

### Testimony of Jennifer Mezey Supervising Attorney, Public Benefits Unit Legal Aid Society of the District of Columbia

#### Before the Committee on Health Council of the District of Columbia

#### Performance Oversight Hearing Regarding the Department of Health Care Finance

#### February 23, 2018

The Legal Aid Society of the District of Columbia<sup>1</sup> submits the following testimony regarding the performance of the Department of Health Care Finance (DHCF), and in particular, its administration of the Healthcare Alliance program.

Before turning to the Alliance, we want to acknowledge that DHCF has been more responsive to advocates' concerns regarding some aspects of the Medicaid program. Over the past several months, agency leaders have met with Legal Aid to discuss policies and practices related to the management of transitions between different categories of Medicaid. We have found these meetings to be very useful and encourage DHCF (as well as the Department of Human Services) to engage in more of these collaborative efforts to try to resolve policy and implementation issues that are adversely affecting our mutual clients.

With our limited time, though, we would like to focus on the harmful policies that DHCF has adopted, and DHS is implementing, affecting Alliance applicants and beneficiaries. As you know, the Alliance serves a vital purpose, providing health insurance to low-income District residents who are not eligible for Medicaid. However, the program's excessive recertification requirements – which require that enrollees recertify their eligibility in person every six months to stay enrolled – mean that month after month, individuals from some of the District's most marginalized communities needlessly lose their health coverage. Legal Aid's client community includes many Alliance enrollees, and we see first-hand how the Alliance's overly burdensome requirements create barriers for individuals trying to maintain their coverage, even when they do everything in their power to comply.

The Council (and this Committee in particular) has heard the voices of Alliance beneficiaries and their advocates and has moved to change these requirements. Last fall, this Committee marked up the DC Healthcare Alliance Amendment Act of 2017, which would repeal the current six-month, in-person recertification requirement and replace it with an annual certification schedule similar to what is already in place for Medicaid enrollees. In November

<sup>&</sup>lt;sup>1</sup> The Legal Aid Society of the District of Columbia was formed in 1932 to "provide legal aid and counsel to indigent persons in civil law matters and to encourage measures by which the law may better protect and serve their needs." Over the last 85 years, tens of thousands of the District's neediest residents have been served by Legal Aid staff and volunteers. Legal Aid currently works in the areas of housing, family law, public benefits, and consumer protection. More information about Legal Aid can be obtained from our website, www.LegalAidDC.org, and our blog, www.MakingJusticeReal.org.

and December, the Act passed the Council by votes of 13-0 and 12-0,<sup>2</sup> reflecting widespread recognition that current policy is unnecessary, harmful, and needs to change. Our testimony today will outline why the current recertification process is damaging to clients. The Committee should use today's hearing to emphasize the importance of finally repealing this harmful policy. Further, as we transition from performance oversight to budget oversight, Legal Aid urges the Mayor and the Committee to work together to fully fund the Act for FY19.

#### THE CURRENT ALLIANCE RECERTIFICATION PROCESS IS BROKEN

The six month, in-person recertification requirement has been in place since 2012 and has proven to be extremely difficult for enrollees to satisfy. In order to participate in the in-person interview, enrollees typically go to service centers operated by the Department of Human Services' Economic Security Administration (ESA).

The ESA Service Centers are plagued by long lines and significant problems with service delivery. Legal Aid has been monitoring the length of lines and wait times at the service centers since 2014, checking with those who are waiting to be seen to find out when they got in line and how long they've been there.<sup>3</sup> Just a month ago, Legal Aid attorneys and volunteers visited the Taylor Street and H Street Service Centers before they opened (at about 7:00 am) on 11 occasions.<sup>4</sup> The pictures at the end of this testimony reflect the lines prior to the doors opening at the H Street Service Center on January 12, 2018 and at the Taylor Street Service Center on January 22, 2018, respectively.

The chart below shows that the **latest** arrival time for the first person in line was 4:12 am, and the **shortest** line at the time that the doors opened was 36 people with a high of 84 people on another day when it was 20 degrees warmer.

Date	Service Center	Number of people in line when doors opened*	Time of arrival reported by first person in line	Weather
Jan. 9, 2018	Taylor Street	43	4:00 a.m.	28 degrees
Jan. 10, 2018	H Street	36*	4:00 a.m.	Approx. 30 degrees
Jan. 10, 2018	Taylor Street	40	3:00 a.m.	Approx. 30 degrees
		53*	3:45 a.m.	Approx. 60
Jan. 12, 2018	H Street	33	J.7J a.III.	degrees, rainy
		43	3:30 a.m.	Approx. 60
Jan. 12, 2018	Taylor Street	43	3.30 a.iii.	degrees, rainy

<sup>&</sup>lt;sup>2</sup> See, http://lims.dccouncil.us/Legislation/B22-0231?FromSearchResults=true

<sup>3</sup> Joint Testimony of Legal Aid Society of the District of Columbia and DC Fiscal Policy Institute for Public Oversight Hearing on the Performance of the Economic Security Administration of the Department of Human Services (May 12, 2015), https://www.legalaiddc.org/wp-content/uploads/2015/03/CSharon3.12.15.pdf; Mezey, Sharon & Rivers, Closing the Gap Between Policy and Reality: Preventing Wrongful Denials and Terminations of Public Benefits in the District of Columbia (May 22, 2014), https://www.legalaiddc.org/wp-content/uploads/2014/05/Closing-the-Gap-Final.pdf.

