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**Testimony of Andrew Patterson
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**Before the Committee on Health
Council of the District of Columbia**

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

January 27, 2026

Introduction

Good morning, Chairperson Henderson and Members of the Committee on Health. My name is Andrew Patterson, and I am a Senior Counsel with Legal Aid DC.¹ Legal Aid DC is a proud member of the Fair Budget Coalition, working for an equitable DC. This has been a year of difficulty and transition for many who rely on the District's safety net programs, and this is particularly true for those who rely on the DC Health Care Alliance for their health coverage. Thousands of DC residents who previously relied on the Alliance for health coverage lost that coverage on October 1, 2025, and thousands more will lose their coverage in 2026. These changes happened during the most aggressive federal effort in our nation's recent history to target, detain, and deport immigrants.

Legal Aid DC submits this written testimony to encourage not only continued policy oversight, but the policy changes that are necessary to protect the District's most vulnerable residents. Specifically we address our ongoing concerns regarding the phased elimination of the DC Health Care Alliance, oversight and cooperation regarding the transition of nearly 15,000 District residents from Medicaid to Healthy

¹ Legal Aid DC is the oldest and largest general civil legal services program in the District of Columbia. The largest part of our work is comprised of individual representation in housing, domestic violence/family, public benefits, and consumer law. We also work on immigration law matters and help individuals with the collateral consequences of their involvement with the criminal legal system. From the experiences of our clients, we identify opportunities for court and law reform, public policy advocacy, and systemic litigation. For more information, visit www.LegalAidDC.org.



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DC, and ways that DHCF can increase the reliability and efficiency of Personal Care Aide services through the Medicaid State Plan and EPD Waiver programs.

Council Should Mitigate Devastating Cuts to DHCF's Alliance Program

Many of the Mayor's most devastating cuts to the Alliance program went into effect on October 1, 2025, resulting in thousands of District residents losing their only access to health insurance. These cuts to the Alliance program, which serves District residents regardless of immigration status, were also imposed during one of the most difficult periods in our nation's recent history for immigrants. The District has long prided itself as a national leader in providing access to health coverage. Last year, however, the District took a definitive step back on that commitment.

At the "Changes to the District's Alliance and Medicaid Programs" Roundtable in December 2025, this Committee heard from over 60 public witnesses and advocates who testified about the profound impact the cuts to the Alliance program have had on the District's residents. We appreciate that, during the budget cycle, the Committee eliminated the face-to-face recertification requirement and the 6-month certification period, and we urge the Council to maintain these positive changes for the Alliance going forward. We also appreciate that the Committee included restoration of full Alliance health services on the budget contingency list and were glad to see the CFO certified that contingency list to restore those services through the current fiscal year. However, much more must be done if the District still wishes to be a leader in providing access to health insurance for all of its residents.

First, we urge the Council to ensure that DHCF and Alliance fully implement, without any further delay, the restoration of pre-October 1, 2025 Alliance health services that were approved through the contingency list. The CFO certified the contingency list on December 24, 2025, and yet full funding of the restored health services for Alliance still has not been implemented. Restoring these services, even temporarily, was a significant and positive development in an otherwise difficult year for thousands of District residents who have no alternative affordable healthcare option and rely on the Alliance program. In order to protect the health of the District's most vulnerable residents, the Health Committee should ensure that the contingency list funding will be implemented without any further delay.



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Second, we urge the Council to eliminate further eligibility reductions to the Alliance program that are scheduled to take place in October 2026, and to reverse the cuts that have already gone into effect. As the law currently stands, the income limit for the Alliance program will drop to only 19% of the Federal Poverty Level (or just over \$250 *per month* for a household of one).² This reduction, should it go into effect, will further erode the health care safety net for an already vulnerable population. Additionally, the Council should: 1) restore pre-FY 2026 income eligibility for the Alliance program; 2) remove the age cap; and 3) fully restore services to the pre-October 1 covered services for Alliance and Immigrant Children's Program beneficiaries.

DHCF Must Continue to Ensure Accurate Transitions to Healthy DC

As the Chairperson is aware, the District's Healthy DC program went live on January 1 of this year, with over 15,000 DC residents who were previously covered by Medicaid being automatically transferred to Healthy DC coverage. We applaud DHCF's and the Health Benefit Exchange's efforts to complete this transition as seamlessly as possible. Nonetheless, as with any change of this scale, there will certainly be instances of enrollees being improperly transitioned from Medicaid to Healthy DC, or improper transitions to Marketplace coverage when someone does, in fact, qualify for Healthy DC.

When transitioning individuals from Medicaid to Healthy DC, DHCF/DHS and the Health Benefit Exchange used the most recent income information that was available in DCAS to determine who would transition from Medicaid to either Healthy DC or Exchange coverage. Due to Medicaid's year-long certification periods, some of those who were transitioned on January 1 may have experienced changes in their income that should result in maintaining eligibility for Medicaid. Some degree of error based on outdated information is probably unavoidable in a transition of this magnitude, and DHCF and the HBX have said they will work with individuals who were incorrectly or mistakenly transitioned away from Medicaid coverage. Indeed, Deputy Mayor Turnage has often said, before this Committee, that beneficiaries can even call him directly if they are having issues accessing the services they should qualify for.

