

ACA Health Insurance Exchanges – State Costs & Status

STATE	FEDERAL GRANTS RECEIVED *	ANNUAL OPERATING COST ON HIX	RWJF HELP†	# of employees	HIX CHOICE	Enroll UX 2014	CITATION LINKS FOR COSTS
Alabama	\$9.6 million	\$50 million	X		FEDERAL	X	http://bit.ly/T6zS3S
Alaska	\$0 – didn't apply	\$6.7 million			FEDERAL		http://bit.ly/UPIFpa
Arizona	\$30.8 million	\$27 - \$40 million OR \$60 - \$70 million (GWI)			FEDERAL	X	http://bit.ly/12yLCiH ; http://bit.ly/V4bxYT
Arkansas	\$26.2 million	\$15 - \$18 million			PARTNER-SHIP	X	http://bit.ly/VOnmDc
California	\$236.8 million	\$288 million			STATE	X	http://bit.ly/Zh2Ran
Colorado	\$62.4 million	\$25 million OR \$22 - \$26 million	X		STATE	X	http://bit.ly/UPvt3O ; http://bit.ly/VOnT8j ; http://bit.ly/UbdgA9
Connecticut	\$7.7 million (plus part of multi-state consortium rec'd \$151.3 million)	\$30 million			STATE		http://bloom.bg/UJtHA7
Delaware	\$4.4 million	\$5 - \$6 million partially outsourced or \$2 - \$4 million fully outsourced			PARTNER-SHIP		http://1.usa.gov/UJRIN6
District of Columbia	\$82.2 million	\$24 million		26 FTEs + outsource stf	STATE		http://1.usa.gov/UPHer2

NOTE: Chart may be revised in the future as new numbers and information are reported or discovered.

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Florida	\$1 million which it returned	\$57.4 - \$88.6 million			FEDERAL		http://bit.ly/UPM73p
Georgia	\$1 million	NOT FOUND			FEDERAL		
Hawaii	\$77.2 million, but part of it reassigned	NOT FOUND			STATE		
Idaho	\$21.3 million (but legislature did not approve spending \$20.3 million)	\$10 million			STATE (subject to legislative approval)		http://bit.ly/TYmUCK ; http://bit.ly/X1fjWh
Illinois	\$38.9 million	\$100 million			PARTNER SHIP	X	http://bit.ly/T5Owaq
Indiana	\$7.9 million	\$50 million OR \$32 - \$64 million			FEDERAL		http://bit.ly/RCNLM ; http://bit.ly/ZLMu4v
Iowa	\$35.3 million	\$16 million			PARTNER-SHIP		http://bit.ly/UJypht
Kansas	Returned \$32M	\$10 - \$15 million			FEDERAL√	X	http://bit.ly/XHealF
Kentucky	\$70.9 million	NOT FOUND			STATE		
Louisiana	\$1 million which was returned	\$40 million			FEDERAL		http://bit.ly/UBE3md
Maine	Returned \$5.8M grant	\$2 - \$5 million			FEDERAL√		http://bit.ly/XHmL7R
Maryland	\$157.2 million	\$21–\$51 million (Basic Health Plan)	X		STATE	X	http://1.usa.gov/12yLa3M

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Massachusetts	\$12.6 million plus part of NE group which received \$77.7 million	\$50 million for The Connector		46	STATE	X	http://bit.ly/YigJzJ http://1.usa.gov/XHr6b5
Michigan	\$10.8 million but legislature has not approved spending funds	NOT FOUND	X		FEDERAL		http://bit.ly/XHng1G
Minnesota	\$73.7 million, but had to turn down \$3 million due to legislative limit.	\$54 million first year; \$64 million second year	X	70+	STATE	X	http://bit.ly/VP13gz
Mississippi	\$21 million	NOT FOUND			STATE		
Missouri	\$21.8 million. Rejected \$50M Medicaid IT grant to avoid bldg HIX	NOT FOUND			FEDERAL	X	
Montana	\$1 million	NOT FOUND			FEDERAL√		
Nebraska	\$6.5 million	\$81 million (\$646 million 2013 – 2020)			FEDERAL√		http://bloom.bg/UJtHA7
Nevada	\$74.7 million	\$15 – \$19 million		11 - 13	STATE		http://1.usa.gov/UPFePk
STATE	FEDERAL	ANNUAL	RWJF	# of	HIX	Enroll	CITATION LINKS

