



July 13, 2023

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
John A. Wilson Building
1350 Pennsylvania Avenue, N.W., Suite 504
Washington, D.C. 20004

Dear Chairman Mendelson:

Enclosed for consideration and enactment by the Council of the District of Columbia is the "DC Health Care Alliance Enrollment Rulemaking Emergency Approval Act of 2023," along with an accompanying emergency declaration resolution.

This legislation will approve proposed final rules of the Department of Health Care Finance to implement a 12-month certification period for the DC Health Care Alliance ("Alliance") program and require renewals to occur every 12 months. This change will remove barriers to Alliance beneficiaries in maintaining health care coverage and create greater parity with Medicaid eligibility requirements and processes.

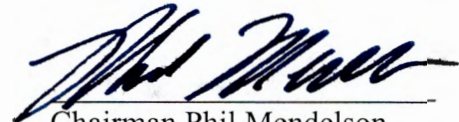
If you have any questions regarding the proposed legislation, please contact Acting Chief of Staff and Director of Health Care Policy and Research Administration, DHCF, Eugene Simms, at (202) 427-1509.

I urge the Council to take prompt and favorable action on the legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Muriel Bowser".

Muriel Bowser


Chairman Phil Mendelson
at the request of the Mayor

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A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To approve, on an emergency basis, rules governing the Health Care Safety Net Administration to provide for implementation of statutory changes that extend the certification period for Alliance program eligibility.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

That this act may be cited as the “DC Health Care Alliance Enrollment Rulemaking Emergency Approval Act of 2023”.

Sec. 2. Pursuant to section 7a of the Health Care Privatization Amendment Act of 2001, effective March 30, 2004 (D.C. Law 15-109; D.C. Official Code § 7-1406), the Council approves the proposed final rules of the Department of Health Care Finance that were transmitted to the Council by the Mayor on [INSERT DATE] to amend Chapter 33 (Health Care Safety Net Administration) of Subtitle B (Public Health and Medicine) of Title 22 (Health) of the District of Columbia Municipal Regulations, regarding the Health Care Safety Net Administration. A notice of proposed rulemaking was published in the District of Columbia Register on March 3, 2023, at 70 DCR 002725.

Sec. 3. Fiscal impact statement.

33 The Council adopts the fiscal impact statement of the Chief Financial Officer as
34 the fiscal impact statement required by section 4a of the General Legislative Procedures
35 Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-
36 301.47a).

37 Sec. 4. Effective date.

38 This act shall take effect following approval by the Mayor (or in the event of veto
39 by the Mayor, action by the Council to override the veto), and shall remain in effect for
40 no longer than 90 days, as provided for emergency acts of the Council of the District of
41 Columbia in section 412(a) of the District of Columbia Home Rule Act, approved
42 December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

DEPARTMENT OF HEALTH CARE FINANCE

NOTICE OF FINAL RULEMAKING

[as submitted to the Council of the District of Columbia for its approval pursuant to section 7a of the Health Care Privatization Amendment Act of 2001 (D.C. Official Code § 7-1406)]

The Director of the Department of Health Care Finance (DHCF), pursuant to the authority set forth in section 7a of the Health Care Privatization Amendment Act of 2001 (“Health Care Privatization Amendment Act”), effective July 12, 2001 (D.C. Law 14-18; D.C. Official Code § 7-1405(a)), and section 6(6) of the Department of Health Care Finance Establishment Act of 2007, effective February 27, 2008 (D.C. Law 17-109; D.C. Official Code § 7-771.05(6)), hereby gives notice of the adoption of amendments to Chapter 33 (Health Care Safety Net Administration) of Subtitle B (Public Health and Medicine) of Title 22 (Health) of the District of Columbia Municipal Regulations (DCMR).

Pursuant to sections 3 and 7 of the Health Care Privatization Amendment Act (D.C. Official Code §§ 7-1401 and 7-1405), DHCF finances and monitors the health care and medical services that are provided to District residents enrolled in the District of Columbia Health Care Alliance program (Alliance program) through contracts with providers. The Alliance program provides comprehensive health care and medical services to District residents ages twenty-one (21) years and over, who have incomes at or below two hundred and ten percent (210%) of the federal poverty level and are not otherwise eligible for or enrolled in Medicare, the Children’s Health Insurance Program (CHIP), or federally-funded Medicaid benefits.

The District recently updated its rules governing Alliance program eligibility to create parity with Medicaid eligibility requirements and processes to the greatest extent possible. One of the major changes included the removal of the interview requirement during applications and renewals. However, the current rules governing the Alliance program retained the requirement for beneficiaries to renew their eligibility every six (6) months; whereas, Medicaid rules require beneficiaries to renew eligibility every twelve (12) months. Consistent with recent legislative requirements under the Fiscal Year 2023 Budget Support Act of 2022, effective September 21, 2022 (D.C. Law 24-167; D.C. Official Code § 7-1407), DHCF is extending the Alliance certification period to further align with Medicaid standards and require renewals to occur every twelve (12) months beginning on October 1, 2022. These changes will remove barriers for Alliance beneficiaries in maintaining health care coverage and create greater parity with Medicaid eligibility requirements and processes. DHCF estimates that proposed changes in this rule will result in an increase of five million, five hundred eighty-one thousand, eight hundred and eighty-six dollars (\$5,581,886) in total local expenditures in Fiscal Year 2023.

A notice of proposed rulemaking was published in the *District of Columbia Register* on March 3, 2023, at 70 DCR 002725. No comments were received, and no changes have been made to the text of the rule as proposed.

