

**Testimony for Public Oversight Hearing on the Performance of the  
Department of Health Care Finance**

**Council of the District of Columbia Committee on Health  
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With health care reform currently underway in the District, this is an exciting and busy time for many District agencies, including the Department of Health Care Finance (“DHCF”). DHCF is working feverishly to support the DC Health Benefit Exchange Authority and simultaneously working on education and outreach initiatives to inform the District’s Medicaid population of how health care reform will affect them. We applaud DHCF on its work to build a strong foundation for the DC Health Benefit Exchange and plan to work with them to make sure that low-income District residents continue to have the support and resources that they need to access quality health care.

As the District moves forward with health reform, however, it is important to keep in mind that a large portion of the District’s population will not receive their health care through plans sold in the Exchange. Tens of thousands of District residents currently receive and will continue to receive their health care coverage through Medicaid, the Alliance, or other District programs, or will continue to qualify for Qualified Medicare Beneficiary assistance. This means that while DHCF must support the implementation of health reform, it will also need to remain equipped to resolve the issues that persist or arise with its long-standing medical assistance programs. My testimony will focus on three of Legal Aid’s areas of concern: (1) improper termination of Alliance recipients, (2) improper termination of EPD Waiver recipients, and (3) improper processing of individuals eligible for emergency Medicaid.

**DHCF Should Leverage the Resources of Health Centers and Application Assisters To  
Ensure that Individuals who Qualify for the Alliance Are Not Turned Away or Terminated**

The DC Health Care Alliance program covers many low-income District residents who desperately need health care but are unable to get coverage through federally-funded programs such as Medicaid. It differs from the Medicaid program in various ways, including that

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<sup>1</sup> Sponsored by the Norflet Progress Fund.

<sup>2</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.” For more than 80 years, tens of thousands of the District’s neediest residents have been served by Legal Aid staff and volunteers. Legal Aid has been practicing in the area of public benefits for a number of years, representing clients with Medicaid, DC Health Care Alliance, Qualified Medicare Beneficiary, and other medical assistance cases.

recipients are required to go through an in-person recertification interview every six months. In contrast, Medicaid recipients recertify only once a year and are not required to submit to an in-person interview.

We understand that the six-month in-person interview policy for the Alliance was adopted to prevent residents from neighboring states from accessing Alliance benefits; however, as it is currently run, the recertification process is preventing many qualified District residents from retaining their Alliance coverage. Many people experience difficulty recertifying because of the delays or lengthy wait times associated with the in-person interview policy. As a result, individuals are unnecessarily terminated from Alliance for failing to recertify in the time required. This issue reflects the limited capacity of the District's Economic Security Administration (ESA), with its current staffing, to properly process Alliance recertifications. The in-person interview requirement creates additional pressures on an already limited staff. We believe that DHCF should leverage the resources of the District's health centers, the places where many Alliance recipients access their health care, and current application assisters to run the program more efficiently. If the individuals who already serve the Alliance community are folded into the recertification process, Alliance recipients will be less likely to lose their coverage unnecessarily.

### **DHCF Should Improve Its Coordination with Case Management Agencies and Prevent Improper Terminations of EPD Waiver Recipients**

The Elderly and Persons with Disabilities Waiver program, or EPD Waiver program, provides enhanced home and community-based services to elderly and/or disabled adults who require assistance with daily living activities, such as bathing, dressing, going to the bathroom, and taking medication. Case management providers are responsible for assessing the level of assistance that individuals need and making sure those services are provided. They are also responsible for conducting annual re-evaluations and submitting this information to DHCF.

Legal Aid has seen an increasing number of cases in which EPD Waiver recipients have been terminated because of failures on the part of case management providers to conduct and submit re-evaluations. In other cases, case management agencies have failed to notify EPD Waiver recipients of an impending termination, depriving these individuals of the opportunity to challenge the decision to terminate them.

We urge DHCF to work more closely with case management agencies to make sure that EPD Waiver recipients are not improperly terminated. Specifically, DHCF should establish procedures to confirm that the case management agency has made direct contact with an EPD Waiver recipient prior to termination, and it should immediately restore EPD Waiver services when it determines that the case management agency failed to provide the required notice to the recipient prior to termination. In addition, DHCF should develop and publish regulations that detail the procedures for terminating EPD Waiver recipients.

## **DHCF Should Improve Its Coordination with Hospitals and Managed Care Organizations To Prevent Improper Billing of Alliance Recipients for Emergency Care**

Another key difference between the Alliance program and Medicaid is that the Alliance program does not cover emergency services. The reason for this distinction is that the federal government provides matching funds through the Medicaid program for emergency services and covers individuals who do not qualify for full Medicaid, which encompasses Alliance recipients. Although emergency services for Alliance recipients are covered by Medicaid, we have found that not all hospitals are properly billing Medicaid for these services. Instead, some hospitals have billed the Alliance recipient's managed care organizations, or MCO. Because Alliance does not cover emergency services, MCOs have denied these claims, and, ultimately, the Alliance recipient has been stuck with the bill. Legal Aid believes that increased coordination between DHCF, hospitals, and Alliance MCOs may help Alliance recipients caught up in this hot-potato process. We urge DHCF to increase its supervision and training of hospitals and MCOs, so that they know how to properly process and bill for emergency Medicaid services provided to Alliance recipients.

### **Conclusion**

While health reform is crucial, it should not detract attention from the ongoing issues with the District's medical assistance programs. We hope that there can be increased joint oversight of both ESA and DHCF, given how closely they work together to ensure proper enrollment and coverage. A crucial piece of ensuring that these agencies properly coordinate is making sure they have the necessary staff and that they properly leverage other resources in the District, including health centers and application assisters. We look forward to working closely with DHCF and this Committee to continue to improve health care access for the District's low-income population.