

October 20, 2015

Honorable Wayne Turnage
Director of the Department of Health Care Finance
Government of the District of Columbia
441 4th Street NW, 900S
Washington, DC 20001

Honorable Laura Zeilinger
Director of the Department of Human Services
Government of the District of Columbia
645 H Street NE
Washington, DC 20002

Re: Followup Information in Response to August 5, 2015 Meeting

Directors Turnage and Zeilinger:

We appreciate the time to meet with you and your teams on August 5, 2015 to discuss ongoing eligibility and enrollment issues affecting individuals' access to the DC Healthcare Alliance and Medicaid programs.

During that meeting, we committed to providing you with additional information as well as specific recommendations to address underlying policy and operations issues that are negatively impacting DC residents' access to these vital programs. We first offer you additional information and context to our views on the two major issues discussed in the above-mentioned meeting. We then fulfill our promise to share with you specific recommendations to address longstanding challenges in the Alliance program as it continues to be the source of great concern within the community.

Residency Documentation for 6-Month Face-to-Face Recertification

On August 5th, you offered to consider some policy recommendations with respect to lengthening the Alliance's 6-month recertification period to one (1) year if the Department could require additional documentation from individuals to prove residency. We thoroughly reviewed the residency documentation requirements to identify specific ways to strengthen them. Our review found that the list of acceptable documents (as written in the ESA Policy Manual) is consistent with driver's license residency requirements in 21 states that have implemented the federal REAL ID law. As you know, REAL ID residency requirements were created to strengthen documentation required to get ID in a direct effort to avoid identity fraud. *In summary, we conclude that the Alliance documentation requirements for residency meet a high threshold for both individual identity and program integrity, and therefore do not warrant further expansion.*

Operating Realities to Timely Re/Certification Process in the Alliance Program

Over the past 3 years, we and other advocacy groups have identified specific staffing, technology, and processing issues regarding ESA service center capacity and staffing levels. We fully appreciate that the sheer volume of such activity—namely approximately 14,000 applications in each 6-month window or average of 140 per

workday—generates an ongoing business processing issue that requires an integrated solution of staffing, technology and related policies and procedures. We note that ESA is hiring additional employees to handle this ongoing workload and is moving forward with a business process improvement consultant. Yet we also know that such hiring and process improvement efforts take time to bear fruit. In the short term they do little to address current operating challenges—challenges which can only be exacerbated by the additional workload associated with renewal process for M1 Medicaid beneficiaries. ***In summary, we conclude that multiple policy and operations initiatives are warranted to address operating realities at ESA service centers.***

Policy and Operational Recommendations for the Alliance Program

The DC government retains all policymaking authority over the Alliance program as it is a locally funded health care initiative for certain DC residents. Given this perspective, the DC government has discretion to resolve ongoing policy and/or operational matters that prevent eligible DC residents from enrolling in the program by implementing the following recommendations:

- ***Change the 6-month recertification requirement to an annual recertification.*** This change would put the Alliance program’s rules more in line with Medicaid, and ease long lines and wait times at DC’s social service intake centers. This will speed up processing times of applications and retain more eligible DC residents on the program.
- ***Allow community health workers to assist with parts of the application and annual recertification outside ESA settings.*** Such workers already have strong relationships with Alliance beneficiaries and the language and cultural competence to better serve these individuals. Increasing the role of community health workers—especially those located in health centers—keeps Alliance beneficiaries in the health center and offers greater access to primary and preventive care which in turn can reduce unnecessary ER visits. This would address DHCF’s concerns about higher than expected health care costs even though the actual enrollment in the Alliance program has declined over time. This would also alleviate some of DHS’s immediate workload pressures at ESA service centers.
- ***Hire designated program integrity/oversight staff to monitor compliance with residency requirements.*** We understand and support the need for the Department to maintain program integrity especially with regards to the use of local funds. We recommend that the Department hire a compliance officer to audit beneficiary and enrollment data and to perform oversight on initial application intake at DHS.

We appreciate the opportunity to share these recommendations with you and to work collaboratively to solve these time-sensitive issues in the Alliance program. We stand ready and willing to assist you during the Mayor’s internal budget deliberations and at future DC Council hearings. To that end, we have enclosed a longer policy brief that provides greater details and reasoning for our recommendations. If you have any questions, please contact Wes Rivers (rivers@dcfpi.org), Erin Loubier (eloubier@whitman-walker.org), or Jennifer Mezey (jmezey@legalaiddc.org).

Sincerely,

Bread for the City
DC Fiscal Policy Institute
DC Primary Care Association
Legal Aid Society of the District of Columbia
Whitman-Walker Health

Policy Merits to Changing Alliance Eligibility Requirements

The 6-month face-to-face recertification is a barrier to eligible residents receiving health care

Since 2011, the Alliance program has required beneficiaries to re-certify their eligibility every six months through a face-to-face interview. This requirement differs from any other public benefit program in DC – both in frequency at 6 months rather than annual and requiring in person face-to-face recertification rather than electronic or the return of a mailed annual renewals. This face-to-face interview was enacted to deter documented cases of fraud in a program that serves non-U.S. citizen enrollees whose identity and residency can be difficult to verify.

