



1152 15th Street, NW • Suite 900 • Washington, DC 20005-1723
Tel: 202/682-1581 • Fax: 202/371-8151 • Web: www.dcha.org

July 13, 2016

Mr. Stephen C. Taylor
Commissioner
Department of Insurance, Securities and Banking
810 First Street, NE, Suite 701
Washington, DC 20002

Dear Commissioner Taylor:

I am writing today on behalf of the District of Columbia Hospital Association to comment on your order dated June 14, 2016 regarding the GHMSI (CareFirst) surplus as you prepare a plan for distribution. It is important to note that our hospitals and the Association have a long history of working collaboratively with CareFirst. We are customers, providers, grantees and most importantly partners in improving the health of our patients as well as residents of the District of Columbia.

Given the size of the anticipated surplus, DCHA would recommend that your plan for dedicating the funds be spread over at least five years to ensure a sustained impact and provide multiple opportunities for community health investments. Furthermore, the projects and purposes outlined for the dedication of the funds should include a requirement that projects funded by the surplus be sustainable. The impact of the Patient Protection and Affordable Care Act on insurers should be considered and we believe a multi-year dedication plan would spread the distribution of the excess surplus over time to help mitigate any adverse impact the distribution may have on CareFirst or their policy holders.

The Department should consider the cause of any reduction in the surplus between December 31, 2011 and December 31, 2015. GHSMI ultimately exists to provide a health coverage to its customers and if adverse conditions cause solvency issues or a significant capital reduction, the Department should consider if suspending or modifying the dedication is necessary, especially if not doing so would cause harm to providers or significant rate increases on policy holders.

Should you ultimately decide to finalize the dedication plan for the distribution of the surplus, we believe there are several health priorities that should be included in a final distribution plan:

1. During 2015, the District of Columbia and its hospitals experienced an alarming jump in residents overdosing on synthetic drugs as well as other substances. Tracking these incidents as well as other health emergencies in real-time would enhance the Department of Health and the District's health system and allow them to better informed and prepared. In order to address this need, we would recommend funding a real-time emergency department data system.

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2. With the increase of substance abuse cases presenting in the District's emergency departments, we would also recommend funding a study for determining the feasibility of creating an emergency detox facility that also provides medical supervision. The emergency room environment is brightly lit and full of sensory inputs that can lead to overstimulation, especially for individuals in an altered state, and are not the most appropriate place to treat these patients.

We appreciate your time, attention and consideration of this comment letter. Please feel free to reach out to Justin Palmer in my office with any questions or information requests at (202) 289-6212 or jpalmer@dcha.org.

Sincerely,



Joan H. Lewis
Interim President & CEO