



The District's Dime

Going Beyond the Budget Book

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A Healthy Budget: Ensuring Residents Have Access to Healthcare in 2014 and Beyond

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The District's budget for Fiscal Year 2014 offers an opportunity to improve access to health services in the city, especially among low-income, uninsured residents and those in need of mental health services. While the Affordable Care Act will bring many improvements to health access over the next year, with creation of a new DC Health Benefit Exchange, the District's health system depends on strong publicly funded programs for uninsured low-income residents including the Healthcare Alliance and Medicaid. The FY 2014 budget can be used to address gaps in both programs.

Addressing Barriers to Access in the Healthcare Alliance for Residents with Language and Cultural Barriers. The Alliance serves residents with incomes below 200 percent of the federal poverty line who are otherwise ineligible for Medicaid, including noncitizens. Enrollment in the Healthcare Alliance has declined significantly, in part because of new recertification rules designed by the District to limit the number of non-DC residents accessing the program. The recertification requires a face-to-face interview every six months, which was expected to reduce the caseload by 20 percent, or fewer than 4,700, but the actual drop during 2012 was nearly 8,000 participants. This suggests, not surprisingly, that the frequent recertification process is creating barriers to participation among eligible residents, many of whom are working and unable to leave work for frequent in-person interviews.

Mayor Gray should maintain funding for the Alliance in FY 2014, rather than diverting savings from enrollment declines to other programs. Moreover, as the District implements a coordinated eligibility and enrollment system under health reform, DC should begin aligning Alliance's recertification with Medicaid's annual renewal to reduce barriers to participation.

Increasing Medicaid reimbursement for Mental Health Services will help increase access to providers and address growing mental health disparities in our community. As a result of low Medicaid reimbursement rates, there aren't enough mental health providers serving Medicaid recipients. The District's reimbursement rates for mental health services have gone unchanged since 2001. When taking inflation into account, the average 2012 reimbursement rate is [19 percent](#) lower than in 2001. As reimbursement rates fall behind medical inflation and other operating costs, providers are unable to maintain services.

Given that, the District's FY 2014 budget should adjust reimbursement rates for lost ground and adjust them in the future to keep pace with inflation. This should improve the number mental health providers and help ensure timely access to treatment for low-income residents.