

**Testimony for Public Hearing on the FY 2015 Budget of the
Department of Health Care Finance**

**Council of the District of Columbia Committee on Health
April 29, 2014 at 10:00am**

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The Legal Aid Society of the District of Columbia is pleased to support the proposed FY 2015 budget for the Department of Health Care Finance (DHCF). DHCF's FY 2015 budget begins to respond to some of the concerns Legal Aid and other advocates have articulated over the past few years. The increase in staffing, enhanced oversight of managed care organizations, and commitment to more robust data collection and reporting are all encouraging steps forward. Over the next year, however, Legal Aid urges DHCF to take a closer look at its policies to make sure that the people who need health care do not face barriers to obtaining that care.

In particular, this testimony addresses the policies and assumptions on which DHCF's FY 2015 budget figures are based with regard to the DC Health Care Alliance (Alliance) Program face-to-face recertification requirement. The current Alliance recertification process has led many Alliance-eligible low-income District residents to lose their health coverage and has left the Alliance Program with a sicker, more expensive population. **Legal Aid proposes that DHCF and this Committee eliminate the six-month face-to-face requirement and replace that requirement with a less burdensome policy.**

In its effort to respond to the concerns of advocates regarding the alarming decline in Alliance enrollment, DHCF began collecting and evaluating data on Alliance terminations. In its budget presentation to the Medical Care Advisory Committee on April 9, 2014, DHCF Director Wayne Turnage reported that in 2013, the overwhelming reason that Alliance enrollees were terminated from the Program was for failure to complete the recertification process. For example, in October 2013, November 2013, and December 2013, 67%, 62%, and 65%, respectively, of Alliance terminations were for failure to complete recertification. Director Turnage also presented data to show that the wait times for Alliance enrollees at Economic Security Administration (ESA) service centers is nearly double that of Medicaid beneficiaries. This means that individuals in the Alliance Program must invest significantly more time than those in the Medicaid program to recertify.

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.

Legal Aid and other advocates in the District have heard that some individuals who are willing and able to endure the long wait times to recertify have nonetheless lost their Alliance benefits. This was the case with Ms. Gonzalez, a Spanish speaker who works full-time to support herself.³ In February 2014, Ms. Gonzalez went to the Taylor Street Service Center to complete her face-to-face Alliance recertification requirement. After waiting for several hours to recertify, ESA staff told Ms. Gonzalez to place her recertification information in the dropbox. They did not give her an opportunity to complete the face-to-face portion of the process. As instructed, Ms. Gonzalez placed her documents in the dropbox. A few weeks later, Ms. Gonzalez received a notice stating that her Alliance benefits would be terminated on March 31, 2014 because she failed to recertify.

Because Ms. Gonzalez has difficulty taking time off of work, and had previously done so in order to recertify, she was unable to take time off of work again until March 31, 2014. That day, she arrived at the Taylor Street Service Center at 5:00 AM. At 9:00 AM, an ESA caseworker told Ms. Gonzalez that the center had reached its “40 person maximum” for medical assistance recertifications for the day, and in the future Ms. Gonzalez should arrive at the service center at 4:00 AM. For the second time Ms. Gonzalez was, by no fault of her own, prevented from completing the Alliance recertification requirement. While Ms. Gonzalez was able to get assistance from a legal service organization and keep her Alliance benefits, there are many others who do not obtain assistance, and likely go without health insurance.

DHCF’s data on Alliance terminations demonstrates that these roadblocks have had the adverse effect of leaving the Alliance Program with a sicker, costlier population. Although the overall costs of the Alliance Program have decreased due to the decline in Alliance enrollment, the cost for each enrollee in the Alliance program has increased—from around \$150 per member, per month in April 2011 to just under \$200 per member, per month in April 2014. When the pool of Alliance enrollees is more diverse—for example, in age and health background—the District pays less per member, per month. But if individuals who qualify for benefits face barriers to recertifying, only those who desperately need health insurance, such as those who are elderly and/or have serious medical issues, are likely to persist in obtaining them.

DHCF must ensure that its policies do not have the unintended consequence of harming the population it is intended to help. Moving away from the six-month, face-to-face Alliance recertification requirement will do just that. A common sense approach to Alliance recertification will both reaffirm the District’s commitment to accessible, affordable health care for all District residents and drive down the per member, per month cost of the Alliance Program. Director Turnage indicated that DHCF intends to take a closer look at the Alliance six-month face-to-face recertification requirement. Legal Aid would be happy to work with the Director, the agency, and this Committee, on any efforts to reexamine the recertification process.

Finally, Legal Aid will supplement this testimony with a more detailed letter, signed by the District of Columbia Primary Care Association, La Clinica del Pueblo, and Mary’s Center, discussing additional proposals for consideration by this Committee and DHCF. The letter will urge DHCF take the following steps: (1) establish a one-year recertification requirement; (2) institute passive renewals for the Alliance Program; and (3) ensure that translated documents and

³ The individual’s name has been changed, and some non-essential facts have been changed or omitted, to protect her identity.

sufficient bilingual staff are made available to Alliance enrollees. These proposals balance the District's interests in providing critical health benefits to low-income District residents and preventing individuals who are not entitled to benefits from improperly obtaining District-funded health coverage. I refer this Committee to that letter for a more thorough discussion of those proposals.