Healthcare Affordability State Policy Scorecard

Polling data repeatedly shows that healthcare affordability is the number one issue that state residents, on both sides of the political aisle, want their policymakers to work on. This scorecard identifies areas where the District of Columbia is doing well and areas where it can improve.

STATE: **DISTRICT OF COLUMBIA** **RANK:** **15** out of 42 states + DC

The District of Columbia has relatively high healthcare spending per person, but a comparatively low percentage of residents reporting affordability problems. Recent spending growth is also low, suggesting policymaking efforts are achieving some success.

	POLICY SCORE	OUTCOME SCORE	*RECOMMENDATIONS*
EXTEND COVERAGE TO ALL RESIDENTS	**8 OUT OF 10 POINTS** Medicaid coverage for childless adults extends to 215% of FPL. Additionally, DC is a leader in terms of coverage for recent and undocumented immigrants.	**10 OUT OF 10 POINTS** In 2018, DC was in the top third of states in terms of covering the uninsured, ranking 2 out of 50 states, plus DC, for this measure.	*Consider adding affordability criteria to insurance rate review.*
MAKE OUT-OF-POCKET COSTS AFFORDABLE	**3 OUT OF 10 POINTS** DC has protections against skimpy, confusing STLD health plans and offers patient-centered, standard plan designs on the Exchange.	**9 OUT OF 10 POINTS** Compared to other states, DC has a low percentage (26%) of residents reporting affordability problems.	*Consider establishing comprehensive SMB protections and pursuing strategies to lower the cost of high-value care.*
REDUCE LOW-VALUE CARE	**2 OUT OF 10 POINTS** DC requires some forms of patient safety reporting and is a top-scoring state with respect to hospital antibiotic stewardship. DC has not measured the provision of low-value care.	**3 OUT OF 10 POINTS** DC ranks in the middle third of states for reducing C-sections for low-risk mothers (31 out of 50 states, plus DC). DC ranks 38 out of 50 states, plus DC, for per capita antibiotic prescribing.	*DC should use claims and EHR data to identify unnecessary care and enact a multi-stakeholder effort to reduce it. DC should stop paying for services related to 'never events' and use other techniques to reduce this type of patient harm. DC should also increase efforts to address antibiotic overprescribing.*
CURB EXCESS PRICES IN THE SYSTEM	**0 OUT OF 10 POINTS** As is common in many states, DC has done little to curb the rise of healthcare prices.	**8 OUT OF 10 POINTS** DC's private payer price levels are close to the national median. DC ranks 18 out of 42 states, plus DC, for this measure.	*Year-over-year increases in healthcare prices overwhelmingly drive state healthcare spending. Even states with lower private payer price levels (like DC) should consider establishing strong price transparency requirements. DC should consider establishing a robust APCD; a health spending oversight entity; and health spending targets.*

APCD = All-Payer Claims Database **FPL** = Federal Poverty Level **EHR** = Electronic Health Records **OOP** = Out-of-Pocket Costs **SMB** = Surprise Medical Bill **STLD** = Short-Term, Limited-Duration

See state notes on page 2.

Full report and additional details at **www.HealthcareValueHub.org/Affordability-Scorecard/DC**

ALTARUM HEALTHCARE VALUE HUB

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DISTRICT OF COLUMBIA NOTES

Methodological Notes:

State rank reflects the weighted sum of the policy and outcome scoring components. In this summation, the Extend Coverage to All Residents category received the biggest weight (reflecting its large impact on the uninsured population) and Reduce Low-Value Care received the smallest weight, reflecting its smaller impact on spending. A lower state rank number (i.e. close to 1) reflects a higher overall score and better performance when compared to other states.

For a complete discussion of methodology, please see healthcarevaluehub.org/affordability-scorecard/methodology.

The Problem:

The District of Columbia has surpassed many states in reducing healthcare affordability burdens, although 26% of adults are still burdened, giving DC a rank of 6 out of 49 states, plus DC, for this measure. The most common burden reported was 'made changes to medical drugs because of cost' (22% of adults), followed by 'trouble paying medical bills.' According to the BEA, healthcare spending in DC totaled $10,150 per person in 2018.* Moreover, between 2013 and 2018, healthcare spending per person decreased 3.2%.* District of Columbia spending estimates should be viewed cautiously, due to singificant movement of patients between the District, Maryland and Virginia. The District of Columbia is a "state" with high spending, yet many policies in place to address affordability.

Extend Coverage to All Residents:

The District of Columbia extends Medicaid eligibility above 200% FPL to reduce costs for those in the non-group market.

The District of Columbia provides Medicaid coverage to lawfully residing immigrant children and pregnant women without a 5-year wait and offers some healthcare coverage to undocumented children, pregnant women and non-pregnant adults.

Make Out-of-Pocket Costs Affordable:

High-deductible health plans create barriers to care for many families. Between 2011 and 2016, the average deductible associated with employer coverage rose 9.6% per year in the District of Columbia.*

D.C. insurance regulations effectively eliminate short-term, limited-duration health plans.

Reduce Low-Value Care:

Addressing medical harm to improve patient safety can take many forms. One form is declining payment for services related to "never events," serious reportable events identified by the National Quality Forum (NQF) that should never occur in a healthcare setting.

One hundred percent of the District's hospitals have adopted the CDC's 'Core Elements' of antibiotic stewardship — impressively meeting the goal of 100% of hospitals.

Curb Excess Prices in the System:

The District of Columbia attempted to outlaw excessive pricing in sale of prescription drugs in 2005, but the law was overturned in court.

NOTE: The very high healthcare prices seen in Alaska (relative to the national median) means that most other states received a relatively good outcome score for this category.

* Informational data, not used in state score or ranking. **DOI** = Department of Insurance **BEA** = U.S. Bureau of Economic Analysis • Scorecard Updated: Jan. 7, 2020