



November 30, 2015

The Honorable Sylvia Mathews Burwell
Secretary Department of Health & Human Services
200 Independence Ave., SW
Washington, DC 20201

Dear Secretary Burwell:

On behalf of Mental Health America of Arizona (MHA-AZ), I would like to thank you and your staff for the opportunity to comment on the Medicaid Section 1115 waiver. As you know, MHA-AZ, like many other organizations and individuals, submitted comments directly to AHCCCS in late September. MHA-AZ raised questions and concerns, but also complimented aspects of the waiver that will, we believe improve the delivery of care to Arizona families and individuals served by the program. We are pleased that some concerns were resolved when AHCCCS made clarifying comments or additions.

Mental Health America is a national organization founded in 1909 and dedicated to helping all Americans achieve wellness by living mentally healthier lives. The Arizona state affiliate was founded in 1954 and is the state's oldest organization dedicated to all aspects of mental health, mental illness and behavioral health disorders. Our work is driven by our commitment to promote mental health as a critical part of overall wellness, including prevention services for all, early identification and intervention for those at risk, and integrated care and treatment for those who need it, with recovery as the goal.

We are hopeful for improved care coordination as integration of behavioral health and physical health care becomes the statewide norm, and that efforts toward payment reforms currently under discussion and development using value-based purchasing are successful. We will continue monitoring and commenting on this component of the waiver as AHCCCS further defines its process. We know that individuals with behavioral health problems and chronic illness are expensive to the delivery system. In our goal to "bend the cost curve", we want to be assured that people with severe mental illnesses (SMI), or those with general mental health and substance abuse (GMH/SA) disorders, are served well as the system reforms.

Even with the clarifications provided by AHCCCS, we still have remaining concerns that we want to restate for consideration by the CMS staff during the Section 1115 negotiations. We think the issues we are concerned about will have a negative impact not only Arizonans with a mental illness, but also on low-income individuals and families.

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To promote the mental health and well-being for all Arizonans through education, advocacy, and the shaping of public policy.

Member Financial Requirements

Copayments and Premiums

AHCCCS has indeed clarified that copayments will NOT be imposed on individuals seeking well care, or sick care when delivered by a primary care physician or by an ob/gyn. That does, in part, relieve one our concerns about the imposition of copayments. Additionally, AHCCCS has stated the maximum AHCCCS CARE Program premium will be \$25 per month rather than the 3% of annual income previously described. They have, however, continued to reserve the funds in the AHCCCS CARE Program for non-covered AHCCCS services such as prescription glasses or dental care which will largely be unattainable because the costs of glasses or simple preventive dental care would exceed the funds deposited in this account.

Our concern about any proposed copayment is driven by the results of the Kaiser Foundation's study "Premium and Cost Sharing in Medicaid: A Review of Research Findings" from February 2013 that found that premiums and copayments for the Medicaid population act as barriers to accessing care, which can lead to adverse health outcomes. We know there's often a struggle to meet basic living costs and that the financial burdens to obtaining health care often add stress which has an adverse impact on the individual's health and well-being. This is further exacerbated by the inability to use the AHCCCS CARE Program's premiums for meeting any copayment responsibility since the premiums paid into the AHCCCS CARE Program are currently limited to non-AHCCCS covered services. In addition, AHCCCS continues to plan disenrollment of AHCCCS members who fail to make regular payments to the AHCCCS CARE Program. The disenrollment AHCCCS members because of spending funds to purchase food, or fix their car so they can keep their job, rather than make the required deposit in the AHCCCS CARE Program is contrary to the stated goals for such a program, and is unacceptable.

Non-Emergency Use of the ED

Due to requirements imposed by the Arizona Legislature, AHCCCS has included in their proposed waiver a tiered copayment of \$8 and then \$25 for use of the emergency department for non-emergency purposes. The higher copay is triggered when the AHCCCS member fails to seek care at other community health settings without recognition of the operating hours in those settings. For instance, NextCare closes at 12 AM in some locations and at 9 PM in others. In addition, the higher copayment is imposed if the member is not admitted to the hospital.

As we pointed out in our submission to AHCCCS, studies that show imposing copayments for non-emergency use of EDs may be onerous and does not result in changes in patient behaviors. As AHCCCS itself concluded in their study, "Regarding Emergency Department Utilization," members had a low rate of non-emergency use of the emergency room compared to national averages. AHCCCS health plans have been developing and using interventions that ensure appropriate use of the emergency room. We continue to urge a "prudent person" standard by which the AHCCCS member uses his/her best judgement to determine when to seek ED care based the combination of medical history and presenting health symptoms.

5 year Lifetime Limit

We continue our strong opposition to the legislative requirement that AHCCCS seek permission to limit coverage to only 5-years in an adult's lifetime. This requirement fails to recognize that some health conditions are chronic and lifelong with episodes of stability followed by episodes of acute illness. These ups and downs often impact the individual and his/her ability to retain employment and be off benefits. The identified exceptions and the ability to monitor the "months on benefit" would be, at best, an administrative burden for AHCCCS.

Work Requirements

We continue our support and hope that individuals can be assisted in finding and retaining employment that moves each person towards economic self-sufficiency. We hope that the Governor and the Director of the Department of Economic Security, with their private sector experience and knowledge, can involve private employers to assure available employment opportunities. Sadly, we do not see in the waiver submission, or in the budget requests by AHCCCS or the Department of Economic Security for the coming year, any additional funds that could be dedicated to assisting AHCCCS members in finding employment or obtaining skills to assure employability thus allowing members to meet the work requirements being proposed in the waiver request.

As we noted in our earlier comments, this work requirement fails to recognize that a majority of recipients of Medicaid work full- or part-time. As Jessica Schuble of The Center for Budget and Policy Priorities noted in her blog from May 1st, that of those not working, 29 percent weren't working because they were caring for a family member, 20 percent were looking for work, 18 percent were in school, 17 percent were ill or disabled, and 10 percent were retired.

Non-emergency Transportation

While AHCCCS has modified the plan to eliminate non-emergency medical transportation as a covered service for members above 100% of FPL who are not medically fragile, we continue to have concerns. There is no language provided that will assure that AHCCCS members can seek and receive non-emergency medical transportation when no public transportation is available. Arizona is a very geographically diverse state, and adequate public transportation is simply not available in many regions of our state. As we noted in our earlier submission to AHCCCS, the major provider of behavioral health care in Maricopa County, Mercy Maricopa Integrated Care (MMIC), received a sanction for their failure to meet the transportation needs of its clients. The letter stated that the lack of transportation "...led to widespread disruption of the behavioral health and acute care system and has resulted in direct impact to members..." Modifying the proposal to exclude from the transportation restriction those defined as medically fragile may not, sadly, meet the need for essential access to care for individuals with a mental illness and for others seeking coverage to address ongoing or chronic illness. The experiment that was conducted in Iowa found that the NEMT benefit was a critical component of access to care. We believe that CMS correctly decided not to continue the exclusion of such a vital service for the AHCCCS population.

We do hope that your efforts to work with AHCCCS will result in positives that improve the quality of health care delivered to families and individuals served by this vital program. Thank you for the opportunity to comment on the proposal.

Sincerely,



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