

**Testimony of Chelsea Sharon
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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

February 6, 2019

The Legal Aid Society of the District of Columbia¹ submits testimony today to highlight continuing problems with the administration of the Health Care Alliance program by the Department of Health Care Finance (“DHCF”). As the Council knows, the Alliance program serves a vital purpose: providing health insurance to low-income District residents who are not eligible for Medicaid. However, the program’s onerous recertification requirements – which require that beneficiaries recertify their eligibility in person every six months by waiting in line at crowded DHS service centers to conduct face-to-face interviews – 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 burdensome requirements create barriers for individuals trying to maintain their coverage, even when they do everything in their power to comply.

The Council has already taken significant steps towards protecting Alliance beneficiaries by unanimously passing 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. The Act, however, was not funded during the FY19 budget process. Legal Aid urges the Mayor and the Committee to work together to fully fund the Act for FY20.

We Commend the District for Defending Our Immigrant Communities

It is worth noting that the Alliance program serves the District’s immigrant community, whose members are facing repeated attacks from the federal government. And we commend the District for standing up for our immigrant neighbors by providing access to legal services and publicly opposing onerous proposed changes to regulations governing “public charge”

¹ 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 87 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, immigration, and consumer protection. More information about Legal Aid can be obtained from our website, www.LegalAidDC.org, and our blog, www.MakingJusticeReal.org.

determinations which (if implemented) would result in immigrant families forgoing essential public benefits (to which they and/or their children are entitled) out of a fear of being unable to achieve legal permanent residence status.

By funding the DC Healthcare Alliance Amendment Act of 2017, the Mayor and the Council can once again show solidarity with the District's immigrant communities by removing burdensome recertification requirements that fall exclusively on these communities and make it difficult for them to maintain essential health coverage.

Alliance Beneficiaries Continue to Face Significant Barriers to Completing Recertification Requirements Due to Long Lines at Agency Service Centers

The six month, in-person recertification requirement has been in place since 2012 and has proven to be extremely difficult for beneficiaries 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 waiting.² In October and November 2018, pro bono partners coordinating with Legal Aid visited the Taylor Street and H Street Service Centers before they opened (at about 7:00 am) on 16 occasions. The pictures at the end of this testimony reflect the lines prior to the doors opening at the H Street Service Center on October 5, 2018 and the Taylor Street Service Center on October 17, 2018.

The chart below shows that customers routinely reported arriving as early as 4:00 or 4:30 a.m. (with some arriving as early as 2:45 a.m.) and that the lines before the doors opened (at around 7:00 a.m.) numbered between 47-95 people on all but one occasion.

² *Legal Aid Testimony Regarding Agency Performance Oversight for the Department of Health Care Finance* (Feb. 23, 2018); *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>.

Date	Service Center	Number of people in line when doors opened (at around 7:00 am)	Time of arrival reported by first person in line
Oct. 5, 2018	Taylor Street	62	3:45 a.m.
Oct. 5, 2018	H Street	71	Not recorded
Oct. 9, 2018	Taylor Street	61	Approximately 3:45 a.m.
Oct. 10, 2018	Taylor Street	76	Not recorded
Oct. 10, 2018	H Street	90	4:00 a.m.
Oct, 11, 2018	Taylor Street	58 (including 7 children)	3:45 a.m.
Oct. 15, 2018	H Street	71	Not recorded
Oct. 17, 2018	Taylor Street	60 (including 2 children)	4:00 a.m.
Oct. 17, 2018	H Street	54	4:30 a.m.
Oct. 18, 2018	Taylor Street	55	3:00 a.m.
Nov. 5, 2018	Taylor Street	55 (including 1 child)	4:30 a.m.
Nov. 7, 2018	Taylor Street	27	4:00 am
Nov. 7, 2018	H Street	74	4:30 am
Nov. 13, 2018	Taylor Street	52 (including 2 children)	2:45 am
Nov. 13, 2018	H Street	95	Not recorded
Nov. 15, 2018	H Street	47	Not recorded

Although DHCF and DHS will likely tell the Council that wait times are down, their data only count wait times beginning from when the customer reaches the front desk and ending when they complete the application or recertification process. These data do not take into account how long customers had to wait before they could even enter the service center, much less make it to the

front desk.³ To date, the agency data have not captured the true time spent waiting. None of this is new – when we testified about DHCF’s performance in 2017 and 2018, we reported observing the same issues.⁴