² See Federal Poverty Levels for 2026, available at:
<https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>



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That level of inter-agency cooperation from DHCF and HBX will be crucial in the months to come. There will likely be many beneficiaries who were moved from Medicaid to Healthy DC and who do not become aware of the transition until they try to access a Medicaid service that is not covered by Healthy DC, or see a provider that participates with Medicaid but not Healthy DC. This situation may be particularly likely for those who moved from Medicaid to Healthy DC, but remained in the same MCO.

All the cuts to the District's Health Care Safety net also occurred during a budget cycle in which the Mayor and the Council refused to implement any policies to raise revenue. Nobody denies that the FY 2026 budget was a difficult year for policymakers, and we heard often that difficult choices had to be made. Yet there is no reason why all those difficult choices had to adversely affect some of the city's lowest income, and most vulnerable, residents, while those who are financially better off were not asked to contribute anything more. Legal Aid DC urges the Council to consider policies to raise revenue, such as increasing taxes on the District's wealthiest residents, increasing taxes on capital gains which disproportionately favor the wealthy, and implementing a Business Activity Tax to close a loophole for businesses that do not pay any DC taxes³⁴

DHCF Must Better Incentivize Personal Care Aide Services

Legal Aid also continues to urge the Council and DHCF to create more and better financial incentives for the provision of shorter shifts of Personal Care Aide (PCA) services. It has long been a challenge for home health agencies to staff shifts that are shorter than 7 or 8 hours, as home health aides generally wish to work and get paid for a full 8-hour day. This is a particularly common situation for people who are approved to receive either fewer than 8 hours per day through the Medicaid state plan, or for EPD waiver enrollees approved for 9-13 or so hours per day, which translates into a full 8 hour shift for one health aide, and then a shorter, 2-5 hour shift for a second health aide. This lack of care leaves beneficiaries – many of whom have significant issues with mobility, for example – on their own to complete their daily living activities for portions of the day. This increases their risk of injury and the

See The People's Tax Plan, All in for DC's Tax Policy Platform

<https://justrecoverydc.org/our-platform>.



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possibility that they will need more expensive institutional or residential care, which is the outcome that Personal Care Aide services in the home are meant to avoid.

- a. DHCF Should Implement a 1915(j) Waiver to Provide All Medicaid Recipients of Personal Care Aide Services the Option for Participant-Directed Care.

Section 1915(j) of the Medicaid Act allows states to give Medicaid recipients of PCA services an option for participant-directed care. Participant-directed care allows individuals to select their home personal care aides instead of being required to receive those services through a home health agency. Participant-directed services are already an option for beneficiaries in the District's Waiver program for the Elderly and Physically-Disabled (EPD waiver) through the Services My Way program, but there is no participant-directed care option for people who receive PCA services through State Plan Medicaid. Implementing a 1915(j) waiver would extend this right to individuals who receive PCA services through the State Plan Medicaid program.

Under a 1915(j) waiver, Medicaid participants could hire any person who is capable of performing as a personal care aide, including relatives such as a parent or spouse.⁵ Relatives or friends often have more flexibility in their personal schedules to work shorter shifts or irregular hours compared to aides from home health agencies. Indeed, many of Legal Aid's EPD waiver clients have family members or friends who are able to work shorter shifts and fill coverage gaps that aides from home health agencies were not able to cover, but this is currently not an option for beneficiaries who receive PCA through State Plan Medicaid. Extending the 1915(j) waiver would also further alleviate some of the burden on the home health agencies themselves, and should increase the overall availability of health aides for all Medicaid and EPD waiver beneficiaries.

- b. DHCF and the Council Should Create Additional Financial Incentives for Personal Care Aides to Work Shorter Shifts.

Legal Aid DC continues to be concerned about gaps in coverage for EPD waiver beneficiaries. As noted above, Home Health Agencies often have trouble staffing shifts that are shorter than 7 or 8 hours. This has presented long-standing challenges to fully meeting the needs of people who PCA services. We strongly

⁵ 42 U.S.C. §1396n(j)(4)(B).



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encourage DHCF and, if necessary, the Council, to consider additional reimbursement mechanisms and the funding required to support aides taking on shorter shifts. This could include reimbursing workers for travel time to, from, and between shorter shifts – as well as other financial incentives.

Conclusion

This has been a challenging budget season and year for the District. While difficult choices were necessary, the burden of those choices has unfortunately fallen entirely on the most vulnerable residents of the District. The Council, under your leadership madam Chairperson, has the opportunity reverse the most devastating cuts to the District's Social Safety net in decades, through a fairer tax policy and better use of existing resources. We urge the Council to seize the moment and reverse the most devastating of these policy changes. Now is the time to re-commit the District to being a true leader in providing access to health care for all District residents.