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Before the Committee on Health
Council of the District of Columbia

Performance Oversight of the DC Health Benefit Exchange

March 4, 2026

Good morning, Chairperson Henderson and Members of the Health Committee. My name is Jacob Speidel, a staff attorney in the Public Benefits Unit with Legal Aid DC.

Thank you for the opportunity to testify at this oversight hearing, and for your continued focus on access to health insurance coverage for the District's residents, particularly during these issues during this time of transition. This testimony focuses on our ongoing concerns and recommendations for improving the Department of Human Services (DHS) and the Health Benefit Exchange (HBX)'s administration of the new Healthy DC program, which replaced Medicaid coverage for nearly 16,000 people effective January 1, 2026.

We Encourage HBX and DHS To Continue Working with Individuals Who May Have Mistakenly Lost Medicaid Coverage or Been Denied Healthy DC Coverage During the Transition

At the beginning of January 2026, over 15,000 people were moved from their Medicaid coverage to new coverage through the Healthy DC plan. The creation of the Healthy DC insurance plan and moving so many people in a short amount of time was a large undertaking, and we appreciate the efforts of the Health Benefit Exchange, DHCF, and DHS to make the transition from Medicaid to Healthy DC as easy as possible for the affected population.

As we and others have said in previous testimony throughout this transition, there will be instances of mistaken changes or terminations in coverage during a transition of this magnitude. At Legal Aid DC, we have encountered several individuals who had concerns about whether the actions taken on their coverage were correct, and we have raised individual cases of concern with HBX, including the case of an individual who was terminated from Medicaid and was initially told their income was too high to qualify for

Healthy DC. We worked with HBX to correct that person's information and coverage has been restored.

Ongoing cooperation between DHS, HBX, and advocates will be critical in the months to come. The fact that most affected beneficiaries were seamlessly moved from Medicaid to Healthy DC, and that most of those beneficiaries will keep their same MCO, may lead to delays in people realizing the extent of changes made to their health insurance coverage. Beneficiaries may only become aware of changes if they try to access a service that is no longer covered, such as dental or vision care, or if they try to see a provider that accepted Medicaid but does not accept Healthy DC. So, as this transition continues to play out, DHS and HBX must continue to be responsive to individual cases involving incorrect losses or changes in coverage.

Healthy DC Should Expand Covered Services to Include Dental and Vision Benefits

We continue to urge the Mayor, HBX, and the Council to expand the Healthy DC benefits package to include dental and vision benefits. The lack of dental coverage, in particular, is a devastating loss to those who have been transitioned from Medicaid to Healthy DC, which does not cover any dental benefits beyond what would qualify as a medical emergency.

DHCF estimated that approximately 5,800 people in the group transitioned from Medicaid to Healthy DC coverage utilized dental services through Medicaid in the last year.[1] The income limit for Healthy DC is 200% of the federal poverty level, or approximately $2,600 per month for a childless adult and $4,400 for a household of 3. With increasing health care costs and the District's high cost of living, excluding comprehensive dental coverage, will ultimately lead to more health emergencies as people delay preventative care and only seek care when a dental problem becomes a true emergency.

Since the transition, Legal Aid DC has encountered multiple clients who have questions about their access to dental care. Although there are free and low-cost dental clinics in the city, more than 15,000 people were moved from Medicaid to Healthy DC. As important as free and low-cost dental clinics are, they are no replacement for the comprehensive dental benefit and provider network that health insurance provides.

The estimated cost for providing dental coverage to the Healthy DC population is $5.1 million. This is a tiny fraction of the District's $20 billion annual budget but would have an outsized positive impact on those individuals who are moving from Medicaid to Healthy

[1] DHCF Responses to Committee on Health Data Requests, 11/24/2025, p. 6.

DC. We urge the Council to move as soon as possible to include dental and vision benefits for Healthy DC enrollees.