Our clients take the extraordinary step of lining up so early because, due to these long lines, they risk being turned away from the service centers because of capacity constraints. We have worked with clients who have made multiple unsuccessful attempts to recertify, only to be turned away at each visit and have their coverage 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.⁵

DHCF’s oversight data show that during FY18, between 44% and 52% of Alliance enrollees up for recertification each month did not complete the recertification process.⁶ Over the opening months of FY19 (October, November, December, and January), these percentages ranged from 51% (October 2018) to nearly 66% (January 2019).⁷ While the data does not include the reasons that Alliance beneficiaries failed to complete their recertification, we believe that lines outside of the service centers undoubtedly played a role.

Legal Aid Has Seen No Persuasive Evidence That the Six-Month Recertification Requirement Is Necessary to Prevent Fraud or to Reduce Program Costs

DHCF claims that the six-month recertification requirement is necessary in order to ensure that limited local dollars are only spent on eligible District residents. But DHCF’s own data show that every year, a substantial number of Alliance enrollees who are terminated from the program re-enroll within a year, suggesting that they are in fact DC residents. In each of the last five years, between 2,439 people to 2,979 people have re-enrolled in Alliance within one year of

³ See, DCHF FY8-FY19 Oversight Responses, Q49 (noting that ESA’s measures of wait times do not capture time spent waiting outside of the service centers).

⁴ *Legal Aid Testimony Regarding Agency Performance Oversight for the Department of Health Care Finance* (Feb. 23, 2018); *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>

⁵ Legal Aid understands that DHS is piloting a new effort whereby Alliance beneficiaries can drop off their recertification paperwork when the service center is at capacity and complete the recertification process without having to return for a face-to-face interview. Legal Aid is eager to learn more about the implementation of these efforts and hopes they can serve as an important safeguard to prevent improper termination of coverage for Alliance beneficiaries attempting to complete the recertification requirements.

⁶ DHCF FY18-FY19 Performance Oversight Responses, Q49.

⁷ *Id.*

termination⁸ -- something that would not be occurring if these enrollees were “medical tourists.” DHCF has not determined what percentage of those losses and subsequent recoveries of coverage were attributable to an inability to complete the recertification process. However, it is likely that the significant obstacles posed by long lines at (and potentially being turned away from) service centers substantially contributed to the terminations.

DHCF has also raised concerns about rising costs in the Alliance program and has suggested that the six-month, in-person recertification requirement is necessary to keep those costs in check. However, to the extent the six-month requirement creates burdens that prevent *eligible* individuals from retaining their coverage, any cost savings would come at the expense of depriving eligible individuals of access to necessary medical care.

Moreover, the onerous recertification requirements actually *increase* the Alliance program’s per capita health care costs by confining the program largely to the sickest beneficiaries who struggle to overcome recertification barriers because they must maintain essential health coverage. And, when beneficiaries lose their coverage for even short periods of time due to barriers to recertification, they often go without necessary preventative care in the interim, causing their health care costs to be significantly higher when they return to the Alliance program.

Funding the DC Healthcare Alliance Amendment Act Would Significantly Ease the Burdens on Vulnerable Individuals Attempting to Recertify Their Coverage and Likely Lower the Costs of the Program in Future Years

Funding and implementation of 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, the Act 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 by giving enrollees additional options for completing their interviews while avoiding the lines and capacity limitations (due to space and language access) at service centers.⁹ 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.

⁸ DHCF FY18-FY19 Performance Oversight Responses, Q36.

⁹ 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.

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. It would also give these communities one less thing to worry about, allowing them to maintain the health insurance coverage that they rely upon without having to sacrifice their ability to work or care for their families. For these reasons, we urge the Mayor and the Committee to fully fund the Act for FY20 and fulfill the District's commitment to providing health insurance to our immigrant communities.

LINE AT THE H STREET SERVICE CENTER ON OCTOBER 5, 2018
62 people in line when doors opened
First person in line reported arriving at 3:45 am



LINE AT THE TAYLOR STREET SERVICE CENTER ON OCTOBER 17, 2018
60 people in line when doors opened
First person in line reported arriving at 4:00 a.m.

