

**Testimony of Chelsea Sharon  
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**Before the Committee on Health  
Council of the District of Columbia**

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

**March 26, 2019**

The Legal Aid Society of the District of Columbia<sup>1</sup> submits testimony today to urge the Council to fully fund the Department of Health Care Finance D.C. HealthCare Alliance Amendment Act of 2017 (passed as the “D.C. HealthCare Alliance Re-Enrollment Reform Amendment Act of 2017”) for FY 2020.<sup>2</sup> As the Council knows, the Health Care Alliance program serves a vital purpose: providing health insurance to low-income District residents who are not eligible for Medicaid due to their immigration status. 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. These burdensome recertification requirements also increase the Alliance program’s costs by confining the program largely to the sickest beneficiaries, who struggle to overcome these barriers because they must maintain essential health coverage.

*Put simply, the six month face-to-face recertification requirement harms the health of Alliance beneficiaries and the health of the Alliance program. We appreciate the District’s commitment to maintaining the health of our immigrant neighbors. Legal Aid shares that commitment and sees first-hand how these burdensome recertification requirements frequently prevent eligible individuals from timely renewing their coverage. When these clients go without care for some period of time, it leads to poorer health outcomes and increased program costs when these individuals get back on the program after going without needed preventative care.*

*We therefore urge the Council to shore up this commitment to the health of our immigrant communities and the program that protects that health by funding the D.C. HealthCare Alliance*

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<sup>1</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.” 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](http://www.LegalAidDC.org), and our blog, [www.MakingJusticeReal.org](http://www.MakingJusticeReal.org).

<sup>2</sup> D.C. Act 22-223, <http://lims.dccouncil.us/Download/37817/B22-0231-SignedAct.pdf>.

*Re-Enrollment Reform Amendment Act of 2017 in FY20.* This legislation, unanimously passed by this Council, 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, thus protecting the health of our clients and this vital program upon which they rely.

**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.<sup>3</sup> 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 that follows 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.

**Table 1: Service Center Arrival Times and Line Lengths (Oct. and Nov. 2018)**

<b>Date</b>	<b>Service Center</b>	<b>Number of people in line when doors opened (at around 7:00 am)</b>	<b>Time of arrival reported by first person in line</b>
<b>Oct. 5, 2018</b>	<b>Taylor Street</b>	62	3:45 a.m.
<b>Oct. 5, 2018</b>	<b>H Street</b>	71	Not recorded

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<sup>3</sup> *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>.

<b>Oct. 9, 2018</b>	<b>Taylor Street</b>	61	Approximately 3:45 a.m.
<b>Oct. 10, 2018</b>	<b>Taylor Street</b>	76	Not recorded
<b>Oct. 10, 2018</b>	<b>H Street</b>	90	4:00 a.m.
<b>Oct. 11, 2018</b>	<b>Taylor Street</b>	58 (including 7 children)	3:45 a.m.
<b>Oct. 15, 2018</b>	<b>H Street</b>	71	Not recorded
<b>Oct. 17, 2018</b>	<b>Taylor Street</b>	60 (including 2 children)	4:00 a.m.
<b>Oct. 17, 2018</b>	<b>H Street</b>	54	4:30 a.m.
<b>Oct. 18, 2018</b>	<b>Taylor Street</b>	55	3:00 a.m.
<b>Nov. 5, 2018</b>	<b>Taylor Street</b>	55 (including 1 child)	4:30 a.m.
<b>Nov. 7, 2018</b>	<b>Taylor Street</b>	27	4:00 am
<b>Nov. 7, 2018</b>	<b>H Street</b>	74	4:30 am
<b>Nov. 13, 2018</b>	<b>Taylor Street</b>	52 (including 2 children)	2:45 am
<b>Nov. 13, 2018</b>	<b>H Street</b>	95	Not recorded
<b>Nov. 15, 2018</b>	<b>H Street</b>	47	Not recorded

DHS acknowledges that wait times remain high, citing an average wait time of 2 hours and 6 minutes across all service centers in January 2019.<sup>4</sup> While this wait time is significant, it vastly undercounts the amount of time that customers actually wait when visiting a service center. As DHS recognizes, this figure only counts wait times beginning from when the customer reaches the front desk and ending when DHS staff begins interviewing the customer. This figure thus fails to account for how long customers had to wait before they could even enter the service center, much less make it to the front desk to check in. This figure also does not count the time a customer spends waiting while staff actually complete the recertification process.<sup>5</sup> None of this

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<sup>4</sup> See DHS FY18-FY19 Performance Oversight Responses, Q110(a).

