



Project Charter – Draft, v0.2, June 4, 2010

Project Name	Exchange -- assess operational structure
Department/ Program	Health Care Authority / Health Care Policy
Project Goal	Design and assess the most feasible and functional operating structure for providing exchange services in Washington State.
Project Sponsor	Richard Onizuka, Director, Health Care Policy
Project Manager	Michael Arnis, Senior Health Policy Analyst
Steering Committee	Health Cabinet
Coordination	Updates and discussion at Health Cabinet, A-team, meetings with Legislative staff, and work group meetings.
Team Members	To be assembled.
Start Date	March 28, 2010
Due Date	December 31, 2010 – options and recommendations submitted to Health Cabinet
End Date	It is expected that the work group will dissolve or be revised based upon the decisions of the Health Cabinet.

PROJECT OVERVIEW

PURPOSE

The purpose of the project is to assist the Health Cabinet in selecting a structural option or options to determine whether a national, regional or multi-state, or state-based exchange is most feasible for further design and development. The eventual structural option will need to represent a shared foundation for an exchange among the executive branch, the Legislature, stakeholders and content experts that represent all aspects of Washington’s system of health care coverage.

BACKGROUND

Congress passed national health reform in the Patient Protection and Affordable Care Act, H.R. 3590, and the Health Care and Education Affordability Reconciliation Act of 2010, H.R. 4872. The act restructures portions of the health coverage system and introduces an exchange as an integral mechanism to bind the consistent offering of coverage between the public and private markets. The exchange will offer qualified health plans to individuals and small groups. Coverage offered in the exchange will need to align with plans in the private markets, Basic Health Option, and Medicaid

expansion. It will provide subsidies to low-income individuals. It must be implemented by January 1, 2014. The development of an effective exchange is a major component of implementing national health reform in Washington State.

PROJECT SCOPE

To make effective recommendations to the Health Cabinet, the scope of the project will include designing and assessing structural options of an exchange that could best serve Washington State. National, regional or multi-state, and state-based options will be studied and considered. In designing structural options, the work group will need to identify and assess significant policy and operational issues that are essential to the development of exchange services for Washington State. The project will end with the Health Cabinet weighing options, and if justified, selecting a basic, structural design(s) for further development of an exchange.

The process used to perform this scope will need to be attentive to these two aspects of the project:

- Involve key stakeholders, and listen carefully to their perspectives, throughout; and
- Practicable design and knowledgeable assessment can be achieved if driven jointly by policy perspectives and operational needs.

PROJECT DELIVERABLES AND COMPLETION DATES

1. *Identify and describe the policy and operational issues that will most influence the structural design of the exchange and the option to administer a state-based exchange.*

by July 16, 2010

- Develop a list of priority policy questions.
 - Establish legal interpretations and boundaries for an exchange -- based on the Act and applicable state laws.
 - Develop research agenda.
 - Draft an action plan that includes a communication strategy, and identification and engagement of stakeholders.
2. *First milestone: Assess the policy questions in a way that develop options for a high-level structure of an exchange for Washington State.*

by August 31, 2010

- Identify necessary resources to complete the assessment and obtain any additional resources needed.
- Perform analyses and assess policies.
- Develop options.

3. *Second milestone: Continue the assessment of options and develop a recommended option or set of options for the high-level structure of an exchange for Washington State.*

by December 31, 2010

- Continue working with the options from the previous step to develop recommendations.
- Identify and develop and legislative or budget needs to continue this project.
- Identify and develop a high-level plan of next steps for the development of an exchange

PROJECT RESOURCES

Project Participants – expanded description of key roles

Role	Authority and Responsibilities
Project Sponsor Richard Onizuka, Director, Health Care Policy	Executive level project sponsor. Approves project charter and overall directives and changes. Champions project; provides strategic direction, coordination, and oversight, and alignment with other HCA executives, Governor and coordinator for reform, Legislature, Health Cabinet, congressional delegation and federal agencies, and other key stakeholders. Receives reports from Project Manager. Monitors progress and responds to issues. Identifies, receives, and organizes legislative issues for resolution or action. Ensures that appropriate issues are escalated, e.g., to the HCA Administrator or Health Cabinet and that they are resolved.
Project Manager Michael Arnis, Senior Health Policy Advisor	Lead for developing project structure, scope, and plan; initiates communication and manages risk. Assists in prioritizing resources and coordinates tasks. Monitors overall status and alignment of the project to national reform so as to enhance successful completion of the project. Primary liaison to sponsor and other staff members for tasks. Assists in identifying, prioritizing, and resolving resource or policy issues; escalates appropriate issues or barriers to ensure resolution. Supports the sponsor.
Health Cabinet	Provides leadership and strategic direction where needed.
Project Team Members	Staff members will support the project by performing tasks where appropriate. They will coordinate with the implementation activities on national reform within their own divisions or agencies and share information and concerns necessary to the successful completion of the project. They will provide review and comments on tasks and staff work. At times, they will assist in stakeholdering, presentations, or other general communication necessary to complete the project.

Role	Authority and Responsibilities
Organization Support	HCA support of the project where needed and feasible and available: <ul style="list-style-type: none"> • Legal analyses • Legislative liaison services • Data analyses

Project Budget

FY 2010	FY 2011-13
The project does not have a specific budget. Resources or grants for the project could be developed and requested.	The project does not have a specific budget. Resources or grants for the project could be developed and requested.

PROJECT ASSUMPTIONS

ASSUMPTIONS

- Washington has not assessed or determined whether a national, regional or multi-state, or state-based exchange is feasible, justified, or preferable for Washington State.
- Washington will share information about our exchange activities with other states and learn from the concurrent activities in other states.
- Implementing HIP on January 1, 2011 will generate important information about offering coverage through an exchange.
- State budget shortfalls will not be a barrier to implementing key elements of national reform like an exchange but could present challenges to implementation.
- The HCA does not anticipate receiving additional state administrative funds to assist the design of an exchange.
- Washington will investigate, and where appropriate, apply for grants that assist with the assessment, design, or development of an exchange.

APPROVALS

Prepared by _____

Project Manager – Senior Health Policy Advisor

Approved by _____

Project Sponsor – Director, Health Care Policy