

**Statement of Ed Lazere, Executive Director**  
**In Support of the Unified Insurance Market Under the DC Health Benefits Exchange**  
March 20, 2013

The DC Health Benefits Exchange Board's decision to move to a unified health insurance market for all small business and individual health insurance plans — with a two-year transition period — is an opportunity to make quality and affordable health insurance accessible to all District residents. The DC Exchange will provide an online portal where consumers will be able to make apples-to-apples comparisons of a robust set of health plans, knowing that every plan will provide the consumer protections promised by the Affordable Care Act.

Beginning in 2014, individuals and small employers (fewer than 50 employees) will be able to access health insurance and new federal subsidies through the Exchange. Small employers that currently offer insurance will be given a transition period to evaluate the new options on the Exchange. They will be able to purchase coverage outside of the Exchange until 2016.

This unified market approach is the best way to improve access to affordable and high-quality health plans for individuals and small businesses, groups that historically have faced limited choices and high costs.

All plans sold on the Exchange will meet the higher standards of quality and consumer protection that are intended by the Affordable Care Act and reflected in the standards established by the DC Exchange Board. For example, consumers will have timelier access to services and be assured that their insurer has a sufficient pool of doctors in its network. The Exchange will also improve access to mental health and other services. A unified market ensures that these protections are consistent across every plan and that all residents will have a consistent shopping experience.

In addition, creating one marketplace for health insurance will give small businesses and individuals access to a wide range of plans. The online shopping experience will be consumer friendly and lead insurers to compete based on price and the quality of their products. This competition and transparency should stabilize premium costs over time.

Unifying the healthcare market under the exchange is the best way to ensure that small businesses and individuals have a robust range of health plan options. A unified market also is the best way to improve quality and affordability. Due to the District's unique geography and size, it is very unlikely the city could operate a high-quality Exchange while also having a parallel market for small businesses and individuals. Without full participation in the Exchange, the outside market would likely offer lower-quality plans — with fewer consumer protections — that would nonetheless be cheaper and attract healthier residents. This would leave less healthy residents in the Exchange, driving up premium costs and decreasing the quality of health insurance received by DC residents. The unified market ensures a viable pool of residents in the insurance market and that they all receive a quality health plan.