<sup>5</sup> See DHS FY18-FY19 Performance Oversight Responses, Q110(a) (“The average wait time per lobby case is defined as the average length of time calculated from the moment when a Social Service Assistant (SSA) at Triage Desk greets and registers a customer in the queuing system . . . to the time when the assigned Social Service Representative (SSR) begins interviewing the customer.”).

is new – when we testified about DHCF’s performance in 2017 and 2018, we reported observing the same issues.<sup>6</sup>

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. Indeed, DHS’s oversight data acknowledges that, on average across all service centers, capacity was called between 11:52 a.m. and 3:01 PM each month from October 2017 through January 2019.<sup>7</sup> 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. 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.<sup>8</sup>

### **Barriers to Recertification Increase Program Costs and Lead to Poor Health Outcomes for Enrollees**

These onerous recertification requirements lead to a high rate of churn in the Alliance program, causing many eligible enrollees to lose their coverage for some period of time due to the significant barriers described above. DHCF’s performance oversight data show that during FY18, between 44% and 52% of Alliance enrollees up for recertification each month did not complete the recertification process.<sup>9</sup> Over the opening months of FY19 (October, November, December, and January), these percentages ranged from 51% (October 2018) to nearly 66% (January 2019).<sup>10</sup>

A new report from the DC Fiscal Policy Institute, titled “No Way to Run a Healthcare Program: DC’s Access Barriers for Immigrants Contribute to Poor Health Outcomes and Higher Costs,” finds that this high rate of churn contributes to increasing program costs and worsening health

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<sup>6</sup> *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>.

<sup>7</sup> See DHS FY18-FY19 Performance Oversight Responses, Q110(b)(v).

<sup>8</sup> 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.

<sup>9</sup> DHCF FY18-FY19 Performance Oversight Responses, Q49.

<sup>10</sup> *Id.*

outcomes for enrollees.<sup>11</sup> Citing research on the effect of churn on health care costs and health outcomes, the report notes that when enrollees lose their coverage for even short periods of time due to barriers to recertification, they often go without necessary preventative care, to the detriment of their own health and well-being. When these individuals then re-enroll in the program, their health care needs are likely to be more acute due to the interruption in care they experienced, putting greater strain on the Alliance program's costs. In addition, the onerous recertification requirements often keep healthier people out of the Alliance program, since oftentimes only the sickest beneficiaries will go to extraordinary lengths to overcome the recertification barriers described above. This, in turn, increases the program's per capita health care costs, putting further strain on the Alliance program's limited funding.

DHCF has 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, given that the effect of churn is often to *increase* health care costs, the opposite is likely true—allowing more people to retain their coverage could help to *constrain* program costs. Moreover, to the extent the six-month requirement creates burdens that prevent *eligible* individuals from retaining their coverage, the cost savings that DHCF is envisioning would come at the expense of depriving eligible individuals of access to necessary medical care.

Removing the six-month recertification requirement would likely improve the health of immigrant communities in the District and help to address problems with rising costs in the Alliance program.

### **Legal Aid Has Seen No Persuasive Evidence That the Six-Month Recertification Requirement Is Necessary to Prevent Fraud**

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 termination<sup>12</sup> -- 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.

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<sup>11</sup> DC Fiscal Policy Institute, "No Way to Run a Healthcare Program: DC's Access Barriers for Immigrants Contribute to Poor Health Outcomes and Higher Costs" (Mar. 17, 2019), [https://www.dcfpi.org/all/no-way-to-run-a-healthcare-program-dcs-access-barriers-for-immigrants-contribute-to-poor-outcomes-and-higher-costs/?utm\\_source=DCFPI+Communication+List&utm\\_campaign=82953966a4-EMAIL\\_CAMPAIGN\\_2019\\_03\\_18\\_02\\_06&utm\\_medium=email&utm\\_term=0\\_f6ae988a93-82953966a4-93496305](https://www.dcfpi.org/all/no-way-to-run-a-healthcare-program-dcs-access-barriers-for-immigrants-contribute-to-poor-outcomes-and-higher-costs/?utm_source=DCFPI+Communication+List&utm_campaign=82953966a4-EMAIL_CAMPAIGN_2019_03_18_02_06&utm_medium=email&utm_term=0_f6ae988a93-82953966a4-93496305).

<sup>12</sup> DHCF FY18-FY19 Performance Oversight Responses, Q36.

**Funding the DC Healthcare Alliance Re-Enrollment Reform 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 Re-Enrollment Reform 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.<sup>13</sup> 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.

In short, if funded, the Act would directly address the problems that make it so difficult for Alliance enrollees to stay in the program. The Act would improve these enrollees' ability to maintain essential health care and help control the problems with increasing health care costs in the Alliance 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. These communities would have one less thing to worry about, as they would be able 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 Council to fully fund the Act for FY20 and fulfill the District's commitment to providing health insurance to our immigrant communities.

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<sup>13</sup> This would also be beneficial for the ESA 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, benefiting all low-income public benefits recipients in the District.

**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 a.m.**



**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.**

