

## District of Columbia Hospital Association

Children's National  
Medical Center

Columbia Hospital for  
Women Medical Center

George Washington  
University Hospital

Georgetown University  
Medical Center

Greater Southeast  
Community Hospital

Hadley Memorial Hospital

Howard University Hospital

Malcolm Grow Medical  
Center, Andrews Air  
Force Base

National Naval Medical  
Center, Bethesda

National Rehabilitation  
Hospital

Providence Hospital

Psychiatric Institute of  
Washington, DC

Riverside Psychiatric  
Hospital and  
Residential Center

Saint Elizabeths Hospital-  
D.C. Department of  
Mental Health

Sibley Memorial Hospital

Veterans Affairs Medical  
Center

Walter Reed Army  
Medical Center

Washington Hospital  
Center

## D.C. Insurance Commissioner to Hold Hearings on CareFirst Proposal

The D.C. Insurance Commissioner, Lawrence Mirel, has scheduled public hearings on the proposed conversion of CareFirst BlueCross BlueShield from non-profit to for-profit status, and merger with WellPoint Health Networks, Inc. These public forums are designed to receive public comments on the application; they are set for May 22 and May 28, both from 6:00 - 9:00 p.m., at One Judiciary Square, 444 Fourth Street, N.W. Mr. Mirel has announced that all comments will be part of the record and will be considered by him in making his decision to approve or disapprove the application. DCHA will provide testimony at the public hearings.



*DCHA President Bob Malson briefed D.C. Mayor Anthony Williams about the Association's opposition to the proposed CareFirst conversion to for-profit status and merger with WellPoint Health Networks.*

In addition to the hearings, Mr. Mirel has also released a draft proposed "Case Management Order," describing how the process will proceed. In the order, he explains that there will be two classes of participants in the formal process: "Parties" and "Interested Persons." Those who elect to be "Parties" will have various rights and obligations to take part in the process, to examine and cross-examine witnesses, but also to be cross-examined and to be required to respond to discovery. Organizations considering such a status must file with the Insurance Commissioner by July 30.

DCHA is also active with the National Capital Area CareFirst Watch Coalition, in its work to get both a legal and a financial review of the proposed deal, as well as to conduct a health impact study. The Coalition has received pro bono assistance from several law firms, and has received substantial grants to undertake the impact study. The study, which is being done by a collaboration between the health policy programs at George Washington University and Georgetown University, will be released in stages, as each part of the health care community is reviewed.

CareFirst Watch also held a public meeting in early April, with Mr. Mirel heading a panel which included Linda Cropp, Chair of the Council of the District of Columbia; Eric Holder, Partner at Covington and Burling and Former Deputy Attorney General; and Carl Schramm, author of the Abell Foundation study on the impact of the merger. About 100 people attended. Raymond Sczudlo, Vice President and Chief Legal Officer at Children's National Medical Center and Chair of DCHA's Ad Hoc Committee on the CareFirst Conversion, presented testimony on behalf of DCHA. Mr. Sczudlo outlined DCHA's opposition to the conversion and merger, and expressed the need for vigilance with respect to the valuation of the plan, if the deal should be approved, since the D.C. portion of the plan is the most profitable.