 paralegal hours at \$71/hour.

Translation

- Name of contractor: TBD
- Method of selection: RFP or state contract
- Period of performance: Calendar year 2014
- Scope of work: Translation of a variety of documents including but not limited to applications, notices and appeals decisions as well as translation of presentation materials and outreach videos.
- Method of accountability: Appropriate translation of material to be reviewed and approved by MNSure staff.
- Budget request: \$160,000

**Justification**

Contract will provide meaningful access to individuals with limited English proficiency. Cost is based on experience from the Minnesota Department of Human Services with translation services. Translation of MNSure related items that benefit Medicaid will be allocated to Medicaid. This grant assumes the \$160,000 is the MNSure non-Medicaid share.

Interpretation Services

- Name of contractor: TBD
- Method of selection: RFP, interagency or state contract
- Period of performance: Calendar year 2014
- Scope of work: Interpretation services for a variety of functions offered by MNSure, including call center, application assistance, appeals, outreach, and sign language interpretation for MNSure employees, etc.
- Method of accountability: Appropriate translation of material to be reviewed and approved by MNSure staff.
- Budget request: \$120,000

**Justification**

Contract will provide meaningful access to individuals with limited English proficiency or individuals with disabilities. Cost is based on experience from the Minnesota Department of Human Services with translation services. Interpretation services for related items that benefit Medicaid will be allocated to Medicaid. This grant assumes the \$120,000 is the MNSure non-Medicaid share.

Appeals Management System

- Name of contractor: TBD
- Method of selection: RFP for technical/professional contract
- Period of performance: Calendar year 2014
- Scope of work: Licensing for appeals case management system as well as professional /technical services necessary to configure the system to be fully integrated with the MNSure application.
- Method of accountability: Weekly meetings between MNSure staff and contractors and weekly progress reports from contractors.
- Budget request: \$250,000

**Justification**

The Department of Human Services and MNSure jointly published an RFI for an appeals management system. Any procurement would be a joint purchase and cost would be allocated between agencies.

The amount of this grant request assumes the MNsure only portion for licenses and services of this contract.

Third Party Review

- Name of contractor: Office of the Legislative Auditor
- Method of selection: Statute
- Period of performance: First four months of grant
- Scope of work: Conduct an independent third party assessment of all systems of internal control.
- Method of accountability: Assessment report must meet state and federal requirements.
- Budget request: \$50,000

**Justification**

Funding is requested to reimburse auditing costs for the office of the legislative auditor (OLA). Costs are based on recent estimates from the OLA.

Premium Billing and Collection

- Name of contractor: US Bank and Minnesota Department of Human Services
- Method of selection: Statewide Banking Contract, interagency agreement
- Period of performance: Calendar year 2014
- Scope of work: Processing of SHOP and individual premium collections
- Method of accountability: Operational metrics and weekly/monthly/quarterly reports
- Budget request: \$1,000,000

**Justification**

Premium processing fees are based on the following assumptions for individuals and SHOP (not including MinnesotaCare/BHP)

- Majority of individuals will choose to pay initial payment through MNsure;
- 60% of subsidized individuals and 70% on non-subsidized individuals will pay online;
- 50% of individuals will use e-check or EFT and 50% using credit card payments;
- 100% of SHOP users will pay on-line with 80% paying by e-check or EFT;
- E-check transactional costs are .27 per transaction and credit card transactions are \$0.35 per transaction plus 1.75% of the payment.
- Average premiums are based on the premium trends for SHOP and projections from the Jonathon Gruber and Bela Gorman on the individual market.
- Total of \$1.225 million of which \$225,000 will be for activity from October to December and covered in a prior grant.

Printing Services for Invoices and Notices

- Name of contractor: Department of Human Services
- Method of selection: Interagency agreement
- Period of performance: Calendar year 2014
- Scope of work: Printing of invoices and notices
- Method of accountability: Operational metrics and weekly/monthly/quarterly reports.
- Budget request: \$680,000

**Justification**

Notice printing and mailing assume the following for individuals and SHOP (not including Medicaid and MinnesotaCare/BHP) utilizing enrollment projections:

- \$0.50 cost per mailing.
- Enrollment estimates from Jonathon Gruber report utilized in the Wakely Budget Model
- 32,000 SHOP notices including invoices based on business analysis with 30% requesting electronic only.
- 1,328,000 QHP individual notices including invoices based on business are analysis including comparison of similar state health care program (MinnesotaCare).

