



To: Vikki Wachino, Deputy Administrator, CMS, and Director, Center for Medicaid and CHIP Services

From: Aaron Wernham, CEO, Montana Healthcare Foundation

Date: October 14, 2015

Re: **The Importance of Montana's Proposed Medicaid Expansion to Veterans**

The Montana Healthcare Foundation is Montana's largest health-focused philanthropic organization. The Foundation supports Montana's proposed Medicaid expansion as described in the Montana Department of Public Health and Human Service (DPHHS) 1115 and 1915(b) waiver applications, submitted on September 15, 2015. This memorandum highlights the importance of expansion on Montana's veteran population.ⁱ

Montana's Veteran Population:

Montana has one of the highest percentages of veterans in the nation, with nearly one out of every ten Montana residents identifying as a veteran.ⁱⁱ In 2010, approximately 9,000 Montana veterans remained uninsured, making Montana the state with the highest percentage of uninsured veterans in the nation (17.3 percent in MT as opposed to 10.5 percent nationwide). An estimated 15.7 percent (or 7,000) of veteran's family members in Montana are uninsured, which is also the highest percentage nationwide.ⁱⁱⁱ

Limited Access to Healthcare:

The Veterans Administration (VA) provides health services to certain veterans, but complex eligibility and enrollment guidelines as well as geographic barriers significantly limit eligibility for and access to VA services in Montana. Many veterans are not eligible for VA services, and eligibility for VA services does not guarantee adequate access to health care. In general, in order to be eligible for VA services, a veteran must have served 24 contiguous months on active duty and honorably discharged.^{iv} However, eligibility does not necessarily translate to access to care. The VA prioritizes certain veterans based on service-related disability and income levels, and access to care is dependent on the funding allocation from Congress. In a large, rural state such as Montana, moreover, geographic barriers pose a major barrier to care for many veterans.

The VA published the "National Survey of Veterans" in 2010, which is a comprehensive nationwide survey designed to help plan future programming. The survey indicated a high number of veterans not having insurance and cited the following troubling statistics^v:

- 72 percent of veterans reported never using VA health care;

- 42 percent of veterans were not aware of VA health care benefits;
- 30 percent of veterans never considered getting health care from VA;
- 26 percent of veterans did not know how to apply for health care benefits; and
- Only 18 percent of veterans indicated that they “completely agree” or “agree” that they know what is available to them through their VA health coverage.

A recent audit by the Department of Veterans Affairs shows that new patients at Ft. Harrison Medical Center in Montana experience an average wait time of 41 days before receiving primary care services, nearly three times longer than the goal of 14 days.^{vi} This highlights the significant challenges for veteran’s seeking services for the first time and the systemic issues with veteran access to care.

Montana has only one VA Medical Center (Fort Harrison) to cover the entire state. There are community based outpatient clinics (CBOCs) throughout the state that provide additional access and basic medical services that help immensely. However, veterans routinely have to drive hours for medical care outside the scope of the CBOCs. Expanding Medicaid would provide additional coverage to veterans to allow care to be provided closer to home.

In 2014 President Obama signed legislation—the “Veteran’s Access, Choice, and Accountability Act” –that can partially mitigate the lack of VA facilities in Montana by requiring that the VA cover private care if a veteran has to wait 30 days for an appointment or lives 40 miles or more from a VA facility (House committee on Veterans affairs).^{vii} It is important to note, however, that this law is authorized for only three years.

Health Disparities among Veterans

U.S. veterans have well-documented and widely reported health disparities. Veterans represent 12 percent of the homeless population in the United States.^{viii} 25 percent of Iraq and Afghanistan war veterans treated by the Veterans Health Administration (VHA) have been diagnosed with PTSD.^{ix} The rate of suicide among veterans far exceeds that among non-veterans.^x Health disparities extend to families as well, with adolescent children of military parents reporting greater emotional and behavioral problems.^{xi}

Montana’s 2013 Behavioral Risk Factor Surveillance System Survey (BRFSS) highlighted the health disparities among Montana’s veterans^{xii}:

- Veterans are more likely to report fair or poor health compared to non-veterans;
- Veterans were more likely than non-veterans to report more than 14 days of poor health in past months;
- Veterans report experiencing heart disease at three times higher rate than non-veterans;
- Rates of veterans reporting diagnosis of cancer are almost twice the rates of non-veterans; and

- Rates of reported diabetes for veterans are more than double that of non-veterans

American Indian Veterans:

American Indians serve our country in the military at a much higher rate than the general population. There are an estimated 4,000-5,000 American Indian veterans residing in Montana.^{xiii} In a national survey, American Indian veterans tended to have higher rates of service in combat (48 percent vs. 34 percent overall), report higher military exposure to dead, dying or wounded (48 percent vs. 34 percent overall), and report higher military exposure to environmental hazards (38 percent vs. 24 percent overall).^{xiv} American Indian veterans were more likely to report being uninsured than veterans of all other races (21 percent vs. 10 percent overall). Furthermore, only 59 percent of American Indian veterans report their health is excellent, very good, or good, compared to 72 percent of veterans as a whole.^{xv}

Projected Changes in Insurance Status under Montana’s Proposed Expansion of Medicaid:

Montana’s proposed Medicaid expansion will provide a critically needed opportunity to expand healthcare coverage to thousands of Montana’s veterans and their families. Approximately half of uninsured Montana veterans (roughly 4,400 Montana people) as well as more than half of VA-only insured veterans (an additional 2,600 people) would likely gain eligibility for Medicaid.^{xvi} Additionally, about 35 percent of veterans’ family members are uninsured and report income below 138 percent of federal poverty line, and would also gain eligibility.

