



District of Columbia
Primary Care Association

Action And Innovation For Health Equity.

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Council of the District of Columbia

PUBLIC ROUNDTABLE on

**PR19-0073, "Director of the Department of Health Care Finance
Wayne M. Turnage Confirmation Resolution of 2011"**

February 25, 2011

Committee on Health

The Honorable David A. Catania, Chairman

By

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Chief Executive Officer

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Good afternoon, Chairman Catania and distinguished members of the committee. My name is Sharon Baskerville, CEO for the DC Primary Care Association (DCPCA). DCPCA represents historic, safety net, community-based primary care providers and other key stakeholders who are committed to our mission of creating a health care system in the District of Columbia that allows for everyone to be covered and everyone to be cared for. As we set out to achieve health equity in the District through action and innovation, I am pleased to be here today to speak about the confirmation of Wayne Turnage as the Director of the DC Department of Health Care Finance.

Director Turnage comes to the District with a wealth of experience, both as former Chief of Staff for Governor Timonthy Kaine in Virginia and in serving Governor Mark Warner as Director of Policy and Research and Deputy Secretary of Health and Human Services. Through his research experience at the Virginia Joint Legislative Audit and Review Commission, where he was the principle author for more than 15 studies, Director Turnage looked critically at provider reimbursement and the use of Medicaid long-term care services.

Director Turnage arrived at the Department of Health Care Finance with units short-staffed anywhere from 40% to 90%, and Medicaid and Alliance enrollment the highest it has ever been (230,000 District residents). It is absolutely critical that Director Turnage gets the support he needs to respond to the District’s most pressing issues, and DCPCA looks forward to working collaboratively with Director Turnage towards achieving success. These issues include:

1. **Health Information Technology**—Health Information Exchange (HIE) provides the capability to electronically move clinical information among disparate health care information systems while maintaining the meaning of the information being exchanged. The goal of HIE is to facilitate access to and retrieval of clinical data to provide safer, more timely, efficient, effective, equitable, patient-centered care, and to reduce the administrative costs of care. The impact on administrative costs, particularly for participants in Medicaid and other publicly subsidized insurance plans will be significant. In the next phase of the DC RHIO, additional providers will get connected to the exchange, including the Medicaid Patient Data Hub. DCPCA respectfully requests that Director Turnage support the progress of HIE in the District by:
 - a. Fostering HIE as a Key District Service
 - b. Working with Council to establish an HIE Policy Board/Commission
 - c. Working with Council and other District agencies to develop regulation and governance that allows for appropriate and necessary data transfer across HIE.

2. **Medicaid Budget**—The Department of Health Care Finance accounts for nearly 25% of the District’s local funds expenditure, a good thing in many ways because the District draws down Federal match on these funds. However, recognizing the impending budget pressures, we need to figure out how to better streamline services, coordinate care more effectively and improve health outcomes while lowering cost. In doing so, there are four things that DCPCA recommend DHCF focus on:
- a. Expensive carve-outs, such as long-term care for the elderly and/or disabled populations, account for 29% of enrollment but **73% of expenditures (or 18% of the District’s overall budget)**. Combine the pools of managed care and fee-for-service into one patient pool. This will force the system to find ways, through better prevention, case management and care coordination, to reduce cost for our most expensive services while improving health outcomes.
 - b. In combining the pools, save additional money by establishing a Primary Care Case Management (PCCM) programs and no-longer pay overhead to MCO’s. Multiple state Medicaid programs, including Arkansas, Indiana, North Carolina, Oklahoma, and Pennsylvania have already shifted in this direction, and reimburse providers closer to the true cost of care by offering a capitation for case management, partial fee-for-service, and retrospective pay-for-performance incentives.
 - c. By implementing PCCM the District moves itself towards being prepared for large insurance pools, new insurance products, and the churning of patients between exchange products and the Medicaid program. The District also prepares itself to receive 90% Federal match on case management for 2 years.
 - d. Increase the hospital tax to the 1% assessment initially proposed, instead of having reduced it to the \$1500 per bed. Health centers absolutely cannot afford to take another hit, as many Alliance patients were moved to Medicaid, which had an adverse reaction on reimbursement, while Medicaid reimbursement was simultaneously reduced about 20%. Health centers have seen other sources of funding dry up as well, from Ryan White to reductions in grants and donations.

Chairman Catania, I would like to thank you for the opportunity to testify at this public roundtable before the Committee on Health. DCPCA remains firm in our commitment to advocate for all District residents. We have worked diligently to make sure that all low-income individuals receive the health care they are seeking at the right time, in the right place, and that their basic human rights are met with dignity and integrity. We look forward to continuing an established dialogue and shared work around the health priorities that will define the director’s tenure at the Department of Health Care Finance. DCPCA commits its full support and availability to Director Turnage in making his leadership successful.

Thank you for providing us with this opportunity to support the director’s confirmation. I am happy to answer any questions that you may have.