



June 24, 2015

Director Vikki Wachino
Center for Medicaid and CHIP Services
Centers for Medicare & Medicaid Services
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Baltimore, MD 21244

Email: Victoria.Wachino1@cms.hhs.gov

Dear Director Wachino:

Families USA is grateful for the opportunity to comment on Florida's 1115 waiver request to amend its Managed Medical Assistance (MMA) waiver to redesign elements of the state's Low Income Pool (LIP). Families USA is a national healthcare advocacy organization with the mission of supporting policy changes that will expand access to affordable healthcare for all Americans. We have a particular focus on ensuring health care access for low-income people.

As part of the negotiations between CMS and Florida's Agency for Health Care Administration (AHCA) on the LIP, CMS sent letters to Florida's Deputy Secretary for Medicaid Justin Senior on April 14th and May 21st, 2015. These letters articulated three key principles by which CMS would approach review of Florida's proposal. It is our understanding that CMS has communicated these same principles to the eight other states with uncompensated care pools.

We are pleased that CMS has communicated clear principles by which it will evaluate uncompensated care pool proposals, including Florida's LIP. We believe that the principles outlined will better ensure that these programs further the objectives of the Medicaid program. Our comments address the way in which CMS is changing its approach to authorizing uncompensated care pools, rather than the specifics of the proposed amendment.

Principle 1: Coverage, rather than uncompensated care pools, is the best way to secure affordable access to health care for low-income individuals, and uncompensated care pool funding should not pay for costs that would be covered in a Medicaid expansion.

Section 1115 of the Social Security Act gives the Secretary the authority to approve demonstration, experimental, or pilot projects that promote the objectives of the Medicaid program which are to furnish medical assistance to low-income individuals. Direct health coverage for individuals, rather than payments to providers through uncompensated care pools, is the best way to further that objective. Coverage gives individuals affordable access to a full range of health services, from preventive to acute care, while protecting them from excessive medical costs.

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Given that states have the option to expand Medicaid coverage under the Affordable Care Act, we agree that uncompensated care pool funding should not be used to pay for costs that would be covered in a Medicaid expansion. This principle should apply to CMS's evaluation of Medicaid funded uncompensated care pools in both state that have and have not expanded Medicaid coverage.

Principle 2: Medicaid payments should support services provided to Medicaid beneficiaries and low-income uninsured individuals.

We agree that payments from uncompensated care pools should be used to support health care services for low income individuals, including Medicaid beneficiaries and uninsured people. This is the best use of Medicaid dollars to further program objectives. Funds should be distributed through a transparent process that does not depend on a provider's ability to put up state matching funds.

Principle 3: Provider payment rates must be sufficient to promote provider participation and access, and should support plans in managing and coordinating care.

For coverage to be meaningful, individuals must be able to see health care providers. Social Security Act section 1902(a)(30)(A) requires that states' Medicaid provider payments be sufficient to "enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area". CMS has a key role ensuring that states meet this requirement.

It is appropriate that, in its review of uncompensated care pools, CMS evaluate the extent to which fund distributions will align with providers' roles in serving low-income populations and support adequate provider participation.

We support these principle, CMS's application of these principles in its review of Medicaid funded uncompensated care pools, and its stated intent to apply these principles to its evaluation of Florida's request.

Thank you for the opportunity to submit these comments. If you have any questions, please do not hesitate to contact us.

Sincerely,

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