**Quality Rating and Enrollee Satisfaction System Implementation**

- Name of contractor: TBD – Private sector contract
- Method of selection: Existing contract or RFP
- Period of performance: First four months of grant
- Scope of work: Implementation of MNsure’s future quality rating and enrollee satisfaction survey systems.
- Method of accountability: Weekly meetings between MNsure, Department of Commerce and Health staff and contractors and weekly progress reports from contractors.
- Budget request: \$250,000

**Justification**

Minnesota requests funding for a private sector contractor to implement a quality rating and enrollee satisfaction system. This request builds on prior requests and work to develop a quality rating and enrollee satisfaction system.

**Customer Service Operations**

- Name of contractor: Department of Human Services
- Method of selection: Interagency agreement
- Period of performance: Calendar year 2014
- Scope of work: Processing of paper applications and annual case maintenance for QHP enrollees, mandate exemption processing, call center overflow and undeliverable mail processing.
- Method of accountability: Operational metrics and weekly/monthly/quarterly reports.
- Budget request: \$3,850,000

**Justification**

Cost estimates are based on projected FTE needs for the Department of Human Services MinnesotaCare operations to provide services for QHP individual application processing (average of 50 FTE over the calendar year at \$74,000 per FTE for salary, fringe and non-personnel costs such as supplies, equipment, IT support, communications etc). Costs also include printing costs for the paper application. FTE estimates are based on QHP enrollment projections and costs if the current MinnesotaCare program for similar activities.

**Customer Assistance Services – Call center overflow**

- Name of contractor: TBD
- Method of selection: RFP or state contract
- Period of performance: Calendar year 2014

- Scope of work: Provide resource for call center overflow during seasonal peaks, especially during open enrollment.
- Method of accountability: Operational metrics and weekly/monthly/quarterly reports.
- Budget request: \$350,000

**Justification**

Cost is based on other state agency current usage of overflow call center contracts.

Customer Assistance Services – IVR Voice Talent

- Name of contractor: TBD
- Method of selection: Annual spending plan
- Period of performance: Calendar year 2014
- Scope of work: Provide voice for the call center that will record and maintain the IVR scripts.
- Method of accountability: Review and approval of recording by MNsure staff.
- Budget request: \$5000

**Justification**

Cost is based on other state agency current usage of similar services.

Third Party Review of NAB Program

- Name of contractor: TBD
- Method of selection: RFP
- Period of performance: Calendar year 2014
- Scope of work: Third party evaluation of consumer assistance programs (Navigator/In-Person Assistor/Broker)
- Method of accountability: Periodic meetings between MNsure staff and contractors and progress reports plus delivery of final evaluation.
- Budget request: \$200,000

**Justification**

Contract would allow MNsure to identify best practices and evaluate system needs for customer assistance programs. Costs are based on similar evaluations for large consumer assistance programs.

Customer Assistance Services – In-Person Assistor Compensation

- Name of contractor: Various
- Method of selection: Approved In-Person Assistor Providers
- Period of performance: Calendar year 2014
- Scope of work: Compensation to In-Person Assistors for provision of application and enrollment assistance.
- Method of accountability: Payment will be based on successful enrollments for individuals linked with an In-Person Assistor on the MNsure system.
- Budget request: \$5,200,000

**Justification**

Cost is based on an estimated \$70 per successful enrollment assuming a CY 2014 enrollment of 178,000 under the high enrollment scenario where 56% of individuals utilize an In-Person Assistor for a total of

\$7 million. This amount is reduced by \$1.8 million based on prior grant requests funding available for enrollments during open enrollment occurring in 2013.

Customer Assistance Services – Infrastructure and Outreach Grants

- Name of contractor: Various
- Method of selection: RFP
- Period of performance: July to December 2014
- Scope of work: Grants to consumer assistance partners for outreach and enrollment activities that link consumers to application and enrollment assistance and enrollment through MNsure
- Method of accountability: Grant management contract t requirements, grantee meetings and auditor oversight activities.
- Budget request: \$4,000,000

**Justification**

Annual infrastructure and outreach grants for MNsure based on our Consumer Assistance plan. Funds would cover calendar year 2014 for the 2015 enrollment period. Prior grants included funding for the calendar 2013 activities for calendar year 2014 enrollment.

