



January 17, 2020

The Honorable Alex Azar  
Secretary  
U.S. Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

Re: Nebraska Heritage Health Adult Expansion Demonstration

Dear Secretary Azar:

Thank you for the opportunity to submit comments on Nebraska's Heritage Health Adult Expansion Demonstration.

The undersigned organizations represent millions of individuals facing serious, acute and chronic health conditions across the country. Our organizations have a unique perspective on what individuals need to prevent disease, cure illness and manage chronic health conditions. The diversity of our groups and the patients and consumers we represent enables us to draw upon a wealth of knowledge and expertise and serve as an invaluable resource regarding any decisions affecting the Medicaid program and the people that it serves. We urge the Department of Health and Human Services (HHS) to make the best use of the recommendations, knowledge and experience our organizations offer here.

The purpose of the Medicaid program is to provide healthcare coverage for low-income individuals and families, and our organizations are committed to ensuring that Medicaid provides adequate, affordable and accessible healthcare coverage. In November 2018, Nebraska voters voted to expand Medicaid and extend coverage to 90,000 low-income Nebraskans. This will provide individuals with prevention, early detection and diagnostic services, as well as disease management and treatment for their conditions. Medicaid expansion is critical for patients with and at risk of chronic and acute health conditions. For example, research shows an association between Medicaid expansion and early stage cancer diagnosis, when cancer is often more treatable.<sup>1</sup> Medicaid expansion states have experienced increased utilization of prescription drugs, especially for patients with diabetes and cardiovascular disease.<sup>2</sup> This will help patients manage their conditions and avoid more expensive care in emergency departments and hospital settings. State Medicaid expansions provide continuous care to pregnant women before,

during, and after pregnancy, leading to decreases in both maternal deaths and infant mortality.<sup>3</sup> Another study found that Medicaid expansion was associated with reductions in deaths from opioid overdose, including those involving heroin and synthetic opioids.<sup>4</sup> Additionally, Medicaid expansion is associated with improvements in quality measures at federally qualified health centers, which are critical healthcare providers for low-income patients.<sup>5</sup> Medicaid expansion is also playing an important role in addressing health disparities—one recent study found that states that expanded Medicaid under the ACA eliminated racial disparities in timely treatment for cancer patients.<sup>6</sup> Clearly, Medicaid expansion is beneficial for patients with serious, acute and chronic conditions.

Unfortunately, lawmakers in Nebraska have decided to delay the implementation of Medicaid expansion until October 2020, almost two years after the voters approved the measure. Nebraska's waiver proposal also adds an extremely complex set of additional requirements to the state's expansion that could jeopardize patients' access to care. Our organizations therefore offer the following comments on Nebraska's waiver proposal.

#### Tiered Benefit Structure

The Heritage Health Adult Expansion Demonstration waiver creates a two-tiered benefit structure. Initially, all expansion enrollees will have the "Basic" plan but can qualify for the "Prime" plan if they complete a set of wellness, personal responsibility and work reporting requirements. The ten total requirements to receive the Prime benefit package are very onerous, and some of them require access to transportation, which can be a challenge for the low-income population. Patients have to "actively participate" in care and case management, which includes completing a health risk screening, completing a "social determinants of health" assessment and routinely refilling prescriptions. Additionally, beneficiaries will be required to have an annual visit with their primary care provider. Beneficiaries would also have to comply with a personal responsibility requirement, which includes not missing more than three appointments within six months, maintaining commercial coverage if available, and notifying the state within 10 days of any changes that may affect their eligibility for Medicaid or benefit tier. For patients with chronic and acute conditions, especially those in active treatment and those with hourly jobs, wages and income can vary from week to week as hours fluctuate. Our patients should not be in risk of losing benefits that help them manage their disease because of complicated reporting requirements.

Additionally, starting in year two of the demonstration, the expansion population between the ages of 21 and 59 would be required to prove that they work at least 80 hours per month or meet exemptions. One major consequence of this proposal will be to increase the administrative burden on individuals in the Medicaid program. Increasing administrative requirements will likely decrease the number of individuals with Prime coverage, regardless of whether they are exempt or not. For example, Arkansas implemented a similar policy requiring Medicaid enrollees to report their hours worked or their exemption. During the first six months of implementation, the state terminated coverage for over 18,000 individuals and locked them out of coverage until January 2019.<sup>7</sup> Enrollees have also found the reporting requirements confusing and added stress and anxiety to enrollees' lives.<sup>8</sup>

The state estimates that 40 percent of enrollees will not be able to comply with all the requirements and will receive the Basic benefit rather than Prime benefit. Each of these requirements adds additional red tape for Medicaid enrollees. Many of the requirements require significant access to transportation that can be a barrier for the low-income population. Our organizations encourage Nebraska to provide the Prime benefit to all Medicaid enrollees in the expansion population. This will eliminate confusion and additional paperwork for patients with chronic conditions.

### Removing Retroactive Coverage

As part of the 1115 waiver, Nebraska is asking to waive retroactive eligibility and start coverage on the first day of the month of the application. Retroactive eligibility in Medicaid prevents gaps in coverage by covering individuals for up to 90 days prior to the month of application, assuming the individual is eligible for Medicaid coverage during that time frame. It is common that individuals are unaware they are eligible for Medicaid until a medical event or diagnosis occurs. Retroactive eligibility allows patients who have been diagnosed with a serious illness to begin treatment without being burdened by medical debt prior to their official eligibility determination.

