

April 8, 2013

The Honorable Yvette Alexander
Chairwoman, Committee on Health
Council of the District of Columbia
John A. Wilson Building
1350 Pennsylvania Ave, NW
Washington DC 20004

Dear Chairwoman Alexander,

As organizations that serve, advocate for, or employ residents of the District of Columbia, we write to express our support for a DC Health Benefit Exchange that improves the affordability, accessibility, and quality of health coverage for residents, small businesses owners, and small business employees. This includes adopting strong quality and consumer protection standards for health plans sold in the DC Exchange, improving transparency and oversight of all insurance coverage in DC, and combining the individual and small group markets into a unified market within the DC Exchange.

The District has been a national leader in ensuring access to health coverage for its residents. We now have the chance to build upon the commitment — embodied in our strong Medicaid and DC HealthCare Alliance programs — by successfully implementing the Affordable Care Act (ACA) in a way that reflects DC’s unique needs and values. The health plan standards and market unification proposal adopted or under consideration by the Exchange Board represent the next steps in our path to improve the health of every person who lives or works in the District. To ensure a successful Exchange in DC, we support the following:

1. Creating Strong District-Specific Health Plan Standards in the DC Exchange.

The District needs robust Qualified Health Plan (QHP) standards to ensure that all health plans provide benefits that meet the needs of DC residents and offer adequate access to providers. Today, consumers face tremendous obstacles deciphering the subtle differences between health plans when shopping for coverage, finding an affordable health plan that meets their health needs, and securing appointments with in-network providers.

The DC Exchange can greatly enhance consumers’ ability to evaluate health plans and successfully find providers once covered. The Exchange’s stakeholder-led working groups have recommended, and the Executive Board has endorsed, the development of standards and data collection on network adequacy so that patients have a sufficient number of providers in their health plan’s network to ensure timely access to care. The Executive Board of the Exchange has also voted to implement a working group requirement that all insurers must offer at least one health plan with a standardized cost-sharing design, in addition to the other plan design models they may wish to offer. This would allow consumers to make a real “apples-to-apples” comparison, evaluating the standardized plan offered by each insurance carrier based on quality, provider network, and price. Additionally, future working groups may address other critical consumer protection issues, such as marketing standards, tobacco rating, and continuity of care for people who transition between Medicaid and the Exchange. We strongly support the creation of consumer-friendly standards in these areas and look forward to continued input in their development.

2. Combining the Individual and Small Group Markets into a Unified Market in the DC Exchange.

We believe a unified market in DC is the best vehicle to deliver the strong consumer protections and quality health coverage intended in the Affordable Care Act. We support the Exchange Executive Board’s unified

market proposal and inclusive stakeholder working group process as critical components of building a strong Exchange and a consumer-friendly marketplace.

A unified market in the Exchange guarantees that all insurers in the District will meet the same standards for quality and consumer protection. Having all plans participate in the unified market under the Exchange also will ensure that every product is more effectively monitored for compliance with standards.

The Exchange market will promote greater choice for small businesses and individuals, some of whom today have few, if any, options for affordable health plans. Small employers that currently offer coverage almost always offer their workers just one plan. In a unified marketplace under the DC Exchange, employers will be able to offer multiple health plans to their employees without increased costs or administrative burdens, increasing meaningful choice for DC workers.

Finally, the DC Exchange will foster greater competition by requiring all insurance carriers to list their products and prices side-by-side in an easy-to-use shopping portal that simply doesn't exist today. By unifying the market under the Exchange, individuals and small businesses will have greater purchasing power to keep premiums affordable — power that today is reserved just for large businesses. Allowing a parallel market to operate outside the Exchange would permit carriers to bypass this important market competition tool, which would undermine efforts to advance consumer protections and stem the growth in health care costs.

While we believe individual residents will best be served by immediately entering the Exchange, we recognize the interest by some stakeholders in the small business community to phase in a unified market model through a transition period. The transition approach proposed by the Exchange Board would permit small employers that currently offer coverage to delay entering the DC Exchange for up to two years and instead continue purchasing coverage in the non-Exchange market. This transition will provide the Exchange with adequate time to scale up its operations, iron out any initial problems that may arise with the launch of a new program, and demonstrate its value and benefit to small businesses. Ultimately, though, all individuals and small businesses will benefit from the robust consumer standards, competition, transparency, and choice provided by a unified market in the DC Exchange.

We would like to thank you for your dedication to the health of DC residents, and hope that you will help the District maintain its leadership in innovation and coverage by supporting the successful development of the DC Health Benefit Exchange.

Sincerely,

AARP District of Columbia
American Cancer Society Cancer Action Network
American Federation of State, County & Municipal Employees
American Heart and Stroke Association
American Heart and Stroke Association of the Mid-Atlantic
Autism Speaks
Bread for the City
Center on Budget and Policy Priorities
D.C. Coalition Against Domestic Violence (DCCADV)
DC Behavioral Health Association
DC Coalition on Long Term Care
DC Fiscal Policy Institute
DC Primary Care Association

DC's Chapter of the National Organization for Women
Employment Justice Center
Families USA
Family and Medical Counseling Service, Inc.
Family Voices of the District of Columbia Inc.
Greater Washington Society for Clinical Social Work
Health Care For America NOW (HCAN)
Healthy Families/Thriving Communities Collaborative Council
Hemophilia Association of the Capital Area
Home Care Partners
La Clinica del Pueblo
Legal Aid Society of DC
Mary's Center
Metro Teen Aids
MetroHealth
Metropolitan Washington Council, AFL-CIO
Miriam's Kitchen
National Capital Chapter of the National Multiple Sclerosis Society
National Council La Raza
National Health Law Program
National Multiple Sclerosis Society
National Partnership for Women & Families
National Women's Law Center
OmniStudio, Inc
Planned Parenthood Metropolitan Washington
SOME, Inc (So Others Might Eat)
The Arc of the District of Columbia, Inc.
United Spinal Association
Unity Health Care
Whitman-Walker Health
Young Invincibles