Since the policy began, Alliance enrollment has shrunk by about more than 10,000 enrollees – to about 14,800 – which appear to at least partly reflect barriers faced by eligible residents. Legal service providers and community health centers have reported that eligible Alliance enrollees with full-time jobs and limited access to child care find it difficult to complete the frequent interview requirement. The consumer must often make multiple trips because the service center has reached capacity and can't see them, a lack of available language assistance, long lines, submitted paperwork being lost or not accounted for, and delays in processing information. Important to note that the Department has documented that between half and 67 percent of Alliance re-certifications are never completed. These data and advocate monitoring at service centers suggest significant barriers to completing the recertification process. These barriers result in many eligible residents losing or forgoing coverage as a result.

A one year recertification period (and/or the elimination of the face to face requirement) would ease Department of Human Services (DHS) Service Center lines and wait times, thus not only benefitting Alliance enrollees but all DC residents who use DHS service centers

In the winter of 2015, the signatories of this letter performed a survey to assess access issues at DHS service centers. A significant percentage of individuals we interviewed—27% across all three Service Centers—were there to deal with their Alliance benefits. At the Taylor Street Service Center, 40% of individuals interviewed were there to address their Alliance coverage. Yet, there are only 15,000 Alliance beneficiaries, representing only small portion of all residents with public health insurance. Clearly, the Alliance is a major and disproportionate contributor to long lines at DHS service centers, which has an adverse effect on other residents seeking public benefits.

REASON FOR SERVICE CENTER VISIT

More than 1 in 4 respondents were at the service center for visits related to the Health Care Alliance. However, Alliance only accounts for a small number (15,000) of public assistance beneficiaries.

ALLIANCE ACCOUNTS FOR 27 PERCENT OF ALL REPORTED VISIT VOLUME



ALLIANCE ACCOUNTS FOR 40 PERCENT OF REPORTED VISIT VOLUME AT TAYLOR STREET



Source: Morning Site Visits of DHS Service Centers, Feb. 4 - Feb. 27, 2015

DC FISCAL POLICY INSTITUTE

Eliminating the requirement of a face-to-face interview for Alliance recertifications or shifting to a one-year (rather than six-month) timeframe would significantly reduce line lengths, particularly at the Taylor Street Service Center. Alternatively (or in conjunction with either of the above policies), the District could also divert some of the Alliance-related traffic away from Service Centers by permitting community health centers or other community partners to conduct the face-to-face interview.

Lessening the traffic at service centers is especially important given the already strained ESA capacity to process applications and enroll beneficiaries for the newly designed MAGI-Medicaid program and DCAS computer system. Due to technological issues and an influx of beneficiaries needing help with the new processes, DHS staff have struggled to complete applications and renewals in a timely manner. As a result, anxious to ensure that their benefits have been approved or not erroneously terminated, large numbers of individuals are coming into service centers, to inquire about their applications and recertifications. Consumers line up at service centers hours before they open and endure many hour waits to be seen. This increased traffic has caused increased wait times, as well as further delays and inappropriate termination of benefits. Eliminating the 6 month recertification to extend the Alliance recertification period to one year would eliminate some of the traffic to service centers and thereby improve access for all beneficiaries.

Cost Savings

The Department of Health Care Finances Agency Financial Officer (AFO) has scored the cost of changing the recertification period at \$13 million. We believe that this estimate may be overstated and fails to take into account staff savings.

First, the \$13 million estimate is based on the assumption that every person who was terminated this past year would maintain coverage over the coming year. While we firmly support all eligible consumers accessing coverage as quickly as possible, it is likely that some consumers who failed to recertify would not return to apply again immediately – either because they do not know that they may still be eligible or may fear long lines or wait times, as they experienced previously. Second, the AFO’s estimate does not include an analysis of positive impact on ESA staffing and consumer access for other programs because of reductions in lines by not requiring Alliance beneficiaries to come in at 6 months. .

Finally, the 6-month requirement and resulting barriers to remaining insured appears to have a direct correlation to higher health costs for the program, as many residents avoid primary care and only sign up for the Alliance when they are medically very needy. The fiscal year (FY) 2016 budget for the Alliance program is just over \$51 million, an increase of \$12 million from the actual FY 2014 expenditures of \$39 million (after adjusting for inflation). The increase is not tied to growing enrollment, but instead to higher utilization costs for the current program population. This suggests that Alliance membership includes a large number of older residents and others with serious and costly health problems. If young, healthy residents are forgoing preventive coverage because of the application and recertification barriers, the costs could continue to rise. Making it easier for eligible residents to get Alliance coverage could increase the use of preventive medical care, which in turn should lead to cost savings through avoiding the need for more intensive care.

We remain deeply concerned about consumer access in the application and renewal processes. We will continue to work with you on efforts to improve access by reducing wait times and addressing operational inefficiencies. We believe that changes to the DC Healthcare Alliance program offer an opportunity to improve consumer access for all program beneficiaries and reduce burdens on ESA service centers. We hope that this information was responsive to your request of us. We look forward to pursuing these policy changes for Fiscal Year 2017 budget and continuing our work together to improve consumer access to health insurance. We recognize that the recommendation to eliminate the 6-month recertification requires amending legislation and hope we can work together on our efforts to implement that change.