SHOP – Temporary SHOP Operations

- Name of contractor: Various
- Method of selection: Temporary staffing resources
- Period of performance: Calendar year 2014
- Scope of work: Initial data entry needs for MNsure SHOP to assist with manual processing of applications, eligibility and other SHOP functions.
- Method of accountability: Grant management contract t requirements, grantee meetings and auditor oversight activities.
- Budget request: \$83,520

**Justification**

Four temporary staff at \$20 per hour for 1044 hours each to assist with manual processing of SHOP applications, eligibility and other SHOP functions.

Marketing Research

- Name of contractor: TBD or current contractor
- Method of selection: RFP or amendment to current contract
- Period of performance: Calendar year 2014
- Scope of work: Continue target audience research for MNsure and market testing post Go-Live.
- Method of accountability: Weekly meetings between MNsure staff and contractors and weekly progress reports from contractors.
- Budget request: \$100,000

**Justification**

Activities will include specific target audience research, communications testing and recommendations as a result of testing. The market research performed under previous Level-One grants sets the baseline for attitudinal research that should be revisited to see if public perceptions have stayed the same or changed. Funding in this area also will allow for additional research in areas discovered from the first study that necessitate exploration.

Advertisement Negotiation and Placement

- Name of contractor: TBD or current contractor BBDO
- Method of selection: RFP or amendment to current contract
- Period of performance: Calendar year 2014
- Scope of work: Negotiation on behalf of MNSure for advertisement placement.
- Method of accountability: Weekly meetings between MNSure staff and contractors and weekly progress reports from contractors.
- Budget request: \$75,000

**Justification**

Funding is requested for continuation of activity to negotiate and place advertisement time and price space during calendar year 2014 for open enrollment into 2014 and for the 2015 open enrollment (October to December of 2014). Advertisement costs will be purchased through a purchase order and is found in the "Other Costs" section of the grant application. The amount is based in similar work being performed under current grants.

Advertisement Creative Design and Development

- Name of contractor: TBD or current contractor BBDO
- Method of selection: RFP or amendment to current contract
- Period of performance: Calendar year 2014
- Scope of work: Campaign ideation and outreach/marketing collateral creation
- Method of accountability: Weekly meetings between MNSure staff and contractors and weekly progress reports from contractors.
- Budget request: \$400,000

**Justification**

Funding is requested for continuation of activity to design and develop on-going advertisement campaigns post the launch campaign and for calendar 2015 open enrollment (October to December 2014). Costs are based on similar work done for MNSure for current marketing campaign.

Assessing APCD for use in State-Based Risk Adjustment

- Name of contractor: TBD
- Method of selection: RFP
- Period of performance: Calendar year 2014
- Scope of work: Assessment of state's All-Payer Claims Database to determine if it contains necessary data elements at the required level of quality to meet federal requirements for a state-based risk adjustment as well as accessing the accuracy of the data submitted.
- Method of accountability: Written report to the state.
- Budget request: \$150,000

**Justification**

Funding is based on consultation with Robert Wood Johnson State Network Initiative which supports exchange development for a number of state's including Minnesota. Activities would be coordinated with the state's data aggregator who will support these activities through analytic efforts.

Data Collection/Evaluation for State-Based Risk Adjustment

- Name of contractor: TBD
- Method of selection: Amendment to current state data aggregator contract or RFP
- Period of performance: Calendar year 2014
- Scope of work: Collection of additional data elements for risk adjustment, including development data definitions, amending data companion guides, implementing system changes, reprogramming encryption algorithms, testing data submissions, educating and assisting data submitters and cutting data files.
- Method of accountability: Written report to the state.
- Budget request: \$90,000

**Justification**

Funding is based on consultation with Robert Wood Johnson State Network Initiative which supports exchange development for a number of state’s including Minnesota. Technical upgrades including equipment, licensing and system and security audits are included in other sections of this grant will support this work as well.

Evaluating Alternative Risk Adjustment Models

- Name of contractor: TBD
- Method of selection: RFP
- Period of performance: Calendar year 2014
- Scope of work: Test performance of alternative risk adjustment strategies, including testing various risk adjustors, incorporating alternative data elements into models, specifying alternative risk adjustment cells, developing methods for estimating induced demand, and calculating error rates based on audits of health plan data.
- Method of accountability: Written report to the state.
- Budget request: \$250,000

**Justification**

Funding is based on consultation with Robert Wood Johnson State Network Initiative which supports exchange development for a number of state’s including Minnesota.

