

**Written Testimony related to DC Council Bill 22-0959 East End Health Equity Act of 2018 –
Presented by John George, Friday October 26, 2018 10:00 am Wilson Building, Washington, DC**

My name is John George, a private citizen and resident of Ward 2 for over 30 years. By profession, I am a health IT and business consultant with more than 25 years of experience working with some of the top health systems across the U.S. and in Canada. While I primarily represent myself, I am also a voice of many other concerned district citizens with whom I have talked with about this bill.

I genuinely respect the work the council is doing to provide health services and build a better community for all District residents. While the District of Columbia has made significant improvements in enabling health care coverage for its citizens - access to proper health care services is still severely lacking in parts of the District. Namely, residents of Wards 7 and 8 travel must far distances for medical care, hospitalizations, and often lack accessible wellness programs to circumvent chronic conditions. I strongly advocate for better health care services for all DC residents.

Today, I wish to raise the following concerns/questions:

1. With respect to Bill 22-0959, I strongly oppose all language that provides an exemption to the Certificate of Need process. As a District Government-led and community-based healthcare needs assessment, the Certificate of Need is a critical step in a process to support and further our overall community's health needs. DC law requires requesting organizations provide details about the proposed structure(s); services that will be provided; capital expenditures; and capacity before approving any new facility. It is not prudent to by-pass this requirement as it helps validate the needs and the appropriateness of services – especially with a project of this size. While this bill may have a well-intended goal – to provide expedited medical services directly in Wards 7 and 8, exemption from the Certificate of Need is wrong. The Certificate of Need will provide vital input and help determine what services are best delivered in those wards vs. elsewhere in the city.
2. George Washington University Hospital, 80% owned by Universal Health Services (a for-profit entity) through the entity called District Hospital Partners, LP should not be granted a blanket exemption to the Certificate of Need. At a recent ANC2A community meeting (on Wednesday October 17, 2018) GWU Hospital President, Kimberly Russo, had a difficult time articulating the specific services that would be offered in an East End hospital facility vs. the services that patients might require elsewhere. A Certificate of Need helps to define this. I am also concerned that this exemption comes at a time when the District has already entered into a letter of intent with GWU Hospital to run the District-funded health facility on St. Elizabeth's campus in Ward 8. On the surface, this looks great for the city and great for the residents east of the river. However, what we have learned since the announcement in August is that GWU Hospital plans a yet unknown set of services east of the river with referral services going back to GWU Hospital main campus in Foggy Bottom, which would require nearly a doubling of hospital beds at that campus – all tied to the financial viability of the project. How was this determined? Were increased services at the St. Elizabeth site considered? Was a network of other city health providers who may have capacity considered? We don't know and you, as the Council and we, as citizens, should know. The Certificate of Need helps ask these important questions and to document answers. It is the District's responsibility, along with input from the community, to fully examine how our health ecosystem in the district and metropolitan area serve all residents.

3. To be frank, residents are skeptical of GWU Hospital because of its past behaviors and tactics. As noted, GWU Hospital is a “For-Profit” organization. The harsh reality of a “for profit” business, healthcare or not, is that businesses must continuously increase the value to shareholders and in some cases, make up for divisions that aren’t performing as well – such as UHS’ Behavioral Health division which is currently under investigation by the Department of Justice and thus keeping \$90M in reserves for lawsuits (as reported by Becker’s CFO report dated October 25, 2018 “In the 3rd quarter of this year, UHS said it added \$48M to its reserve for an ongoing investigation into its behavioral health facilities by the Department of Justice. The reserve now totals about \$90M”). In addition, health systems are very competitive – often creating underutilized redundant services where there is no proven need. Healthcare redundancies, like these, drive up the cost of healthcare for everyone and add an unfair burden to those who need the services the most.
4. Finally, has the council completed a comprehensive study of the health needs of District residents to how healthcare really works in the city? I encourage this examination, not to interfere with progress but to prepare for future generations. Healthcare delivery is changing dramatically. The examination should consider more than just how many beds are in a hospital and their location, but a complete analysis of our citizens and their needs, such as their health status and conditions, their wellness options, their health coverage (i.e., insurance status), and their social determinants of health (including job status, housing status, access to transportation, proper food resources; day care; wellness facilities; public safety, etc.). Alternative delivery models may include impact of bundled payments, reduction in fee for service, investment in Accountable Care Organizations; considerations for emergency services that are more than just transport to an ER, but include healthcare professionals to provide services on-site, stroke treatment on wheels; non-emergent care redirection; etc. It is with this broader view that our healthcare system can be streamlined and made more effective with better outcomes.

In closing, the “Certificate of Need” is a necessary step in process of expanding any healthcare entity while attempting to curb the escalating cost of healthcare. I ask the Council to follow the current law rather than creating exemptions to it – please reject this bill.

Thank you.

John George, DC Ward 2 Resident