Although Montana’s proposed expansion would require premiums and co-pays for some newly eligible individuals, many of Montana’s most vulnerable veterans would be exempt from premiums. The proposed waiver exempts those deemed to be “medically frail” and those requiring continuity of coverage that cannot be effectively delivered through the third-party administrator. Veterans are twice as likely as nonveterans to report experiencing two or more chronic conditions, and given the health disparities above, it is reasonable to expect that a significant share of newly eligible veterans will qualify for an exemption based on having complex health needs.^{xvii} American Indians are also exempt from cost sharing in Medicaid by federal law, and American Indian veterans would gain access to Medicaid with no requirements for cost sharing.

Conclusion:

Health disparities and limited access to health care among veterans are among the most challenging health issues in Montana. Montana’s proposed Medicaid expansion offers an unprecedented opportunity to take a major step toward eliminating health disparities among Montana’s veterans.

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- ⁱ We want to acknowledge and thank the Montana Budget and Policy Center for its technical assistance and feedback on this memorandum.
- ⁱⁱ U.S. Census Bureau. "Veteran Status: 2009-2013 American Community Survey 5-Year Estimate." http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_13_5YR_S2101&prodType=table.
- ⁱⁱⁱ Haley, Jennifer and Kenney, Genevieve. "Uninsured Veterans and Family Members: Who Are They and Where Do They Live?" Robert Wood Johnson Foundation and Urban Institute. May 2012. <http://www.urban.org/research/publication/uninsured-veterans-and-family-members-who-are-they-and-where-do-they-live>.
- ^{iv} Congressional Budget Office. "Potential Costs of Veterans' Health Care." October 2010. https://www.cbo.gov/sites/default/files/111th-congress-2009-2010/reports/2010_10_7_vahealthcare.pdf.
- ^v Westat. "National Survey of Veterans, Active Duty Service Members, Demobilized National Guard and Reserve Members, Family Members, and Surviving Spouses." Submitted to the Department of Veteran Affairs. October 18, 2010. <http://www.va.gov/SURVIVORS/docs/NVSSurveyFinalWeightedReport.pdf>.
- ^{vi} Department of Veterans Affairs, "Pending Appointment and Electronic Wait List Summary" September 1, 2015. http://www.va.gov/health/docs/Pending_Access_09012015RptDate.pdf.
- ^{vii} United States Congress. "Veterans Access, Choice, and Accountability Act of 2014." P.L. 113-146. August 7, 2014. <https://www.congress.gov/113/plaws/publ146/PLAW-113publ146.pdf>. See also, House Committee on Veterans' Affairs. "The Veterans Access, Choice and Accountability Act of 2014 Highlights." <https://veterans.house.gov/the-veterans-access-choice-and-accountability-act-of-2014-highlights>.
- ^{viii} Henry, Meghan, Cortes, Alvaro, and Morris, Sean. "The 2013 Annual Homeless Assessment Report (AHAR) to Congress." The U.S. Department of Housing and Urban Development. 2013. <https://www.hudexchange.info/resources/documents/AHAR-2013-Part1.pdf>.
- ^{ix} Congressional Budget Office. "The Veterans Health Administration's Treatment of PTSD and Traumatic Brain Injury Among Recent Combat Veterans." February 2012. <http://www.cbo.gov/sites/default/files/cbofiles/attachments/02-09-PTSD.pdf>.
- ^x Department of Veteran Affairs, Department of Defense. "VA/DOD Clinical Practice Guideline for Assessment and Management of Patients at Risk of Suicide." Prepared by the Assessment and Management of Risk of Suicide Working Group. June 2013. http://www.healthquality.va.gov/guidelines/MH/srb/VADODCP_SuicideRisk_Full.pdf.
- ^{xi} Substance Abuse and Mental Health Services Administration. "Veterans and Military Families." Retrieved on September 2, 2015. <http://www.samhsa.gov/data/2012BehavioralHealthUS/Index.aspx>.
- ^{xii} Renner, PhD, Bobbie. "Montana Military Veterans' Responses to the 2012 and 2013 Behavior Risk Factor Surveillance System Survey." Montana Department of Public Health and Human Services. October, 2014. http://dphhs.mt.gov/Portals/85/amdd/documents/Professional%20Persons/Veterans%20BRFSS%20Report_1.pdf.
- ^{xiii} Holiday, Lindsay F., et al. "American Indian and Alaska Native Veterans: Lasting Contributions." United States Department of Veteran Affairs. September 2006. <http://www.va.gov/yetdata/docs/SpecialReports/AIANpaper9-12-06final.pdf>.
- ^{xiv} Westat. "National Survey of Veterans, Active Duty Service Members, Demobilized National Guard and Reserve Members, Family Members, and Surviving Spouses." Submitted to the Department of Veteran Affairs. October 18, 2010. <http://www.va.gov/SURVIVORS/docs/NVSSurveyFinalWeightedReport.pdf>.
- ^{xv} Westat. "National Survey of Veterans, Active Duty Service Members, Demobilized National Guard and Reserve Members, Family Members, and Surviving Spouses." Submitted to the Department of Veteran Affairs. October 18, 2010. <http://www.va.gov/SURVIVORS/docs/NVSSurveyFinalWeightedReport.pdf>.
- ^{xvi} Montana Budget and Policy Center. "Medicaid Expansion Would Benefit Montana's Veterans." February 2013.
- ^{xvii} Kramarow, PhD., Ellen, and Pastor, PhD., Patricia. "The Health of Male Veterans and Nonveterans Aged 25-64: United States 2007-2010." August 2012. <http://www.cdc.gov/nchs/data/databriefs/db101.htm>.