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New Hampshire	Sent back \$1 million	NOT FOUND			PARTNER-SHIP		http://buswk.co/V4LW1Q
New Jersey	\$8.7 million	\$100 million			FEDERAL		http://bit.ly/WoXqnT
New Mexico	\$36 million	NOT FOUND	X		STATE	X	
New York	\$183 million	NOT FOUND	X	32 - 81	STATE	X	http://bit.ly/T6QgkZ
North Carolina	\$13.4 million	NOT FOUND			PARTNER-SHIP		
North Dakota	\$1 million	\$5 million			FEDERAL√		http://bit.ly/UKooR0
Ohio	\$1 million	\$19 – \$33 million OR \$43 million		170	FEDERAL		http://bit.ly/T5MFCm ; http://tnne.ws/U7tkBT ; http://bit.ly/RD0ZVW
Oklahoma	\$55.4 million, but \$54.5 million was returned	NOT FOUND – legislative report had no estimate			FEDERAL		http://bit.ly/TYuUna
Oregon	\$54.9 million	\$34 million	X	50 - 150	STATE	X	http://bit.ly/VOnT8j ; http://1.usa.gov/UPFePk ; http://bit.ly/UPGodT
Pennsylvania	\$34.8 million	\$30 - \$50 million			FEDERAL		http://bit.ly/12yMIe8
Rhode Island	\$64.7 million	NOT FOUND	X		STATE	X	
South Carolina	\$1 million	NOT FOUND			FEDERAL		http://bit.ly/UBZsf2
South Dakota	\$6.9 million	\$6.3 - \$7.7 million			FEDERAL√		http://1.usa.gov/UbDVgc
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Tennessee	\$9 million	\$40 million			FEDERAL	X	http://bit.ly/WpLr9y ; http://tnne.ws/V67S17
Texas	\$1 million, but \$930,900 was returned	NOT FOUND			FEDERAL		
Utah	\$1 million	\$600,000 for current Utah small Biz Exchange		2	STATE (current HIX)		http://bit.ly/YigJzJ
Vermont	\$159.2 million	\$4.5 million			STATE	X	http://bit.ly/TxyB11
Virginia	\$1 million	NOT FOUND	X		FEDERAL√		
Washington	\$151.8 million	> \$50 million			STATE		http://bit.ly/U7nE1e
West Virginia	\$10.7 million	\$12 million in 2014 and \$10.7 million in 2016 OR \$6.3 - \$17.7 million			PARTNER-SHIP		http://bit.ly/ZLEV19 ; http://bit.ly/UbkJPM
Wisconsin	\$38.7 million, but \$37.7 million was returned	\$45 - \$60 million			FEDERAL		http://bit.ly/UBGHZg
Wyoming	\$800,000	\$4.2 million			FEDERAL		http://bit.ly/Yj1K8v

• Data from Kaiser Family Foundation's State Exchange Profiles, as of December 18, 2012.

√ In a federally approved Unofficial Partnership status called "marketplace plan management." [Politico Pro, April 1, 2013](#)

† RWJF Funding (State Health Reform Assistance Network), includes help with setting up health insurance exchanges, expanding Medicaid to newly eligible populations, streamlining eligibility and enrollment systems, instituting insurance market reforms and using data to drive decisions:

<http://www.rwjf.org/content/rwjf/en/about-rwjf/newsroom/newsroom-content/2011/05/rwjf-seeks-coverage-of-95-percent-of-all-americans-by-2020.html>

AND <http://healthreform.kff.org/state-exchange-profiles/minnesota>

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HELPFUL BACKGROUND:

THE LAW: Section 1311 of the Patient Protection and Affordable Care Act (“Obamacare”) *allows* states to set up a state-named, state-funded, federally-controlled health insurance exchange. There is no requirement. Section 1321 authorizes the federal government to set up an HHS-run Federal Exchange for people in states where the legislature and/or the governor refused to establish or fund the state-based federal structure.

