


Councilmember Vincent C. Gray

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to establish a maximum fee for filing a certificate of need application by a federally qualified health center for projects located in Wards 7 and 8.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Federally Qualified Health Center Certificate of Need Maximum Fee Establishment Emergency Declaration of 2017.”

Sec. 2. (a) Unity Health Care, Inc. (“Unity”), a federally qualified health center, is constructing a new health center as part of the Conway Center development located at 4430 Benning Road, NE, Washington, DC 20019. The new health center is intended to replace Unity’s East of the River (“EOR”) and Minnesota Avenue health centers.

(b) The Conway Center is being developed by So Others Might Eat (“SOME”), which is a 501(c)(3) nonprofit that “exists to help the poor and homeless of our nation’s capital.” When completed, the project will total 320,000 square feet of mixed use space. The SOME portion of the building is being developed with affordable housing units and includes space for job training services. Unity, meanwhile, has agreed to lease and build-out approximately 37,659 square feet of space for its clinical purposes from SOME.

33 (c) The collaboration between Unity and SOME, which grew out of a long-term
34 partnership, is an innovative, integrated effort to improve patient outcomes and satisfaction by
35 addressing the adverse health conditions of homelessness, unemployment, and poverty that are
36 prevalent in the Ward 7.

37 (d) The new health center space will enable Unity to address EOR's physical constraints
38 and expiring lease, which does not contain a renewal provision. In addition, the Minnesota
39 Avenue health center occupies space that previously served as a grocery store and has significant
40 structural and physical limitations that inhibit patient care and services.

41 (e) The proposed new health space offers an incredible opportunity for Unity to upgrade
42 its clinical space, programs, and services. The new health center will include a total of forty-
43 three exam rooms; six dental operatories; pharmacy; lab; wellness space; Women, Infant, and
44 Children ("WIC") services; and a host of specialty medical services, including podiatry,
45 psychiatry, and ophthalmology.

46 (f) Furthermore, Unity's new health care clinic will address important components of
47 access and continuity of care, including clinical efficiency (i.e. patient wait times, staff
48 communication, and clinical outcomes), patient well-being and satisfaction (providing a relaxing
49 and comfortable patient environment), and clinical collaboration through informed design and
50 enhanced way-finding to bolster the patient experience. The new site will help foster an efficient
51 and cohesive patient flow and better address patients' wraparound needs through additional
52 services. The strategic positioning of the waiting room, exam rooms, provider pods, and
53 information technology will further optimize Unity's patient centered medical home model and
54 facilitate a better process for patients to access medical services.

55 (h) Unity’s preliminary “all in” budget for the new clinic is approximately \$7,190,547.
56 Of this amount, \$5,444,279 is dedicated to hard and soft construction costs, and \$1,746,268
57 million is earmarked for furniture, fixtures and equipment. Unity is scheduled to begin
58 construction on the new health center in October 2017. The process is expected to take five to
59 six months, allowing the new health center to open the second quarter of 2018.

60 (i) Under District law, an entity requesting a certificate of need for capital projects is
61 required to pay an application fee to the District’s State Health Planning and Development
62 Agency. The application fee is 3% of the proposed capital expenditure or \$5,000, whichever is
63 greater – with a maximum of \$300,000.

64 (k) The above fee formula, if applied to Unity’s certificate of need application, would
65 require a payment of approximately \$215,716 by Unity to the District government. Given
66 Unity’s significant investment in its new facility, which is intended to meet the needs of East
67 Washington residents, a more appropriate application fee is in order. It is worth noting that
68 existing District law caps the maximum fee for any project receiving funds through the Medical
69 Homes DC Initiative, as operated by the District of Columbia Primary Care Association. While
70 the Medical Homes DC Initiative no longer exists, the need to lessen the regulatory expenses of
71 facilities that serve the underserved endures.

72 Sec. 3. The Council of the District of Columbia determines that the circumstances
73 enumerated in section 2 constitute emergency circumstances making it necessary that the
74 Federally Qualified Health Center Certificate of Need Maximum Fee Establishment Emergency
75 Act of 2017 be adopted after a single reading.

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