**I. Total Direct Costs**

Total	\$54,621,530
Exchange Establishment Grant	\$44,725,246
Medicaid Cost Allocation	\$9,896,284

**J. Indirect Costs**

Total	\$373,306
Exchange Establishment Grant	\$373,306
Medicaid Cost Allocation	\$0

The rate is 14% and is computed on the following direct cost base of Minnesota Department of Health and Department of Commerce costs:

Salary = \$255,106 (14% of \$1,822,189)  
 Fringe = \$81,124 (14% of 579,456)

Travel = \$608 (14% of \$4,340)  
 Supplies= \$6,187 (14% of \$44,189)  
 Contracts = \$10,500 (14% of first \$25,000 of three contracts)  
Other = \$19,791 (14% of \$141,294)  
 Total = 373,306

Indirect costs will be spent throughout all four quarters of calendar 2014. MNSure will not have an indirect cost plan and therefore all of MNSure costs will be directly charged to the grant. The Department of Commerce and Health have approved indirect costs plans and under the interagency agreements, would be allowed to charge up to a 14% rate. The 14% rate cap is based on prior grant applications under the Department of Commerce that included the Department of Commerce approved indirect cost rate.

**Total Costs**

<b>Total</b>	<b>\$54,994,836</b>
<b>Exchange Establishment Grant</b>	<b>\$45,098,552</b>
<b>Medicaid Cost Allocation</b>	<b>\$9,896,284</b>

**Budget Request by Core Area**

**1.0 Legal Authority and Governance**

- Total cost \$180,456
- Percent of cost that is fixed and/or variable
  - Fixed (board compensation): \$180,456 =100%
  - Variable (includes all but equipment): \$0 = 0%
- Amount of cost by object class code
  - Salaries and wages \$0
  - Fringe benefits (health insurance, FICA and similar costs)\_ \$0
  - Equipment \$0
  - Supplies \$0
  - Travel \$0
  - Other \$180,456
  - Consultant/Contractual costs \$0
  - Indirect \$0
- Amount of costs being requested by Exchange Establishment Grant \$180.456
- Amount of cost being requested by other source (Medicaid) \$0
  - Other costs include board compensation of \$30,076 per year for 6 board members.

**2.0 Consumer and Stakeholder Engagement and Support**

- Total cost \$18,799,954
- Percent of cost that is fixed and/or variable
  - Fixed (includes equipment and customer service activities): \$0= 0%
  - Variable (includes all but equipment): \$18,799,954 = 100%
- Amount of cost by object class code
  - Salaries and wages \$2.946,843

▪ Fringe benefits (health insurance, FICA and similar costs)_	\$937,096
▪ Equipment	\$0
▪ Supplies	\$103,947
▪ Travel	\$53,917
▪ Other	\$3,259,308
▪ Consultant/Contractual costs	\$11,498,843
▪ Indirect	\$0
• Amount of costs being requested by Exchange Establishment Grant	\$18,799,954
• Amount of cost being requested by other source (Medicaid)	\$0
• Assumptions or other narrative	
▪ Salary and fringe costs include costs for Consumer Services Director, Customer Services Training Coordinators, Operations Coordinator Lead, Communications and Marketing Stakeholder Relations Coordinator, Information Analyst, 8 Outreach Community Liaisons, Navigator/Broker Program Director, Producer Account Specialist, two Navigator/IPA Account Specialist, Broker Navigator License/Certification/Metrics/Payments, Call Center Director, three Call Center Supervisors, 20 Tier 1 Call Center Agents, 7 Tier 2 Enrollment Specialists, Data Analysts, Dash boarding and Quality Management Specialist, Instruction Design and training Specialist, two User Support form MN.IT – DHS and one User Support from MN.IT – MNSure.	
▪ Equipment costs include allocated computers and phones for new hires.	
▪ Supply costs include allocated software licenses and general office supplies base on FTE.	
▪ Travel costs include in-state travel for training and outreach as well as outstate travel for communication and marketing staff and Navigator/Broker staff.	
▪ Other costs include allocated communication services, staff development, costs for printing, webinars, conferences, and monthly rent costs based on FTEs as well as costs for advertising, community events, collateral material as well as call center communication costs, language line and IT support needs.	
▪ Contract costs include call center overflow, ICR voice talent, advertisement placement, creative design and development, outreach and language interpreters for community event as well as in-person aster compensation grants.	

