



Public Hearing on

Bill 24-0305, the “Professional Employer Organization Registration Act of 2021”

Statement of Diane C. Lewis

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Chair

D.C. Health Benefit Exchange Authority Executive Board

**Before the
Committee on Health
Council of the District of Columbia
The Honorable Vincent C. Gray, Chairperson**

March 7, 2022

11AM

**Virtual Meeting Platform
John A. Wilson Building
1350 Pennsylvania Avenue, NW
Washington, D.C. 20004**

Chairman Gray, members of the Committee on Health, my name is Diane Lewis and I am the Chair of the Executive Board of the DC Health Benefit Exchange Authority (HBX). Thank you for the opportunity to appear before you today.

Events over the last several years have forced our country to take a more honest look at ourselves, our values, and our proposed commitment to justice. These events, including COVID-19, highlighted systems of inequity and racism in which we all live and work, including in our healthcare system.

I am here to discuss the impact that Bill 24-0305, the “Professional Employer Organization Registration Act of 2021”, will have on HBX actions and progress in addressing racial inequities

and disparities within our influence. When I last testified before this Committee, I was pleased to report that the Social Justice and Health Disparities Working Group (Health Disparities Working Group) delivered unanimous recommendations on how to address health disparities in the District to the Executive Board in July 2021. They were adopted in full.

Bill 24-0305 will have the unintended consequence of creating new barriers to the District's work towards achieving health equity. HBX and the Health Disparities Working Group, including all of the carriers offering coverage on DC Health Link, were able to arrive at the consensus recommendations for how to work to eliminate existing health disparities in the District. Exempting PEOs from the ACA small group requirements will prevent PEO small business clients from benefiting from this important work.

The HBX Executive Board established this Working Group and its focus areas as one of the outcomes of its review and report on "How Health Insurance Companies Offering Coverage through DC Health Link are Taking Steps to Improve Access to Services for District Residents East of the River." That review originated with you Chairman Gray. The resulting Social Justice and Health Disparities working group was comprised of diverse stakeholders committed to social justice and health equity, including all of the carriers offering coverage on DC Health Link, patient advocates, health equity experts, members from our broker community, providers, including doctors and hospitals. The Working Group focused on areas under HBX control or influence and was mindful to focus on work that would supplement and not supplant other equity efforts already underway in the District. As a reminder, the Working Group was charged with issuing recommendations in the following three focus areas:

- Focus Area 1: Expand access to providers and health systems for communities of color in the District;
- Focus Area 2: Eliminate health outcome disparities for communities of color in the District; and
- Focus Area 3: Ensure equitable treatment for patients of color in health care settings and in the delivery of health care services in the District.

HBX is working with our carrier partners to implement the year 1 recommendations and I want to focus on two specific recommendations.

First, under Focus Area 2, the Working Group recommended modifying plan design for the DC Health Link standard plans to eliminate cost-sharing for conditions that disproportionately affect patients of color in the District and prioritized the following conditions for review:

(1) for the adult population-- diabetes, cardiovascular disease, cerebrovascular disease, mental health, and HIV, as well as cancer of the breast, prostate, colorectal and lung/bronchus; and

(2) for pediatric population-- mental and behavioral health services.

Based on the Working Group's recommendations, for Plan Year 2023, Standard Plans will cover medical care for diabetes including physician visits, blood tests, vision and foot exams, prescription medications, and supplies with no cost sharing – no deductibles, no copayments, and no co-insurance. Also, for the first time, Standard Plans will be available in our Small Business

Marketplace for plan year 2023. Under this bill, healthcare coverage offered through PEOs won't have to include this diabetes benefit.

Second, under Focus Area 3, HBX and our carrier partners are concentrating on ensuring equitable treatment for patients of color in health care settings and in the delivery of health care services, in this first year of implementation. Recent studies have identified significant racial bias in health care algorithms used to identify patients who would benefit from additional health care services and for medical decision-making, impacting care for heart failure, kidney disease, certain cancers, and osteoporosis. The race adjustment in estimating glomerular filtration rate (GFR) was identified as one such clinical decision-making tool that produced health disparities. DC Health Link insurers will prohibit the use of race in estimating GFR by their network providers within one year, in alignment with the National Kidney Foundation guidelines.¹ This is not just an academic discussion. Recently, my physician ordered lab tests which included GFR testing. Labcorp noted on the test results that effective February 28th, it will begin reporting GFR without a race variable. This is real change and DC Health Link carriers are going to be doing the same for their network providers. Again, under this bill, healthcare coverage offered through PEOs won't have this protection.

Chairman, you've led legislative action, implemented policies as Mayor, and took on fights to advocate for health equity in the District. You've also led policies that created a strong and stable small group market in the District. Today I am asking you and other Council members to protect these strides on social justice and health disparities for *all* small businesses in the District by ensuring PEOs serving small employer groups meet all the requirements applicable to the small group markets.

Our work, to identify and dismantle systems of inequity within our influence, is just beginning and we are committed to this essential work with our partners, including our sister agencies, carrier partners, and other stakeholders. I look forward to keeping you updated as we work together to end systemic racism and health disparities in medical care.

Thank you Mr. Chairman, for the opportunity to testify today.