Medicaid paperwork can be burdensome and often times confusing. A Medicaid enrollee may not have understood or received a notice of Medicaid renewal and only discovered the coverage lapse when picking up a prescription or going to see their doctor. Without retroactive eligibility, Medicaid enrollees could then face substantial costs at their doctor's office or pharmacy. When Ohio was considering a similar provision in 2016, a consulting firm advised the state that hospitals could accrue as much as \$2.5 billion more in uncompensated care as a result of the waiver.<sup>9</sup> Nebraska estimates that over 29,000 adults will lose retroactive coverage as a result of the waiver. The undersigned organizations urge Nebraska to remove this provision from the waiver application.

### Lack of Evaluation Plan

The proposed 1115 waiver currently lacks an evaluation plan. While the state claims it will create a robust evaluation plan, there is nothing in the application for the public to review and provide input on. Our organizations encourage CMS to require the state write and solicit feedback on an evaluation plan so the public can accurately comment on all aspects of this proposal.

The undersigned organizations support Nebraska's Medicaid expansion up to 138 percent of the federal poverty line without delay. However, our organizations urge CMS to reject the tiered benefit approach and to keep retroactive coverage in Nebraska. Thank you for the opportunity to submit comments.

Sincerely,

American Heart Association  
American Lung Association  
Arthritis Foundation  
Epilepsy Foundation  
Hemophilia Federation of America  
Leukemia & Lymphoma Society  
National Alliance on Mental Illness  
National Hemophilia Foundation  
National Multiple Sclerosis Society  
National Organization for Rare Disorders  
National Patient Advocate Foundation  
March of Dimes

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<sup>1</sup> Aparna Soni, Kosali Simon, John Cawley, Lindsay Sabik, "Effect of Medicaid Expansions of 2014 on Overall and Early-Stage Cancer Diagnoses", American Journal of Public Health 108, no. 2 (February 1, 2018): pp. 216-218. Available at <http://ajph.aphapublications.org/doi/abs/10.2105/AJPH.2017.304166>.

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<sup>2</sup> Ghosh, Ausmita, Simon, Kosali and Sommers, Benjamin D., (2017), The Effect of State Medicaid Expansions on Prescription Drug Use: Evidence from the Affordable Care Act, No 23044, NBER Working Papers, National Bureau of Economic Research, Inc, <https://EconPapers.repec.org/RePEc:nbr:nberwo:23044>

<sup>3</sup> Adam Searing and Donna Cohen Ross. "Medicaid Expansion Fills Gaps in Maternal Health Coverage Leading to Healthier Mothers and Babies," (May 2019). Georgetown University Health Policy Institute, Center for Children and Families. Accessed at: <https://ccf.georgetown.edu/wp-content/uploads/2019/05/Maternal-Health-3a.pdf>.

<sup>4</sup> Kravitz-Wirtz N, Davis CS, Ponicki WR, et al. Association of Medicaid Expansion With Opioid Overdose Mortality in the United States. *JAMA Netw Open*. 2020;3(1):e1919066. doi:10.1001/jamanetworkopen.2019.19066. Accessed at <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2758476>.

<sup>5</sup> Megan B. Cole, Omar Galárraga, Ira B. Wilson, Brad Wright, and Amal N. Triveldi. "At Federally Funded Health Centers, Medicaid Expansion Was Associated With Improved Quality Of Care," *Health Affairs* 36, no. 1 (January 2017): pp. 40-48. Available at <https://www.healthaffairs.org/doi/pdf/10.1377/hlthaff.2016.0804>.

<sup>6</sup> American Society of Clinical Oncology, "Racial Disparities in Access to Timely Cancer Treatment Nearly Eliminated in States with Medicaid Expansion." American Society of Clinical Oncology Annual Meeting. June 2, 2019. Access at: <https://www.asco.org/about-asco/press-center/news-releases/racial-disparities-access-timely-cancer-treatment-nearly>

<sup>7</sup> Robin Rudowitz, MaryBeth Musumeci, and Cornelia Hall, "A Look at February State Data for Medicaid Work Requirements in Arkansas," Kaiser Family Foundation, March 25, 2019. Available at: <https://www.kff.org/medicaid/issue-brief/a-look-at-november-state-data-for-medicaid-work-requirements-in-arkansas/>; Arkansas Department of Health and Human Services, Arkansas Works Program, December 2018. Available at: [http://d31hzlhk6di2h5.cloudfront.net/20190115/88/f6/04/2d/3480592f7fbd6c891d9bacb6/011519\\_AWReport.pdf](http://d31hzlhk6di2h5.cloudfront.net/20190115/88/f6/04/2d/3480592f7fbd6c891d9bacb6/011519_AWReport.pdf)

<sup>8</sup> Musumeci, MaryBeth, Robin Rudowitz, Barbara Lyons. Medicaid Work Requirements in Arkansas: Experience and Perspectives of Enrollees. Kaiser Family Foundation. Dec 18, 2018. Available at: <https://www.kff.org/medicaid/issue-brief/medicaid-work-requirements-in-arkansas-experience-and-perspectives-of-enrollees/>

<sup>9</sup> Virgil Dickson, "Ohio Medicaid waiver could cost hospitals \$2.5 billion", *Modern Healthcare*, April 22, 2016. (<http://www.modernhealthcare.com/article/20160422/NEWS/160429965>)