

June 27, 2020

The Honorable Seema Verma
Administrator, Centers for Medicare & Medicaid Services
Department of Health and Human Services
P.O. Box 8016
Baltimore, MD 12144-8016
Submitted electronically to <http://www.regulations.gov>

Dear Administrator Verma,

As organizations dedicated to promoting the health of our nation's children and pregnant women, we write in opposition to Oklahoma's proposed Sooner Care 2.0 section 1115 Demonstration Project. While we support Oklahoma's decision to expand coverage to low-income adults, CMS should not approve the Sooner Care 2.0 Demonstration.

Oklahoma is proposing a per capita funding mechanism along with harmful waiver elements such as work requirements, premiums, and benefit cuts that would reduce coverage and access to care. CMS approval to waive key aspects of the Medicaid statute risks eroding advances in children's and pregnant women's access to necessary health care, not only in Oklahoma, but nationwide, as state Medicaid programs often adopt policies implemented in other states. If approved, this unprecedented proposal could undermine national standards protecting children's and pregnant women's access to care with profound long-term consequences for the health care system and beneficiaries alike.

At the same time, the proposal is vague about the details of the capped federal funding mechanism including how much funding the state would receive and thus, we are unable to meaningfully comment on the impact the proposal might have. By approving this proposal, a troubling precedent would be set in regards to how states could make sweeping changes to Medicaid with little information provided to the public and what little accountability would be required to ensure the program is meeting its objectives. Below, we offer our comments on the strategic priorities and general concepts included in Oklahoma's proposed SoonerCare 2.0 Demonstration and potential impact on children.

Children make up the single largest group of people who rely on Medicaid; 35 million children nationwide (including more than 500,000 in Oklahoma), rely on Medicaid coverage, including children with special health care needs and those from low-income families. Medicaid also provides comprehensive prenatal care to pregnant women, allowing millions of pregnant women to have healthy pregnancies and helping millions of children get a healthy start. Unlike many private health insurance plans, Medicaid guarantees specific benefits designed especially for children. Medicaid's Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit is the definitive standard of pediatric care, covering an array of services like developmental, dental, vision and hearing screenings, and allowing health problems to be diagnosed and treated appropriately and as early as possible. Children enrolled in Medicaid are more likely than their uninsured peers to get medical check-ups, attend more days at school, graduate and enter the workforce.¹ Simply put: Medicaid is critical for America's children.

The Oklahoma proposal undermines the entitlement nature of the Medicaid program entirely, putting children and families at risk. By instituting a capped funding model, even if targeted solely for the adult expansion population, the proposal radically alters the federal-state financing partnership of the Medicaid

¹ Medicaid and CHIP Payment and Access Commission. *Use of Care among Non-Institutionalized Individuals Age 0–18 by Primary Source of Health Coverage, Data from Medical Expenditures Panel Survey*. MACStats, 2018, <https://www.macpac.gov/publication/use-of-care-among-non-institutionalized-individuals-age-0-18-by-primary-source-of-health-coverage-data-from-medical-expenditures-panel-survey/>.

program. The long-term consequences for the state's Medicaid program, including potential impacts on children if funding shortfalls occur, need to be part of the consideration of this proposal. Additionally, the capped funding mechanism requested by the Oklahoma, coupled with new authorities to weaken coverage provisions for beneficiaries, provides the state with an incentive to take future action to make cuts that will compromise children's access to necessary and timely care.

This proposal comes at a time when the COVID-19 pandemic has caused significant uncertainty for program budgeting and spending. As more families lose jobs and experience financial stress during the economic downturn, Medicaid will act as an essential lifeline for children and families. Fundamentally altering the financing structure of a major safety net program during a global health pandemic could be catastrophic for children and families, potentially leading to cuts to eligibility and benefits.

Moreover, our organizations are steadfast in our opposition to the waiving of EPSDT for 19- and 20-year-olds, which would have disastrous effects on their health and well-being. As mentioned above, Medicaid's EPSDT guarantee is the backbone of the Medicaid program for children and young adults and ensures that all medically necessary services they are found to need are provided. With its emphasis on prevention, early detection, and treatment, EPSDT is the assurance that children and young adults in Medicaid—including those ages 19 and 20 who may be at critical times in their lives as they transition to adulthood—receive all medically necessary services. Eliminating EPSDT will lead to unmet care needs, leaving young adults without necessary screening and treatment services that could help prevent more serious and costly conditions as they age.²

The proposed changes outlined in the waiver are particularly concerning given that trends in children's coverage are heading in the wrong direction. From 2017 to 2018, we saw enrollment in Medicaid and CHIP decrease by more than 828,000 children nationwide.³ Oklahoma has one of the highest child uninsured rates in the nation -- the fourth highest with 8.2 percent of children under 19 being uninsured.⁴

Expanding Medicaid in Oklahoma is incredibly important for both uninsured parents and children. Research has shown that when parents are insured, children are more likely to be insured as well.⁵ While Medicaid expansion would likely reduce the number of uninsured children in Oklahoma, the state undermines those potential coverage gains by proposing to disenroll parents for not meeting monthly work hours or failing to pay premiums. The state should focus on insuring parents instead of imposing restrictive proposals that make it more likely for them, and as a result their children, to be uninsured.

Children's coverage is particularly susceptible to changes in federal and state policies. Oklahoma's proposed per capita cap funding mechanism threatens the long-term financial stability of the Medicaid program should the state face unforeseen costs and would allow the state to consider reducing access through eligibility, benefit, and payment reductions disguised as "flexibilities." We urge you to deny the proposed Sooner Care 2.0 1115 Demonstration Project and instead work with the state and community partners to improve children's access to care.

² It should be noted that CMS has already denied Utah's recent request to waive of EPSDT for 19- and 20-year olds for the adult expansion population.

³ Brooks, Tricia, et al. *Medicaid and CHIP Enrollment Decline Suggests the Child Uninsured Rate May Rise Again*. Georgetown University Center for Children and Families, May 2019, <https://ccf.georgetown.edu/wp-content/uploads/2019/06/Enrollment-Decline.pdf>.

⁴ Alker, Joan, and Lauren Roygardner. *The Number of Uninsured Children is on the Rise*. Georgetown University Center for Children and Families, October 2019, <https://ccf.georgetown.edu/2019/10/29/the-number-of-uninsured-children-in-on-the-rise-acs/>.

⁵ Hudson, Julie L., and Asako S. Moriya. "Medicaid Expansion For Adults Had Measurable 'Welcome Mat' Effects on Their Children." *Health Affairs*, 2017; 36(9), <https://www.healthaffairs.org/doi/full/10.1377/hlthaff.2017.0347>.

Sincerely,

American Academy of Pediatrics

Children's Defense Fund

Children's Hospital Association

Family Voices

First Focus on Children

Georgetown Center for Children and Families

March of Dimes

National Association of Pediatric Nurse Practitioners