



January 18, 2019

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

Re: SoonerCare Choice 1115(a) Demonstration Waiver Amendment

Dear Secretary Azar:

Thank you for the opportunity to submit comments on the SoonerCare Choice 1115(a) Demonstration Waiver Amendment.

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.

Our organizations are committed to ensuring that Medicaid provides adequate, affordable and accessible healthcare coverage. Several 1115 waiver proposals submitted to and approved by the Centers for Medicare and Medicaid Services (CMS) in recent months have jeopardized patients' access to quality and affordable healthcare coverage.¹ The purpose of the Medicaid program is to provide affordable healthcare coverage for low income individuals and families. Unfortunately, Oklahoma's application does not meet this objective and will instead create new administrative barriers that

jeopardize access to healthcare for patients with serious and chronic diseases. Our organizations urge HHS to reject this application.

SoonerCare, Oklahoma's Medicaid program, covers parents and caretakers and disabled individuals with incomes at or below 45 percent of the federal poverty level (approximately \$779 per month for a family of 3). The proposed waiver amendment seeks to add new barriers to accessing coverage. Because Oklahoma has not expanded Medicaid, these barriers will negatively impact very low-income persons. Individuals between the ages of 19 and 50 would be required to either demonstrate 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 all patients. Individuals will need to attest that they meet certain exemptions or have worked the required number of hours on a monthly basis. Increasing administrative requirements will likely decrease the number of individuals with Medicaid coverage, regardless of whether they are exempt or not. Arkansas is currently implementing 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 2019.² In another case, Washington state changed its renewal process from every twelve months to every six months and instituted new documentation requirements in 2003. By the end of 2004, approximately 35,000 fewer children were enrolled in the program.³ Battling administrative red tape in order to keep coverage should not take away from patients' or caregivers' focus on maintaining their or their family's health.

Failing to navigate these burdensome administrative requirements could have serious – even life or death – consequences for people with serious, acute and chronic diseases. If the state finds that individuals have failed to comply with the new requirements for just one month, they will lose their coverage. People who are in the middle of treatment for a life-threatening disease, rely on regular visits with healthcare providers or must take daily medications to manage their chronic conditions cannot afford a sudden gap in their care.

Our organizations are concerned that the current exemption criteria may not capture all individuals with, or at risk of, serious and chronic health conditions that prevent them from meeting these requirements. Even if patients do qualify for exemptions, the reporting process still creates opportunities for administrative error that could jeopardize coverage. No exemption criteria can circumvent this problem and the serious risk to the coverage and health of the people we represent.

Ultimately, the requirements outlined in this waiver do not further the goals of the Medicaid program or help low-income individuals improve their circumstances without needlessly compromising their access to care. Most people on Medicaid who can work already do so.⁴ A recent study, published in JAMA Internal Medicine, looked at the employment status and characteristics of Michigan's Medicaid enrollees.⁵ The study found only about a quarter were unemployed (27.6 percent). Of this 27.6 percent of enrollees, two thirds reported having a chronic physical condition and a quarter reported having a mental or physical condition that interfered with their ability to work. In another report looking at the impact of Medicaid expansion in Ohio, the majority of enrollees reported that being enrolled in Medicaid makes it easier to work or look for work (83.5 percent and 60 percent, respectively).⁶ The report also found that many enrollees were able to get treatment for previously untreated health conditions, which made finding work easier.

The version of the waiver application submitted to CMS does not include information about how many beneficiaries will be affected by the work requirement. In previous drafts, the state claimed that of the 102,000 adult beneficiaries from ages 19 to 50, 6,000 beneficiaries would be subject to the work requirement (with the rest being exempt). The previous draft also suggested that the vast majority of those affected by the work requirement would be very poor—living below 20% of the federal poverty level. However, evidence from the rollout of a work requirement in Arkansas suggests that the impact could be larger. An estimate from the Georgetown University Center for Children and Families and the Oklahoma Policy Institute predicts that between 4,000 and 13,000 individuals could lose coverage.⁷

The federal rules at 431.408 pertaining to state public comment process require at (a)(1)(i)(C) that a state include an estimate of the expected increase or decrease in annual enrollment and expenditures if applicable. The intent of this section of the regulations is to allow the public to comment on a Section 1115 proposal with adequate information to assess its impact. In order to meet these transparency requirements, Oklahoma must include these projections and their impact on budget neutrality. If Oklahoma intends to move ahead with this proposal, the state should at a minimum provide the required information to the public and reopen the comment period for an additional 30 days.

