



# The District's Dime

Going Beyond the Budget Book

The DC Fiscal Policy Institute blog  
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## What's the Best Way to Spend \$56 Million To Improve the Health of DC Residents? Your Input Is Needed!

By Jodi Kwarciany

Recent actions by the District government open the door to create new initiatives to improve the health of DC residents. The city's Insurance Commissioner recently announced he will develop a plan to spend \$56 million of excess surpluses held by CareFirst, because the nonprofit health insurer failed to come up with a community health reinvestment plan for that money. The District is seeking public input over the next few weeks on the best ways to invest in the community's health. Residents and organizations who care about health issues should plan to weigh in. (See details below on how to do that.)

The DC Department of Insurance, Securities, and Banking (DISB) determined in 2014 that CareFirst (also known as Group Hospitalization and Medical Services Inc. or GHMSI) had \$56 million in excess surplus in 2011 based on its insurance activity in DC. The Commissioner ordered GHMSI to file a plan on how it would reinvest the \$56 million within the community. But CareFirst failed to submit a satisfactory plan, and this month DISB [rejected](#) CareFirst's claim that it did not need to make any new community health investments.



As a result, DISB Commissioner Taylor will use his authority to develop and approve a plan for GHMSI's \$56 million excess surplus. DISB will accept public comments on that plan until July 14. This represents not only an important step forward, but an extraordinary opportunity for advocates in the community to provide input on District health needs.

The following investments represent possible uses of CareFirst's excess surplus.

- **Making the Healthcare Alliance Program more accessible.** This program for low-income residents of DC who are not eligible for Medicaid, Medicare, or subsidies on DC Health Link has some the strictest eligibility requirements of any public benefit programs. Beneficiaries must re-enroll in person every six months, a requirement which, on top of prohibitively long lines at service centers, present a barrier to continued coverage that keeps many eligible residents off the program. DC government has shown a willingness to ease

these requirements, but cost is a major factor – about \$13 million to change the requirements.

- **Helping homeless and newly-housed residents get access to health services and care coordination.** The District is combatting chronic homelessness with programs like permanent supportive housing, but is still seeking ways to fund the health and case management services needed to really support residents and keep them housed.
- **Expanding the maternal and child health home visiting program.** This evidence-backed program helps families with small children get access to health insurance, immunizations, preventive care, and nutrition and wellness resources that can help children enter school healthy and ready to learn. Right now the program is limited primarily to Wards 5, 7, and 8, and will lose federal funding after 2017.

The Department of Insurance, Securities and Banking should be applauded for holding insurer CareFirst accountable to its community obligations and furthering an opportunity to bring much-needed health care dollars to the District. The public can submit comments by July 14 to the Commissioner at [CareFirstReview@dc.gov](mailto:CareFirstReview@dc.gov).