<sup>&</sup>lt;sup>4</sup> The findings from the January 18, 2018 visit to the H Street Service Center are not reported because customers were allowed into the lobby early, and the Legal Aid staff present that day could not get into the lobby to get an accurate head count or speak with customers.

Jan.16, 2018	H Street	47	4:12 a.m.	Approx. 30 degrees
Jan. 16, 2018	<b>Taylor Street</b>	67	2:40 a.m.	Approx. 30 degrees
Jan. 18, 2018	Taylor Street	36	4:00 a.m.**	18 degrees, snow on the ground
Jan. 22, 2018	H Street	84	4:00 a.m.	50 degrees
Jan. 22, 2018	Taylor Street	63	3:00 a.m.	52 degrees

<sup>\*</sup> This count was taken as of 7:00 am upon arrival of Legal Aid staff.

Although DHCF and DHS will tell this Committee that wait times are down, their data only counts wait time when the customer reaches the front desk. It does not take into account how long the customer had to wait before they could even enter the service center, much less make it to the front desk. To date, DHS's data have not captured the true time spent waiting. Nor does the agency account for those who never reach the service center front door because they are turned away. People seeking help at service centers continue to report that when the centers reach capacity, those in line are turned away and told to come back another day to try again. None of this is new – when we testified about DHCF's performance last year, we reported observing the same issues.<sup>5</sup>

Because Alliance enrollees must recertify in person, there is little they can do to avoid having to spend several hours in line – sometimes missing work or other obligations to do so – just for the possibility of completing their interview and keeping their health coverage. We have worked with clients who have made multiple unsuccessful attempts to recertify, only to be terminated through no fault of their own. And the requirement that enrollees go through this process every six months (as opposed to the annual recertification schedule for Medicaid enrollees) doubles the opportunity to be dropped from coverage for failure to complete a difficult-to-obtain in-person interview.

DHCF claims that these requirements are necessary in order to ensure that limited local dollars are only spent on eligible District residents. However, DHCF's own data shows that 31% of Alliance enrollees who were terminated in Fiscal Year 2017 re-enrolled within a year. This means that almost a third of Alliance beneficiaries who lost their benefits were found to be eligible for the program, suggesting that they had not been medical tourists or other non-District residents who were trying to gain unlawful access to the program. DHCF has not determined what percentage of those losses of coverage were attributable to failure to complete the recertification process. But data from last year's oversight hearing demonstrated the difficulty

<sup>\*\*</sup> First person in line did not wish to report this information. Time reported by the second person in line.

<sup>&</sup>lt;sup>5</sup> Legal Aid Testimony Regarding Agency Performance Oversight for the Department of Health Care Finance (March 8, 2017), https://www.legalaiddc.org/wp-content/uploads/2017/03/CSharon-03-08-2017.pdf <sup>6</sup> DCHF FY17-FY18 Performance Oversight Responses, Q46.

<sup>&</sup>lt;sup>7</sup> An additional 24% of Alliance beneficiaries who lost their benefits in 2017 were not reenrolled in a year. *Id.* While DHCF might claim that these individuals who were never eligible for Alliance in the first place, our experience (and the limits of DHCF's data) suggest that this is not the case. In fact, it is entirely possible that some of these 24% got back on benefits after a year.

that the majority of Alliance beneficiaries had completing the recertification process.<sup>8</sup> One could therefore assume that the implementation of burdensome requirements by an overwhelmed agency has led to the disruption of coverage and care for thousands of vulnerable District residents who are already facing daily threats to their safety and security from the federal government.

#### THE SOLUTION: FUND THE DC HEALTHCARE ALLIANCE AMENDMENT ACT

The DC Healthcare Alliance Amendment Act would solve the problems created by the current recertification process in two key ways. First, it would eliminate the requirement that Alliance enrollees recertify every six months, reverting to annual recertifications. This would significantly reduce the burdens on enrollees, who would no longer be in danger of losing their health coverage every few months. Second, it would allow enrollees to recertify at community health centers. As we have noted previously, allowing enrollees to recertify at community health centers would have a number of potential benefits. Enrollees would have additional options that would allow them to complete their interviews while avoiding the lines and capacity issues at service centers. Furthermore, community health centers have language capacity that would make the process easier for enrollees with limited English proficiency. Finally, enrollees' familiarity with and trust in their local community health center would facilitate recertifications.

In short, if funded, the Act would directly address the problems that make it so difficult for Alliance enrollees to stay in the program. It would also reassure our immigrant communities, who are under attack on so many fronts, that the District does not believe that they are more likely to commit fraud than any other District resident. For these reasons, we urge the Mayor and the Committee to fund it and fulfill its commitment to providing health insurance to our immigrant communities.

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<sup>&</sup>lt;sup>8</sup> In 2016, between 56% and 71% of Alliance enrollees who were due to recertify each month did not complete the re-certification process. *Legal Aid Testimony Regarding Agency Performance Oversight for the Department of Health Care Finance* (March 8, 2017). DHCF did not update this data in its FY 2018 responses to this Committee. <sup>9</sup> This would also be beneficial for the service centers. As we noted in last year's testimony, a significant number of individuals in line at service centers are there for Alliance recertification. Giving enrollees more non-service center options would help service centers reduce their wait times.

# LINE AT THE H STREET SERVICE CENTER ON JANUARY 12, 2018 About 7:00 am. Approximately 60 degrees and rainy First person in line arrived at 3:45 am



## LINE AT THE TAYLOR STREET SERVICE CENTER ON JANUARY 22, 2018 About 7:00 am. Approximately 52 degrees. First person in line arrived at 3:00 am