Healthy DC Should Utilize a Continuous Enrollment Policy Beyond the First Year of Operation

Healthy DC is utilizing a "continuous enrollment" process for the first year of operation.[2] Continuous enrollment allows individuals to apply for and begin receiving coverage at any time of the year that they meet the program eligibility requirements. Medicaid also utilizes a continuous enrollment process, allowing those who are eligible to access coverage whenever they qualify.

After the first year of operation, however, Healthy DC plans to switch from continuous enrollment to an "open and special enrollment" process.[3] Open and special enrollment limits newly eligible applicants to one annual open enrollment period and a limited set of special enrollment periods throughout the year. Moving from continuous enrollment to open and special enrollment will make it harder for individuals to obtain coverage they qualify for in a timely manner.

This may be particularly challenging for individuals who have fluctuating income around 200% of the Federal Poverty Level (FPL), or who do not qualify for a special enrollment period. HBX has indicated that all the special enrollment periods that apply to private plans on the Health Care Exchange will be available to Healthy DC enrollees, and has said HBX will work with individuals on a one-on-one basis to help make sure all options for special enrollment periods are considered. But the Healthy DC population is a lower-income and more vulnerable population than those able to afford private coverage on the Exchange, and may have greater barriers to accessing special enrollment periods or even knowing to reach out to HBX for assistance.

Continuous enrollment is an administratively simpler process. It would mean fewer barriers to enrollment for potential new beneficiaries, and would be less burdensome for HBX by removing the need to assist people with finding applicable special enrollment periods.

Healthy DC Should Utilize an Option 1332 Waiver to Increase Income Limits to Match the Medicaid Income Limits

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[2] Basic Health Program Blueprint, p. 11 of 28. Available at: https://hbx.dc.gov/sites/default/files/dc/sites/hbx/page_content/attachments/DC%20BHP%20Blueprint%20Certified%2009.30.25.pdf.

[3] *Id.*

Finally, we urge HBX, the Council, and Mayor Bowser to adopt a 1332 waiver to expand coverage of Healthy DC to at least match the current Medicaid income limit of 215% FPL for childless adults, and 221% FPL for parents or caretaker relatives.[4] The current Healthy DC Blueprint includes a hard income limit of 200% of FPL.[5] HBX stated in their November 24, 2025 data request responses that 1,630 people previously enrolled in Medicaid do not qualify for Healthy DC coverage due to having income above 200% of FPL. These 1,630 individuals, however, also have income that is below 215% of FPL in the case of childless adults and 221% of FPL in the case of parents or caretaker relatives. Given the high cost of living in the District, and uncertainty regarding the amount of federal premium tax credit assistance that will be available, many of these 1,630 individuals may find purchasing health coverage on the federal health insurance exchange to be prohibitively expensive. Healthy DC should pursue an Option 1332 waiver to ensure that fewer people are caught between losing Medicaid and failing to meet strict Healthy DC eligibility requirements.

Conclusion

The Council must protect health care access for District residents. FY 2026 was a very challenging budget year, and as many said during budget season last summer, difficult decisions were made. Unfortunately, the burden of those difficult decisions fell almost entirely on the District's least well-off residents. Never before in the recent past have healthcare services been reduced or eliminated for so many people, while those who are financially better off were not asked to contribute anything more toward an equitable solution to the District's budget challenges.

Now, the Mayor is indicating that FY 2027 may be as hard, if not more so, than the previous budget year. We are already hearing discussion of even deeper cuts to the District's health care safety net at a time of increasing health care costs and continued targeting of immigrant populations by the federal government. Whatever further cuts may be proposed by the Mayor for FY 2027, we urge the Council to protect these healthcare programs, including through efficiencies elsewhere in the budget and through revenue increases where needed, so that the District will once again be a leader in ensuring access to health coverage for all District residents, regardless of their income.

[4] These income limits include the 5% disregard applied to the childless adult and parent/caretaker relative eligibility categories. DCMR §29-9506.

[5] Basic Health Program Blueprint, p. 1 of 28.