

December 9, 2013

The Honorable Max Baucus  
Chairman  
Senate Finance Committee  
219 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Orrin Hatch  
Ranking Member  
Senate Finance Committee  
104 Hart Senate Office Building  
Washington, DC 20510

Dear Chairman Baucus, Senator Hatch and members of the Senate Finance Committee:

The undersigned national organizations, representing a variety of stakeholders, including providers and consumers, are writing to express strong support for including the following programs in any year-end health extenders package: the **Qualified Individual (QI)** program, the **Transitional Medical Assistance (TMA)** program, and **Express Lane Eligibility (ELE)** as well as the **state incentive payment provisions and funding for quality improvement** in the **Children's Health Insurance Reauthorization Act (CHIPRA)**.

#### **Qualified Individual (QI) Program**

*Making the Qualified Individual (QI) program permanent is essential for low-income Medicare beneficiaries.* QI pays Medicare Part B premiums for over 400,000 beneficiaries with incomes between 120 and 135 percent of the federal poverty level (about \$13,700 to \$15,500 per year for an individual) and limited assets (below about \$7,080 for an individual). For 2013, the value of this assistance is more than \$1,200 per person per year in premium savings alone. Moreover, because those with QI also automatically receive the Part D low-income subsidy, the value of the program is even more significant. The loss of QI would leave these beneficiaries with premiums approaching 10 percent of their incomes. As a result, many of them could be forced to drop their Part B coverage or face significant financial hardship. Moreover, making the program permanent will eliminate the uncertainty that beneficiaries and the states that administer QI have faced nearly every year as the program has approached expiration. A permanent QI program will be more stable and therefore better able to serve these vulnerable beneficiaries.

#### **Transitional Medical Assistance (TMA) Program**

*We also request that you make the Transitional Medical Assistance (TMA) program permanent and align it with other Medicaid provisions.* TMA provides temporary health care coverage to families that have lost Medicaid eligibility because they have found a job or received a wage increase from their employer yet cannot afford to purchase insurance in the private market. The GAO estimates that TMA extended vital coverage to over 3.7 million Americans in 2011. The National Governor's Association deemed the program a "crucial work support" because it protects families who are attaining financial self-sufficiency from incurring burdensome health care expenses. Furthermore, TMA will ease administrative burdens in states that have not expanded Medicaid by reducing

“churn” within health insurance markets. The program has enjoyed wide-ranging support in the past and has been extended multiple times on a bipartisan basis.

### **CHIPRA Express Lane Eligibility (ELE)**

*Express Lane Eligibility (ELE) in the Children’s Health Insurance Reauthorization Act (CHIPRA) of 2009 should be made permanent.* ELE allows states to rely on eligibility findings of other assistance programs to determine Medicaid and CHIP eligibility for children, which can create administrative efficiencies and prevents families from having to provide the same information to multiple agencies. Thirteen states use the ELE option to streamline enrollment or renewal procedures. If ELE expires, it would undermine the efforts of these states to simplify their enrollment processes and would also create more work, as they would need to change procedures and systems to reflect the loss of the ELE option. Rather than take this innovative option away, we support giving states additional flexibility to extend ELE to adults. This would allow states to adopt the same enrollment and renewal procedures for children and adults alike, an additional opportunity to make more efficient use of scarce state resources.

### **CHIPRA State Incentive Payments and Funding for Quality Improvement**

*State incentive payments (or “performance bonuses”) and funding for quality improvement in CHIPRA should be extended through fiscal year 2015 to align with other CHIPRA provisions.* A growing number of states have received performance bonuses (CHIPRA section 104) by making significant progress reaching eligible-but-unenrolled children in Medicaid. The funds help states by offsetting the added costs of insuring the lowest-income children and encouraging them to adopt improvements in their children’s health coverage programs. Since the first year of awards in 2009, 23 states have received more than \$800 million. In 2012 alone, \$306 million was awarded to 23 states. To qualify for awards, states must adopt enrollment simplification measures that have been proven to help enroll children and keep them covered as long as they are eligible—typically improvements that cut unnecessary red tape in state enrollment systems. Far from a requirement, states have flexibility to decide which measures will best meet their unique state circumstances, such as adoption of ELE, using electronic data-matching to reduce paperwork, making it easier for families to renew, and other strategies that can minimize coverage disruptions for children. To receive funds, states must also demonstrate progress reaching eligible-but-unenrolled children by meeting aggressive enrollment targets in Medicaid. In 2011, 1.1 million children enrolled in Medicaid beyond expected levels due in part to this incentive. Extending the performances bonuses will help continue to bring down the uninsured rate among children. Additionally, Section 401 of CHIPRA created groundbreaking federal commitments to funding pediatric health care quality improvement and has helped further focus attention on quality improvement in maternal and child health care communities. Both the CHIPRA state incentive payments and funding for quality improvement should be extended.

We urge you to support low-income older adults, low-income working families and their children by making the QI program permanent, extending the TMA program, making CHIPRA Express Lane Eligibility permanent and extending both CHIPRA state incentive payments and CHIPRA funding for quality improvement. We appreciate your consideration and we look forward to working with you on protecting and preserving these critical programs.

Sincerely,

9to5

ActionAIDS

African American Health Alliance

Alliance for a Just Society

Alliance for Children and Families

Alliance for Retired Americans

American Art Therapy Association

American Association on Health and Disability

American Health Care Association

American Heart Association/American Stroke Association

American Nurses Association

American Society on Aging

Anxiety and Depression Association of America

Association for Ambulatory Behavioral Healthcare

Association for Community Affiliated Plans

Association of Asian Pacific Community Health Organizations

Center for Law and Social Policy (CLASP)

Center for Medicare Advocacy, Inc

Centering Healthcare Institute

Children's Defense Fund

Coalition on Human Needs

Community Access National Network

Community Catalyst

Every Child Matters Education Fund

Families USA

First Focus Campaign for Children

Gay Men's Health Crisis (GMHC)

Gerontology and Human Development in Historical Black Colleges and Universities

Health and Wholeness Ministries, Disciples Center for Public Witness

HIV Medicine Association

International Bipolar Foundation

LEA net - A national coalition of local education agencies

Legal Services for the Elderly

March of Dimes

Medicare Rights Center  
Mental Health America  
Metropolitan Community Churches  
NAACP  
National Advocacy Center of the Sisters of the Good Shepherd  
National Alliance on Mental Illness  
National Alliance to Advance Adolescent Health  
National Association for Home Care & Hospice  
National Association of Community Health Centers  
National Association of Nurse Practitioners in Women's Health  
National Association of Pediatric Nurse Practitioners  
National Association of Professional Geriatric Care Managers  
National Association of States United for Aging and Disabilities  
National Center for Assisted Living  
National Center for Lesbian Rights  
National Coalition on Health Care  
National Consumer Voice for Quality Long-Term Care  
National Council of Jewish Women  
National Council of La Raza  
National Council on Medicaid Home Care  
National Health Care for the Homeless Council  
National Latina Institute for Reproductive Health  
National Network of Public Health Institutes  
National Physicians Alliance  
National Senior Citizens Law Center  
National Women's Law Center  
National Women's Health Network  
Network for Environmental & Economic Responsibility Of United Church of Christ  
NETWORK, A National Catholic Social Justice  
PHI – Quality Care through Quality Jobs  
Presbyterian Church (U.S.A.)  
Racial and Ethnic Health Disparities Coalition  
RESULTS  
Service Employees International Union (SEIU)  
The Arc of the United States  
The Children's Partnership  
The Disability Rights Center  
The Global Justice Institute