There is No “Partnership” in the Law. This concept was invented “out of thin air” by HHS regulators (<http://www.politico.com/news/stories/1112/83734.html>), likely as a means of funding the Federal Exchange for which there are currently no federal appropriations. By housing the initiative in CMS, it appears HHS may be using Medicaid and Medicare dollars to advance the initiative.

No Money: “While sorting out the policy kinks in setting up a federal exchange, HHS must tackle another problem: **There is no money to pay for it.** A quirk in the Affordable Care Act is that while it gives HHS the authority to create a federal exchange for states that don’t set up their own, it doesn’t actually provide any funding to do so. By contrast, the law appropriates essentially unlimited sums for helping states create their own exchanges.” – *Politico*, August 16, 2011 <http://www.politico.com/news/stories/0811/61513.html>

“The estimated price tag for the federal exchange: at **least \$860 million.**” (<http://www.delawareonline.com/viewart/20121214/NATIONAL/312130083/Decision-day-has-rebels-plan>)

Building the Federal Exchange and its Hub: The Center for Consumer Information and Insurance Oversight (CCIIO) located in the Centers for Medicare and Medicaid Services (CMS), is in charge of the ACA Exchange initiative. “CCIIO awarded a \$93.7 million contract to CGI Group Inc. in September 2011 to build the federal exchange, Bloomberg Government reported. Quality Software Services Inc., a unit of UnitedHealth Group Inc., the largest U.S. insurer, has a \$69 million contract to build a system [federal data services hub] that states and the federal exchange will use to verify customers’ eligibility for insurance subsidies. (<http://washpost.bloomberg.com/Story?docId=1376-MEZTF86K50Y801-19T99IVLP51JO4G2A3LNCPOP57>) **QUESTION**: Once it’s built, how will the federal government impose it on states? How will they force states to share private data on individuals and employers with the Exchanges’s intrusive federal data services hub or force individuals and employers to buy insurance on the Exchange? <http://www.usatoday.com/story/opinion/2012/12/06/column-potential-obamacare-privacy-nightmare/1752211/>

The Cost of State-Based Federal Exchanges: “The overall cost of getting exchanges up and running is expected to be **\$4.4 billion** nationwide, although some federal funds will offset the cost. (<http://www.ncsl.org/issues-research/health/facing-the-future-setting-up-health-insurance-ex.aspx>) All exchanges must be self-sustaining by January 1, 2015 – and may use taxes, fees, higher premiums, or any other means to fund it.

Enroll UX 2014 project “is a public-private partnership creating design standards for exchanges that all states can use.” (<http://healthreform.kff.org/state-exchange-profiles/minnesota>)

Remaining application deadlines for Exchange grants: November 15, 2012, February 15, 2013, May 15, 2013, August 15, 2013, November 15, 2013, February 14, 2014, May 15, 2014, August 15, 2014 and October 15, 2014 (http://www.in.gov/aca/files/Health_Finance_September_19_2012_Final.pdf.pdf)

By November 2012, approximately **\$2 billion** was distributed to states through federal exchange Planning grants, Establishment grants, and Early Innovator grants (Figure 2). (<http://www.kff.org/healthreform/upload/8213-2.pdf>)

Operating an exchange is actually illegal in 14 states. Alabama, Arizona, Georgia, Idaho, Indiana, Kansas, Louisiana, Missouri, Montana, Ohio, Oklahoma, Tennessee, Utah, and Virginia have enacted statutes, constitutional amendments, or both, forbidding state employees to participate in an essential exchange function: implementing individual and employer mandates. [\[iii\]](#)