**3.0 Eligibility and Enrollment**

• Total cost	\$7,782,342
• Percent of cost that is fixed and/or variable	
▪ Fixed (includes equipment):	\$0 =0%
▪ Variable(includes all but equipment):	\$7,782,342=100%
• Amount of cost by object class code	
▪ Salaries and wages	\$754,606
▪ Fringe benefits(health insurance, FICA and similar costs)	\$239,965
▪ Equipment	\$0
▪ Supplies	\$14,864
▪ Travel	\$11,284
▪ Other	\$56,734
▪ Consultant/Contractual costs	\$6,704,889
▪ Indirect	\$0
• Amount of costs being requested by Exchange Establishment Grant	\$7,785,342
• Amount of cost being requested by other source (Medicaid)	\$0

- Assumptions or other narrative
  - Salary and fringe costs include costs for the Individual Eligibility and Enrollment Director, eligibility and business analyst, eligibility business rules analyst, two individual customer service representatives and Notices.
  - Travel costs include in-state and out of state travel for eligibility and enrollment staff.
  - Equipment costs include allocated computers and phones for new hires.
  - Supply costs include allocated general software and office supplies base on FTE.
  - Other costs include allocated communication services, staff development, costs for printing and monthly rent costs based on FTEs.
  - Contract costs include interagency agreements with Department of Human Services for eligibility and appeals, business operation project manager for 2014 releases to support program enhancements and business process development and improvement within the eligibility and enrollment business area.

**4.0 Plan Management**

- Total cost \$2,991,701
- Percent of cost that is fixed and/or variable
  - Fixed (includes equipment): \$ 0 = 0%
  - Variable (includes all but equipment): \$2,991,701= 100%
- Amount of cost by object class code
  - Salaries and wages \$1,660,120
  - Fringe benefits(health insurance, FICA and similar costs) \$534,278
  - Equipment \$0
  - Supplies \$38,906
  - Travel \$20,615
  - Others \$56,966
  - Consultant/Contractual costs \$402,627
  - Indirect \$258,188
- Amount of costs being requested by Exchange Establishment Grant \$2,991,701
- Amount of cost being requested by other source (Medicaid) \$0
- Assumptions or other narrative
  - Salary and fringe costs include costs for the Plan Management and Measurement Director, Measurement Business Analyst, Health Services Data and Policy Analyst, Health Policy Liaison, Provider Data Analyst and Commerce and Health Department resources for plan certification and plan and provider information.
  - Equipment costs include allocated computers and phones for new hires.
  - Travel costs include out of state travel for seminar and conference for SERFF, NAIC and quality.
  - Supply costs include allocated general software and office supplies base on FTE.
  - Other costs include allocated communication services, staff development and monthly rent costs based on FTEs.
  - Contract costs include the implementation of Minnesota’s future quality rating and enrollee satisfaction survey systems and plan management development and business operation project manager for 2014 releases to support program enhancements and business process development and improvement within the plan management business area.
  - Indirect costs are from Department of Commerce and Health.

**5.0 Risk Adjustment and Reinsurance**

- Total cost \$917,139
- Percent of cost that is fixed and/or variable
  - Fixed (includes equipment): \$60,000 = 6.5%
  - Variable (includes all but equipment): \$857,139 = 93.5%
- Amount of cost by object class code
  - Salaries and wages \$142,331
  - Fringe benefits(health insurance, FICA and similar costs) \$45,261
  - Equipment \$60,000
  - Supplies \$3,847
  - Travel \$0
  - Others \$143,203
  - Consultant/Contractual costs \$490,000
  - Indirect \$32,497
- Amount of costs being requested by Exchange Establishment Grant \$915,139
- Amount of cost being requested by other source (Medicaid) \$0
- Assumptions or other narrative
  - Salary and fringe costs for employees from Minnesota Department of Health through interagency agreement for risk adjustment analysis.
  - Equipment costs include infrastructure – additional disk space and backup at Health Department
  - Supply costs include allocated general software licenses base on FTE.
  - Other costs include allocated Minnesota department of Health additional Citrix User licenses, Grouper licenses, security system audit, email, SharePoint and miscellaneous IT cost based on FTEs.
  - Contracts costs include developing data definitions, evaluating alternative risk evaluation model and auditing data to determine quality.
  - Indirect cost is from Minnesota Department of Health.

