

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
**Office of the City Administrator**



**Public Hearing on**

Bill 22-959, the “East End Health Equity Act of 2018”

Testimony of  
**Rashad Young**  
Director

Before the  
Committee on Health  
Council of the District of Columbia  
The Honorable Vincent Gray, Chairperson

John A. Wilson Building  
Room 500  
1350 Pennsylvania Avenue, NW  
Washington, DC 20004  
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10:00am

Good morning Chairman Gray and members of the Committee. My name is Rashad Young, and I am the City Administrator for the District of Columbia. I am pleased to be here this morning to testify on behalf of Mayor Muriel Bowser (the Bowser Administration) on Bill 22-0959, the “East End Health Equity Act of 2018.” Mr. Chairman, before I begin, I first want to acknowledge your leadership and commitment to improving the health of all District residents, your focus on ensuring that our communities east of the river have access to high quality health care, and your support of the Executive’s plan for a new hospital at St. Elizabeths East. I know that you, Chairman Gray, have worked on this project for many years, and I am excited to share with you and your colleagues today that incredible progress that the Bowser Administration has made to bring a new hospital that is part of an integrated system of care to Wards 7 and 8.

#### Process

Over the past 18 months, the Office of the City Administrator, in coordination with the Department of Health Care Finance, DC Health, and the Deputy Mayors for Planning and Economic Development and Health and Human Services, has lead a transparent and deliberative process necessary to lay the groundwork for establishing a comprehensive healthcare system east of the Anacostia River that is anchored by a new, acute care community hospital. That process included selecting St. Elizabeths East, Parcel 2 as the best site for the new hospital, analyzing the current and prospective demand for health care services within the District’s competitive health care delivery landscape, continuing to build the infrastructure necessary at St. Elizabeths to support a new hospital, and launching the redevelopment of a new “801 East” men’s shelter and the construction of a parking garage for people going to the Entertainment and Sports arena. Most significantly, our process led to the announcement this August by Mayor Bowser that the District had signed a Letter of Intent (LOI) with George Washington University Hospital (GW

Hospital) to establish GW Hospital as the District's long-term partner to operate and maintain the new hospital at St. Elizabeths. The signed Letter of Intent established a 180-day period of exclusive negotiations between the District and GW Hospital, of which we are currently on day 59, to finalize a comprehensive partnership agreement to build a new hospital and establish a comprehensive system of care that will serve District residents for decades to come. Once complete, the Administration will submit to Council the final comprehensive partnership agreement along with authorizing legislation for your review and approval.

#### East End Health Equity Act

With regard to the specific provisions of proposed Bill 22-959, while our general preference is that new health care facilities be reviewed and approved through the traditional process, we believe that there is a great urgency for us to move forward with all due speed to advance this project so that we can establish a robust system of care east of the river, build the necessary infrastructure, and fulfill our most important shared objective - to ensure that all District residents have access to high quality healthcare facilities and services, no matter their zip code - as quickly as possible. The District has targeted a 2023 opening for the new hospital, or sooner if possible, and we believe the bill will aid in bringing a new facility online sooner.

Most of the other issues identified in the Act are also contemplated in the LOI. For example, the LOI requires the District and GW Hospital to agree on the final size of the hospital, a master facility plan, the ownership and financial structure, other investments to be made by GW Hospital in Wards 7 and 8 and other parts of the District, a construction plan, job training and community engagement. Generally, to ensure that District taxpayers get the best deal possible, the Administration prefers not to have legislation stipulate the deal terms while negotiations are

ongoing. However, we have reviewed the items listed in the bill with our team and believe that the following items can be supported:

- The Administration believes that the size and expansion capacity required in the legislation is acceptable and will not put the new hospital or District at additional long-term financial risk.
- We also believe that it is critical for the new hospital to be integrated into the GW Hospital system and that the District retain ownership of the land.
- Finally, the District and GW Hospital are committed to establishing robust workforce training and education programs and a pipeline that can prepare qualified District residents for long-term, middle class opportunities at the new hospital and associated medical services that will come to St. Elizabeths and other parts of Wards 7 and 8 as a result.

However, there are other provisions in the bill that the Administration strongly prefers that the Committee reserve judgment on while we work to finalize the comprehensive partnership agreement with GW Hospital. Specifically:

- Council should not legislate the deal terms related to the ownership of the physical asset (i.e. the new hospital building) until the Executive branch submits the final comprehensive agreement. We understand your desire that the District retain ownership of the asset unless GW Hospital purchases it at fair market value, and we generally agree that this is a strong position to take. However, we don't believe legislation that limits the District's bargaining power in this negotiation should proceed - —especially on a project as crucial as this one.

- Additionally, the Executive prefers that the Committee defer to the comprehensive agreement on the issue of “specific branding.” One of the prerequisites in the District’s search for a new partner was their willingness to use their brand to improve resident’s perception of the new facility and attract a wide range of users. We believe that GW Hospital’s intent, as described in the LOI, is sufficient to ensure that the new hospital is branded appropriately.

### Conclusion

We are very encouraged by your commitment to this issue, Chairman Gray, and by the interest of the entire Council in working with the Administration to ensuring that we build a new hospital east of the river as expeditiously as possible. We believe that portions of Bill 22-959 can help us move forward together toward a stronger partnership agreement with GW Hospital to ensure that we have a strong partner who will provide the highest quality health care services to any District residents right here on Saint Elizabeths campus for decades to come. We ask for the Committee’s consideration to move forward with a final bill that helps us achieve our shared goals while allowing the Executive to strike the best agreement on behalf of District residents during our ongoing negotiations with GW Hospital.

We are closer than we have ever been to comprehensively addressing the health access inequities that have long existed east of the Anacostia River, and we look forward to working together to cross the finish line. Thank you again for the opportunity to testify. I look forward to answering any questions the Committee may have.