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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Legal Aid commends the tremendous work of the District of Columbia Department of Health Care Finance (DHCF) staff over the last year. To continue improving health care access and outcomes for low-income District residents, however, we recommend that DHCF undertake the three following actions in the coming year. First, DHCF must strengthen coordination with the Department of Human Services’ Economic Security Administration (ESA) and the DC Health Benefit Exchange Authority (DCHBX), the other agencies that are responsible for the application and eligibility components of the Medicaid Program. Consistent dialogue and cooperation among DHCF, DHS, DCHBX, and stakeholders is necessary to ensure that health reform translates into more and better health coverage. Second, DHCF should begin tracking Medicaid renewals. This data will assist DHCF and stakeholders in measuring the success of passive renewals and quickly identifying and resolving issues that arise. Third, DHCF should eliminate the six-month in-person recertification requirement for the DC Health Care Alliance (Alliance) Program and re-institute the one-year requirement. The six-month requirement has led to longer lines and wait times at ESA service centers and improper terminations. An annual recertification requirement would reduce these issues and match the recertification requirement for other public benefits programs.

The Medicaid Program changed significantly in 2013. Those changes included the adoption of a new method for calculating household income, the creation of a single streamlined application for Medicaid and qualified health plans (QHPs), the introduction of automatic eligibility determinations, and the streamlining of the recertification, now called “renewal,” process. Another significant change was the introduction of two new managed care organizations (MCOs), which will provide health insurance to the bulk of Medicaid beneficiaries in managed care. DHCF has worked hard to restructure the Medicaid Program and respond to the concerns of beneficiaries and stakeholders. For example, DHCF instituted a quarterly presentation on the MCO performance. As DHCF looks ahead, however, it will need to do more to guarantee that low-income District residents have access to health care.

1 Sponsored by the Norflet Progress Fund.
2 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.
I. DHCF Must Improve Coordination with DHS and DCHBX.

Prior to October 1, 2013, individuals applied for Medicaid in-person at an ESA service center or by mail. Beginning October 1, 2013, individuals can also apply for Medicaid online or by phone. This means that people may now begin the application process through DC Health Link, which is administered by DCHBX, or with ESA service center staff. Meaningful cross-agency dialogue is needed to ensure that persons apply and are enrolled in the Medicaid Program.

The automation of the Medicaid application process should make applying and enrolling in Medicaid quicker and easier, but this is only possible if DHCF, DHS, and DCHBX collaborate to share information and promptly address inter-agency concerns. Advocates must also be included in this process, as they support individuals in accessing Medicaid benefits. DHCF has taken one step in the right direction by creating an email address, dcmedicaidquestions@dc.gov, to which individuals and advocates can direct questions regarding the Medicaid application and enrollment process. However, this should be a small part of a larger solution. An email address cannot be a substitute for the cross-agency and stakeholder dialogue that is needed to address widespread concerns. For this reason, Legal Aid supports the establishment of a bi-monthly meeting with representatives from DHCF, ESA, DCHBX, and stakeholders.

II. DHCF Should Track Medicaid Renewals.

One of the key features of health reform is the simplification of the Medicaid renewal process. Previously, individuals were required to annually verify their eligibility for Medicaid benefits. Those who failed to do so were terminated from the Program. Starting July 1, 2014, DHCF will move to a “passive” renewal process, which will allow DHCF to use electronic resources to confirm an individual’s Medicaid eligibility. If the electronic information shows that an individual qualifies for Medicaid, that individual’s benefits will continue. If not, the person must submit additional information to verify that she qualifies for Medicaid. Passive renewals, if run correctly, will protect against gaps in health coverage due to factors other than ineligibility.

Ensuring that individuals do not improperly lose coverage due to flaws with passive renewal will require tracking. Legal Aid understands that DHCF does not currently track Medicaid renewals and recommends that DHCF start documenting the numbers of individuals who recertify and lose coverage for failing to verify eligibility.

III. DHCF Should Re-Institute an Annual Recertification Requirement for the Alliance Program.

The six-month in-person recertification requirement for the Alliance Program has stretched DHS and DHCF’s resources to the limit at a time when those agencies are grappling with health reform and other initiatives. Unsurprisingly, Alliance enrollment numbers have continued to steadily decline. Since DHCF instituted the six-month recertification requirement
in September 2011, Alliance enrollment has plummeted from 23,917 in September 2011 to 14,822 in September 2013.\(^3\)

Anecdotal evidence demonstrates that this decline is, at least in part, a result of improper terminations. Last year, one of my clients received bills for medical services that should have been covered by her Alliance MCO. We learned that, even though she had completed her in-person recertification at an ESA service center, she was terminated for failure to recertify. We were able to get her benefits retroactively reinstated. Although I was able to assist this client in resolving her issue, her story is not unique. Other community advocates have shared stories of long wait times at ESA service centers, lost paperwork, insufficient Spanish-speaking staff, and clients improperly terminated from the Alliance.

We understand that the six-month face-to-face requirement was created in part to prevent non-District residents from accessing Alliance benefits. While it is unclear to what extent fraud has been reduced, is it evident that eligible individuals are losing coverage despite taking the necessary steps to recertify. Re-institution of the one-year recertification requirement will remove this barrier to coverage, relieving a great deal of pressure at ESA service centers and allow for smoother recertifications. This proposal makes even more sense considering DHCF’s increasing ability to leverage electronic resources to confirm an individual’s eligibility for medical assistance.

IV. Conclusion

Legal Aid applauds DHCF for juggling so many large projects over the past year and taking steps to improve transparency and oversight in the managed care program. To attain the goal of providing low-income District residents with access to health coverage, DHCF must work closely with sister agencies and stakeholders, begin tracking Medicaid renewals, and remove barriers to Alliance recertification. Legal Aid appreciates the opportunity to submit comments on the performance and oversight of DHCF, and hopes to work closely with this Committee and DHCF to build a stronger, healthier District.

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