**6.0 SHOP**

- Total cost \$700,603
- Percent of cost that is fixed and/or variable
  - Fixed (includes equipment): \$0 = 0%
  - Variable (includes all but equipment): \$700,603 = 100%
- Amount of cost by object class code
  - Salaries and wages \$359,446
  - Fringe benefits(health insurance, FICA and similar costs)\_ \$114,304
  - Equipment \$0
  - Supplies \$6,520
  - Travel \$3,368
  - Other \$27,715
  - Consultant/Contractual costs \$189,251
  - Indirect \$0
- Amount of costs being requested by Exchange Establishment Grant \$700,603
- Amount of cost being requested by other source (Medicaid) \$0
- Assumptions or other narrative

- Salary and fringe costs include costs for the SHOP director, Small Employer Business Analyst and two Small Employer business representatives.
- Supply costs include allocated general software and office supplies base on FTE.
- Travel costs include in-state and out of state travel.
- Other costs include allocated communication services, staff development, cost of printings, and monthly rent costs based on FTEs.
- Contracts costs include data entry, manual processing, printing and mailing Notices and correspondences. Contract costs also include business operation project manager for 2014 releases to support program enhancements and business process development and improvement within the SHOP business area.

**7.0 Organization and Human Resources**

- Total cost \$1,808,348
- Percent of cost that is fixed and/or variable
  - Fixed (includes equipment): \$0 = 0 %
  - Variable (includes all but equipment): \$1,808,348= 100%
- Amount of cost by object class code
  - Salaries and wages \$1,214,168
  - Fringe benefits(health insurance, FICA and similar costs)\_ \$386,105
  - Equipment \$0
  - Supplies \$21,384
  - Travel \$17,360
  - Other \$81,949
  - Consultant/Contractual costs \$87,383
  - Indirect \$0
- Amount of costs being requested by Exchange Establishment Grant \$1,808,348
- Amount of cost being requested by other source (Medicaid) \$0
- Assumptions or other narrative
  - Salary and fringe costs include costs for the Exchange Director, Operations Director, Public Relations Officer, Chief Financial Officer, General Council, Board and Federal Relations Manager, Program reporting business analyst, executive and administrative assistants, Facilities Coordinator, and the human resources business manager.
  - Equipment costs include allocated computers and phones for new hires.
  - Supply costs include allocated general software and office supplies base on FTE.
  - Travel includes outstate travel for required grantee meetings and other Exchange related meetings.
  - Other costs include allocated communication services, staff development, costs of printings, and monthly rent costs based on FTEs.
  - Contracts costs include PMO and enhancement work for 2014 releases and support enhancement work and business process development, improvement work within PMO structure.

**8.0 Finance and Accounting**

- Total cost \$1,716,144
- Percent of cost that is fixed and/or variable
  - Fixed (includes equipment): \$0 = 0%
  - Variable (includes all but equipment): \$1,716,144= 100%

- Amount of cost by object class code
  - Salaries and wages \$404,793
  - Fringe benefits(health insurance, FICA and similar costs)\_ \$128,724
  - Equipment \$0
  - Supplies \$11,604
  - Travel \$0
  - Other \$44,126
  - Consultant/Contractual costs \$11,126,896
  - Indirect \$0
- Amount of costs being requested by Exchange Establishment Grant \$1,716,144
- Amount of cost being requested by other source (Medicaid) \$0
- Assumptions or other narrative
  - Salary and fringe costs include costs for the finance business analyst, accounting director, four accountants, and facilities support.
  - Equipment costs include allocated computers and phones for new hires.
  - Supply costs include allocated general software and office supplies base on FTE.
  - Other costs include allocated communication services, staff development, cost of printings, and monthly rent costs based on FTEs.
  - Contract cost includes premium billing, independent audit, and collection services. Contract costs include business operation project manager for 2014 releases to support program enhancements and business process development and improvement within the fund aggregation business area.

**9.0 Technology**

- Total cost \$18,469,485
- Percent of cost that is fixed and/or variable
  - Fixed (includes equipment and IT development contracts): \$13,498,576 = 73%
  - Variable (includes balance of costs): \$4,970,909 =27%
- Amount of cost by object class code
  - Salaries and wages \$3,450,422
  - Fringe benefits \$1,097,234
  - Equipment \$0
  - Supplies (including software/licenses) \$29,450
  - Travel \$0
  - Other \$6,809,959
  - Consultant/Contractual costs \$7,082,420
  - Indirect \$0
- Amount of costs being requested by Exchange Establishment Grant \$8,573,202
- Amount of cost being requested by other source (Medicaid/MnCare) \$9,896,284
- Assumptions or other narrative
  - Salary and fringe costs include costs for technology staff from MNSure, MN.IT central and the MN.IT Department of Human Services.
  - Supplies include development and operational licenses and software annual maintenance and support agreements as well as allocated general software and office supplies base on FTE and on-site contract staff.
  - Other costs include allocated communication services, staff development and monthly rent costs based on FTEs and the on-site contract staff, UniDesk license for virtual laptops,

storage and back up costs, virtual instance and SAN fees from MN.IT services. Costs also include annual licenses, maintenance and support costs for IT systems and infrastructure purchases.