The proposed final rules were submitted to the Council of the District of Columbia, pursuant to section 7a of the Health Care Privatization Amendment Act, effective July 12, 2001 (D.C. Law

14-18; D.C. Official Code § 7-1406). The Council approved the rules through D.C. Act [INSERT NUMBER], which became effective on [INSERT DATE].

The Director of DHCF took final action to adopt this rulemaking on [INSERT DATE], and the rules shall become effective upon publication of this notice in the *District of Columbia Register*.

Chapter 33, HEALTH CARE SAFETY NET ADMINISTRATION, of Subtitle B, PUBLIC HEALTH AND MEDICINE, of Title 22, HEALTH, of the DCMR is amended as follows:

Section 3301 APPLICATION, REDETERMINATION, AND RENEWAL, is amended as follows:

Subsection 3301.13 is amended to read as follows:

3301.13 Beginning on October 1, 2022, each Alliance program beneficiary shall renew eligibility every twelve (12) months by submitting a renewal form to the Department of Health Care Finance either in person, by mail, by other commonly available electronic means, including by fax or online via web-based portal, or by completing the renewal telephonically.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE ATTORNEY GENERAL



ATTORNEY GENERAL
BRIAN L. SCHWALB

Legal Counsel Division

MEMORANDUM

TO: Beverly Perry
Senior Advisor
Office of Policy and Legislative Affairs

FROM: Megan D. Browder
Deputy Attorney General
Legal Counsel Division

DATE: January 4, 2023

SUBJECT: Legal Sufficiency Review of the "Alliance Enrollment and Financial Eligibility Amendment Rulemaking Approval Resolution of 2022"
(AD-22-744C)

This is to Certify that this Office has reviewed the above-referenced resolution and that we have found it to be legally sufficient. If you have any questions in this regard, please do not hesitate to call me at (202) 724-5524.

A handwritten signature in black ink that reads "Megan D. Browder". The signature is written in a cursive, flowing style.

Megan D. Browder

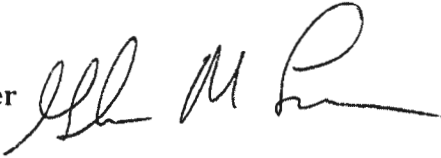
Government of the District of Columbia
Office of the Chief Financial Officer



Glen Lee
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Glen Lee
Chief Financial Officer 

DATE: January 18, 2023

SUBJECT: Fiscal Impact Statement – Alliance Enrollment and Financial Eligibility
Amendment Rulemaking Approval Resolution of 2023

REFERENCE: Draft Introduction as provided to the Office of Revenue Analysis on
January 13, 2023

Conclusion

Funds are sufficient in the fiscal year 2023 through fiscal year 2026 budget and financial plan to implement the proposed rules.

Background

The bill approves two proposed rulemakings by the Department of Health Care Finance (DHCF) that make changes to rules for the District of Columbia Healthcare Alliance (Alliance) program.

The first rulemaking increases the Alliance eligibility period from six months of eligibility to twelve months of eligibility. This increase will align the rules with eligibility period changes that were included in the fiscal year 2023 budget.¹

The second rulemaking updates the Modified Adjusted Gross Income (MAGI) financial eligibility requirements calculation methodology. With this change, the Alliance MAGI methodology will align with Medicaid MAGI methodology .

The second rulemaking also aligns the Alliance program with upcoming Medicaid policy changes to increase the reasonable compatibility standard for verifying electronic data sources when an

¹ Fiscal Year 2023 Budget Support Act of 2022 , Subtitle V(C), Alliance Enrollment Amendment Act of 2022, effective September 21, 2022 (D.C. Law 24-167; 69 DCR 11937).

The Honorable Phil Mendelson

FIS: "Alliance Enrollment and Financial Eligibility Amendment Rulemaking Approval Resolution of 2023,"
Introduction as provided to the Office of Revenue Analysis on January 13, 2023

individual attests to their financial information. The District uses electronic data sources to verify Medicaid and Alliance financial eligibility, and a reasonable compatibility standard to match financial information obtained from federal and state electronic data sources with attested application information. If an applicant's self-attested income is within the reasonable compatibility standard, the applicant is not required to submit more documentation to be eligible to enroll in Alliance. The proposed rule will increase the reasonable compatibility standard from ten percent to twenty percent to be consistent with federal guidance on Medicaid.

Financial Plan Impact

Funds are sufficient in the fiscal year 2023 through fiscal year 2026 budget and financial plan to implement the proposed rules.

Approving rules that extend the Alliance enrollment period from six months to twelve months does not have an additional cost. The fiscal year 2023 budget and financial plan includes funding to implement the enrollment extension. Updating the MAGI financial eligibility requirements calculation methodology does not have a cost to the District. Approving rules that increase the reasonable compatibility standard from ten percent to twenty percent will slightly increase the number of Alliance beneficiaries enrolled in the program. The estimated cost of the additional enrollees is \$680,000 in fiscal year 2023 and \$2.8 million over the financial plan. DHCF can absorb these costs using savings realized from the extension of public health emergency enhanced Federal Medical Assistance Percentage through the end of the calendar year and through growth included in the financial plan. The agency also anticipates efficiencies from having the same reasonable compatibility standard in place for Medicaid and Alliance enrollment, since the application and renewal process will be more streamlined, although efficiency savings have not been quantified.

Alliance Enrollment and Financial Eligibility Amendment Rulemaking Approval Resolution of 2023					
Total Cost					
	FY 2023	FY 2024	FY 2025	FY 2026	Total
Reasonable Compatibility ^(a)	\$680,000	\$691,000	\$704,000	\$716,000	\$2,791,000

Table Notes:

(a) Assumes 1.75 percent cost growth.