During the comment period at the state level, Oklahoma received over 1,200 comments on this waiver application. Of those 1,200 comments, 95 percent appear to oppose the work requirement, yet the state has largely ignored those comments.⁸ In addition, Oklahoma conducted a phone survey of 400 SoonerCare beneficiaries who were likely to be affected by a work requirement to investigate potential barriers that would be caused by the requirement. Only 74 beneficiaries responded to the survey. From this very small sample, the state concluded that most beneficiaries would be able to overcome barriers such as transportation, childcare and wireless connectivity. However, the state was unable to reach the majority of those surveyed, suggesting that the reporting requirement will pose a significant burden to many and that the results of the survey do not accurately reflect the impact that the waiver will have.⁹

Our organizations believe everyone should have access to quality and affordable healthcare coverage. Oklahoma's proposal does not advance that goal and we urge you to reject this waiver amendment.

Thank you for the opportunity to provide comments.

Sincerely,

American Heart Association
American Liver Foundation
American Lung Association
Arthritis Foundation
Chronic Disease Coalition
Crohns & Colitis Foundation
Cystic Fibrosis Foundation
Epilepsy Foundation
Global Healthy Living Foundation
Hemophilia Federation of America
Leukemia and Lymphoma Society
Lutheran Services in America
March of Dimes
National Alliance on Mental Illness

National Hemophilia Foundation
National Multiple Sclerosis Society
National Organization for Rare Disorders
National Patient Advocate Foundation
National Psoriasis Foundation

¹ American Lung Association, A Coordinated Attack: Reducing Access to Care in State Medicaid Programs, July 2018. Accessed at <http://www.lung.org/assets/documents/become-an-advocate/a-coordinated-attack.pdf>.

² Robin Rudowitz, MaryBeth Musumeci, and Cornelia Hall, “A Look at November State Data for Medicaid Work Requirements in Arkansas,” Kaiser Family Foundation, December 18, 2018. Accessed 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://d31hzhk6di2h5.cloudfront.net/20190115/88/f6/04/2d/3480592f7fbd6c891d9bacb6/011519_AWReport.pdf.

³ Tricia Brooks, “Data Reporting to Assess Enrollment and Retention in Medicaid and SCHIP,” Georgetown University Health Policy Institute Center for Children and Families, January 2009.

⁴ Rachel Garfield, Robin Rudowitz, and Anthony Damico, “Understanding the Intersection of Medicaid and Work,” Kaiser Family Foundation, February 2017, <http://kff.org/medicaid/issue-brief/understanding-the-intersection-of-medicaid-and-work/>.

⁵ Renuka Tipirneni, Susan D. Goold, John Z. Ayanian. Employment Status and Health Characteristics of Adults With Expanded Medicaid Coverage in Michigan. JAMA Intern Med. Published online December 11, 2017. doi:10.1001/jamainternmed.2017.7055

⁶ Ohio Department of Medicaid, 2018 Ohio Medicaid Group VII Assessment: Follow-Up to the 2016 Ohio Medicaid Group VIII Assessment, August 2018. Accessed at: <http://medicaid.ohio.gov/Portals/0/Resources/Reports/Annual/Group-VIII-Final-Report.pdf>.

⁷ Georgetown University Center for Children and Families and the Oklahoma Policy Institute, “Medicaid Waiver Proposal for Oklahoma Medicaid Beneficiaries Would Harm Low-Income Families with Children.” Jan. 2019. Accessed at: <https://ccf.georgetown.edu/wp-content/uploads/2019/01/OK-Medicaid-work-requirement-final-rev-1.pdf>.

⁸ Id.

⁹ Id.