

**Testimony of Jodi Kwarciany, Health Policy Analyst
At the Budget Oversight Hearing for the Department of Health Care Finance
DC Council Committee on Health
April 19, 2018**

Chairperson Gray and members of the Committee, thank you for the opportunity to testify today. My name is Jodi Kwarciany and I am the Health Policy Analyst at the DC Fiscal Policy Institute. DCFPI promotes opportunity and widespread prosperity for all residents of the District of Columbia through independent research and thoughtful policy solutions.

I am here today to speak on the proposed fiscal year (FY) 2019 budget for the Department of Health Care Finance (DHCF), including the agency's excellent work in providing access to health care for District residents, and share where I believe DC can improve.

Accomplishments: Promoting Access to Health Care and Innovation

Through much of the work of DHCF, DC continues to lead the way in promoting access to health care and health reform innovation. A substantial portion of District residents receive their health coverage through programs provided by DHCF, including about 259,000 residents who receive health care through the District's Medicaid program and nearly 20,000 children and adults covered through the DC Healthcare Alliance program and Immigrant Children's Program (ICP).¹ Our uninsured rate now stands at just 3.8 percent, one of the best rates in the country.²

For FY 2019, we are pleased to see the ways in which DHCF is moving health innovation forward, including financing dedicated to implementing the D.C. Access System, the continuation of the District's two Health Home programs that coordinate care for Medicaid beneficiaries with chronic health conditions, and the pay-for-performance program in our Medicaid MCO contracts. These elements of health reform will further improve access to coverage and health outcomes while making good use of the District's dollars.

At the same time, amidst the uncertainty we're now seeing at the federal level with respect to Affordable Care Act repeal, DHCF has been an instrumental partner in understanding, analyzing and communicating what possible changes could mean for the District. For all these reasons, DHCF should be commended for their work.

Recommendations: Removing Barriers to Access for the Healthcare Alliance

As we work to strengthen and support health coverage access in the District, DCFPI maintains its concern with many local organizations over the DC Healthcare Alliance program's unnecessary recertification requirements that keep thousands of residents from getting the health care they need. The FY 2019 budget fails to fund [legislation](#) passed unanimously by the DC Council that would reduce barriers to the DC Healthcare Alliance Program and increase program enrollment by 6,000 residents.

While the DC Healthcare Alliance plays a critical role in ensuring access to care for DC residents, program rules implemented in 2011 have made it hard for eligible residents to maintain their health coverage, leading to a substantial drop in participation. Enrollment currently stands around 16,000, nearly 8,000 below its level directly before new eligibility requirements were introduced, despite continued growth in the District’s population (Figure 1).³

The stated intent of the six-month re-enrollment requirement was to prevent ineligible people from receiving benefits through the Alliance, but evidence suggests that it is creating a barrier for eligible enrollees to maintain coverage under the program. Moreover, these barriers often create additional fears among our immigrant community members—a sizable share of Alliance beneficiaries—who grapple with hostile federal policies that make accessing public benefits a fearful, intimidating process.

Because current policy requires frequent in-person reenrollment at DC service centers, it creates a strain on the budget of the Department of Human Services – Economic Security Administration. The budget allocates an additional \$715,000 to the Department of Human Services to increase the number of social service representatives at five service center locations and adjust hours to meet customer demand. While these modifications are helpful, they will not come close to solving the problem.

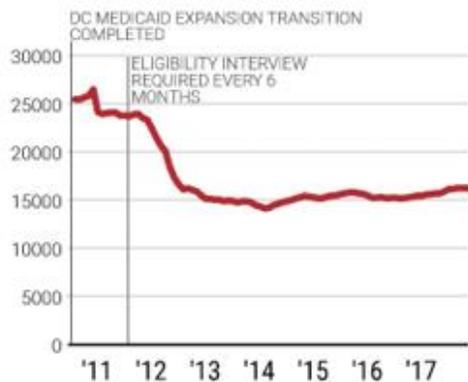
In the FY 2019 budget, we hope that the DC Council will fund the [Department of Health Care Finance D.C. HealthCare Alliance Amendment Act of 2017 \(A22-0223\)](#), which would align the Alliance eligibility process with Medicaid and allow program beneficiaries the opportunity recertify with community health providers.

DCFPI appreciates the continued dialogue between DHCF, DHS, and advocates, and the overall willingness to come to the table on topics pertaining to the Alliance. We hope to continue these conversations into 2018 and build on the work of the agency to improve the Alliance program heading into FY 2019.

Thank you for the opportunity to testify, and I am happy to answer any questions.

FIGURE 1.
Participation in the DC Healthcare Alliance Remains Mostly Flat

FY 2019 Budget Maintains Interview Requirements



Source: July 2010 to November 2017 MCAC Enrollment Reports, Department of Health Care Finance

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¹ District of Columbia Department of Health Care Finance, Monthly Enrollment Report – March 2018.

² Selected Characteristics of Health Insurance Coverage in the United States” & “Health Insurance Coverage Status”, American Community Survey 1-Year Estimates, United States Census Bureau.

³ Funding for the DC Healthcare Alliance in FY 2019 is about \$77 million, a 17 percent increase from last year adjusted for inflation. The increase does not reflect an anticipated increase in enrollment, or notable changes in how the program is delivered. Instead it merely reflects an increase in per-participant costs, following on a substantial increase in FY 2017.