



February 5, 2018

Seema Verma
Administrator
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Re: Pending Application - AZ AHCCCS Works

Dear Administrator Verma:

The American College of Physicians appreciates this opportunity to comment on the Arizona Health Care Cost Containment System (AHCCCS) 1115 Waiver amendment request. The American College of Physicians is the largest medical specialty organization and the second largest physician group in the United States, representing 152,000 internal medicine physicians (internists), related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge and clinical expertise to the diagnosis, treatment, and compassionate care of adults across the spectrum from health to complex illness. ACP offers the following recommendations:

Work Requirements

AHCCCS seeks to implement a requirement that certain Medicaid expansion enrollees with incomes between 0% and 138% of the federal poverty level “become employed, actively seek employment, attend school, or partake in Employment Support and Development activities.” Exemptions to this requirement include individuals who are at least 55 years old, people determined to have a serious mental illness, and parents, caretaker relatives, and foster parents.

ACP policy states that work-related or job search activities should not be a condition of eligibility for Medicaid. Assistance in obtaining employment, such as through voluntary enrollment in skills- and interview-training programs, can appropriately be made available provided that is not a requirement for Medicaid eligibility. Work or community engagement status should not be a condition of Medicaid eligibility for a variety of reasons. According to the Kaiser Family Foundation, 60% of nonelderly adults are already working and 8 in 10 live in families with at least one person employed (i). Those who are not working often have a valid reason; they may be taking care of a loved one, going to school, unable to find employment, or are sick or disabled.

A research letter surveying people enrolled in Michigan’s Medicaid expansion program, the Healthy Michigan Plan, found that enrollees were “more likely to report being unable to work if they were older, male, or in fair or poor health or had chronic health conditions or functional limitations” (ii). One survey found that 55% of people who were unemployed reported that enrolling in Medicaid enabled them to search for a job and those that were working said they were able to do their job better after they gained coverage (iii). A study of Ohio Medicaid enrollees found that about 75% of unemployed people who were searching for a job reported that Medicaid coverage made it easier to search for employment and 52% of those currently employed said the coverage enabled them to continue working (iv). If the sick and disabled are disenrolled from Medicaid, they will lose the health insurance that could empower them to work and further their engagement in the community.

We note that the list of exceptions in the AHCCCS proposal does not explicitly mention individuals with acute medical conditions validated by a medical professional that would prevent them from complying with the requirements. This category is among the exemptions included in CMS’ letter to Medicaid Directors regarding Opportunities to Promote Work and Community Engagement Among Medicaid Beneficiaries. This underscores that work requirements will impose an unnecessary and unjustified burden on patients to document that they fit into an eligible exemption and an unnecessary and unjustified burden on physicians who may be asked to attest that their patients have an exempted medical condition. For patients, work requirements will place an onerous reporting burden that may cause them to delay or forego care or leave the program altogether. Evidence shows that when Medicaid and other programs add paperwork and other administrative requirements, enrollees are less likely to participate (v,vi,vii). ACP greatly appreciates CMS’ initiative to reduce administrative burdens through its Patients Over Paperwork initiative, but work requirements could add substantial paperwork hassles that will reduce the amount of time physicians have to care for their patients. Further, work requirements may force physicians to make a choice between compromising their professional integrity and causing their patients to lose health coverage if a patient seeks a disability assessment to become exempt from the work requirement.

The state may have to make a substantial financial investment in systems to track work requirement compliance. The TANF program provides historical context. According to the Medicaid and CHIP Payment and Access Commission, “monitoring beneficiary compliance with [TANF] work requirements has been complex for states, requiring significant staff time and coordination across agencies and with employers” (viii). We believe that limited Medicaid dollars are best used to improve patient health outcomes, not to create wasteful bureaucratic administrative systems. Most importantly, work requirements are inconsistent with the purpose of the Medicaid program because they impose harmful and unnecessary eligibility conditions and administrative burdens that will result in many of the most vulnerable Arizonans losing coverage. We know that uninsurance is associated with increases in mortality (ix). Any policy that reverses the gains in health and well-being from being insured is unacceptable.

Lifetime Coverage Limit

ACP is strongly opposed to the request for a 5-year maximum lifetime limit on coverage for certain enrollees. Placing an arbitrary limit on enrollment could disrupt continuity of care and undermine the

patient-physician relationship. Patients with chronic conditions may need ongoing care management from their physician and health care team. Abruptly ending a patient's medical assistance after 5 years could sever a patient's link to their care team and threaten progress. ACP urges CMS to reject this proposal.

ACP appreciates your consideration of our comments. If you have any questions please contact Ryan Crowley, Senior Associate for Health Policy at rcrowley@acponline.org.

Sincerely,



Jack Ende, MD, MACP
President
American College of Physicians

ⁱ Garfield R, Rudowitz R, and Damico A. Understanding the Intersection of Medicaid and Work. Kaiser Family Foundation. January 2018.

ⁱⁱ Tipirneri R, Goold SD, Ayanian JZ. Employment Status and Health Characteristics of Adults with Expanded Medicaid Coverage in Michigan. *JAMA*. 2017;doi:10.1001/jamainternmed.2017.7055

ⁱⁱⁱ University of Michigan Institute for Healthcare Policy and Innovation. Medicaid Expansion Helped Enrollees Do Better at Work or in Job Searches. July 27, 2017. Accessed at <http://ihpi.umich.edu/news/medicaid-expansion-helped-enrollees-do-better-work-or-job-searches>

^{iv} Ohio Department of Medicaid. Ohio Medicaid Group VIII Assessment: A Report to the Ohio General Assembly.

^v Herd P. How Administrative Burdens Are Preventing Access to Critical Income Supports for Older Adults: The Case of the Supplemental Nutrition Assistance Program. *Public Policy and Aging Report*. 2015;25:52-55.

^{vi} U.S. Government Accountability Office. Medicaid: States Reported That Citizenship Documentation Requirement Resulted in Enrollment Declines for Eligible Citizens and Posed Administrative Burdens. 2006. Accessed at <https://www.gao.gov/assets/270/263053.pdf>

^{vii} Sanger-Katz M. Hate Paperwork? Medicaid Recipients Will Be Drowning in It. *New York Times*. January 18, 2018. Accessed at <https://www.nytimes.com/2018/01/18/upshot/medicaid-enrollment-obstacles-kentucky-work-requirement.html>

^{viii} Medicaid and CHIP Payment and Access Commission. Work as a Condition of Medicaid Eligibility ;Key Take-Aways from TANF. October 2017. Accessed at <https://www.macpac.gov/wp-content/uploads/2017/10/Work-as-a-Condition-of-Medicaid-Eligibility-Key-Take-Aways-from-TANF.pdf>

^{ix} Woolhandler S and Himmelstein DU. The Relationship of Health Insurance and Mortality: Is Lack of Insurance Deadly? *Ann Intern Med*. 2017;167(6):4240431. Accessed at <http://annals.org/aim/fullarticle/2635326/relationship-health-insurance-mortality-lack-insurance-deadly>