

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to amend Section 4 of the Health Benefit Exchange Authority Establishment Act of 2011 to provide for the financial sustainability of the Health Benefit Exchange Authority.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Health Benefit Exchange Authority Financial Sustainability Emergency Declaration Resolution of 2015.”

Sec. 2 (a) Pursuant to section 17(b)(1) of the Health Benefit Exchange Authority Establishment Act of 2011 (“Act”), effective March 2, 2012 (D.C. Law 19-94; D.C. Official Code § 31-3171.16(b)(1)), the Health Benefit Exchange Authority (“Authority”) was required to “prepare a plan that identifies how the Authority will be financially self-sustaining by January 1, 2015.”

(b) Pursuant to section 17(b)(2) of the Act (D.C. Official Code § 31-3171.16(b)(2)), the Authority submitted its “Report to the Mayor and Council of the District of Columbia on Financial Sustainability” on December 13, 2013.

(c) The Authority considered a wide range of options for achieving financial self-sustainability. It adopted a broad-based assessment of all health insurance carriers in the District to assure the lowest percentage assessment possible for the Authority’s future funding.

33 (d) Section 4(e)(1) of the Act (D.C. Official Code § 31-3171.03(e)(1)) provides that
34 “[t]he Authority is authorized to charge, through rulemaking:

35 (A) User fees;

36 (B) Licensing fees; and

37 (C) Other assessments on health carriers selling qualified dental plans or qualified
38 health plans in the District, including qualified health plans and qualified dental plans sold
39 outside the exchanges.”

40 (e) The bill would amend this section to clearly authorize the Authority to assess all
41 health carriers doing business in the District, to utilize the recommended low percentage broad-
42 based assessment.

43 (f) Emergency action is required to allow the Authority to proceed with a broad-based
44 assessment of all health carriers doing business in the District to ensure its financial
45 sustainability.

46 Sec. 3. The Council of the District of Columbia determines that the circumstances
47 enumerated in section 2 constitute emergency circumstances making it necessary that the “Health
48 Benefit Exchange Financial Sustainability Amendment Emergency Declaration Resolution of
49 2015” be adopted after a single reading.

50 Sec. 4. This resolution shall take effect immediately.