- Contractual costs include on-site support one year post go live, system enhancements, training for IT staff on infrastructure, 24 x 7 support services and the data sharing agreement costs for the Department of Economic Development. Costs also include ASAP IT staff for business analysis, project management, quality assurance and UAT testing for 2014 releases and enhancements.

**10.0 Privacy and Security**

- Total cost \$141,795
- Percent of cost that is fixed and/or variable
  - Fixed(includes equipment): \$0 = 0%
  - Variable: (includes all but equipment) \$141,795 = 100 %
- Amount of cost by object class code
  - Salaries and wages \$101,564
  - Fringe benefits(health insurance, FICA and similar costs)\_ \$32,297
  - Equipment \$0
  - Supplies \$1,630
  - Travel \$0
  - Other \$6,304
  - Consultant/Contractual costs \$0
  - Indirect \$0
- Amount of costs being requested by Exchange Establishment Grant \$141,795
- Amount of cost being requested by other source (Medicaid) \$0
- Assumptions or other narrative
  - Salary and fringe costs include costs for the Chief Security Officer.
  - Supply costs include allocated general software and office supplies base on FTE.
  - Other costs include allocated communication services, staff development the cost of printings, and monthly rent costs based on FTEs.

**11.0 Oversight, Monitoring and Reporting**

- Total cost \$1,365,587
- Percent of cost that is fixed and/or variable
  - Fixed(includes equipment): \$0 = 0%
  - Variable: (includes all but equipment) \$1,365,587=100%
- Amount of cost by object class code
  - Salaries and wages \$795,709
  - Fringe benefits(health insurance, FICA and similar costs)\_ \$253,035
  - Equipment \$0
  - Supplies \$37,434
  - Travel \$14,129
  - Other \$119,162
  - Consultant/Contractual costs \$63,498
  - Indirect \$82,620
- Amount of costs being requested by Exchange Establishment Grant \$1,365,587
- Amount of cost being requested by other source (Medicaid) \$0

- Assumptions or other narrative
  - Salary and fringe costs include costs for Internal Audits/Program Integrity Supervisor, auditors, reporting analyst, reporting staff, and Department of Commerce enforcement staff.
  - Travel costs include in-state and out-state travel for oversight and monitoring of many new consumer assistance partners across the state.
  - Equipment costs include computers, phones, and office furniture for new staff.
  - Supply costs include West Law and Commerce IAA supplies, allocated general software and office supplies base on FTE.
  - Other costs include Commerce hotline, fraud prevention advertising, office of administrative hearings, MN.IT costs, and allocated communication services, staff development, the cost of printings, and monthly rent costs based on FTEs.
  - Indirect costs pass through from Commerce Department.

**12.0 Contracting, Outsourcing, and Agreements**

Activity for this core area is also included in the Organizational and Human Resources core area, the Finance and Accounting core area, Information Technology core area, and Oversight, Monitoring and Reporting core area.

- Total cost \$121,282
- Percent of cost that is fixed and/or variable
  - Fixed(includes equipment): \$0= 0%
  - Variable: (includes all but equipment) \$121,282=100 %
- Amount of cost by object class code
  - Salaries and wages \$86,000
  - Fringe benefits(health insurance, FICA and similar costs)\_ \$27,348
  - Equipment \$0
  - Supplies \$1,630
  - Travel \$0
  - Other \$6,304
  - Consultant/Contractual costs \$0
  - Indirect \$0
- Amount of costs being requested by Exchange Establishment Grant \$121,282
- Amount of cost being requested by other source (Medicaid) \$0
- Assumptions or other narrative
  - Salary and fringe costs include costs for Procurement Manager.
  - Supply costs include allocated general software and office supplies base on FTE.
  - Other costs include allocated communication services, staff development, the cost of printings, and monthly rent costs based on FTEs.