



National Physicians Alliance Comments to CMS re “Healthy Pennsylvania” proposal March 30, 2014

The National Physicians Alliance (NPA) is a multi-specialty physician organization that creates research and education programs that promote health and foster active engagement of physicians with their communities to achieve high quality, affordable health care for all.

The NPA has serious concerns about the Healthy Pennsylvania proposal put forward by the Department of Public Welfare on February 19th. In particular, the NPA is concerned about the impact of this proposal on Pennsylvania’s most vulnerable citizens and its potential to have an adverse impact on health disparities in the Commonwealth.

Healthy PA cuts critical benefits for current Medicaid recipients including pregnant women, people with disabilities, and seniors. These limits will affect patients undergoing cancer treatment and may mean that they fail to benefit from up-to-date treatments because of limits on radiology services. It also institutes very low limits on durable medical equipment such that patients unable to walk due to spinal cord injuries or other causes of neurologic damage will not be able to afford mechanized wheelchairs. Despite the recent rhetoric about the importance of mental health treatment in preventing gun violence, Healthy PA would institute limits on mental health care, potentially leading to far higher costs due to lack of timely treatment.

As physicians dedicated to the welfare of our patients and to the health of all of Pennsylvania’s residents, we ask that CMS not allow the state to use the Medicaid expansion waiver as an excuse to gut the existing Medicaid program. Any changes proposed to existing Medicaid should utilize the usual pathways, not be rolled into the expansion waiver.

CMS should also reject Pennsylvania’s attempt to eliminate the critically important Medical Assistance for Workers with Disabilities program through the Demonstration Application. This category of assistance is critical to the many state residents who strive to continue to work as much as they can despite serious medical conditions in an effort to feed themselves and to help their families succeed. These are efforts we should support, not cut.

The Pennsylvanians who will gain coverage in a Medicaid expansion desperately need this coverage as soon as possible. The proposed 45-day waiting period should not be allowed; this insurance needs to take effect on the date of application, with retroactive coverage available for three months to cover recent medical bills.

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Healthy PA eliminates traditional Medicaid appeals rights for the newly eligible Medicaid expansion population. We strongly urge CMS to ensure Pennsylvania's Medicaid expansion program treats this population like all other Medicaid recipients and maintains traditional Medicaid appeals rights as required by the Medicaid statute and Due Process Clause of the Fourteenth Amendment to the U.S. Constitution. Clearly, no one on Medicaid should have to forgo Constitutional protections in order to receive health care coverage.

Pennsylvania must not be permitted to deny essential wraparound benefits to the expansion population. We are particularly concerned about newly covered individuals being able to access non-emergent medical transportation, enhance family planning services, and treatment at health centers.

There is overwhelming research that shows tacking premiums onto Medicaid coverage for low-income people results in loss of coverage, unmet health care needs, and adverse health outcomes.¹ People who are very low-income will have an incredibly difficult time finding extra money in their monthly budget that could go to premium payments. It will be also be logistically impossible for many of these individuals and families, because very low-income people are often 'unbanked,' meaning they do not have a bank account, credit card, or the means to pay their bill. We also know that premium payments are burdensome for the state to manage and process. Given this, it is especially disconcerting that *Healthy PA* not only imposes premium payments on low-income people, but it does so by setting up an exceptionally harsh process that: institutes premiums much higher than could be reasonably afforded by Medicaid recipients; refuses financial hardship waivers; and includes punitive 'lockout periods,' whereby an individual or family will actually lose coverage for three to nine months if they are unable to pay.

We strongly urge CMS to reject any proposal for expanded Medicaid coverage that tacks on unnecessary premiums which overwhelming research shows will lead to a disruption of care for beneficiaries. Specifically, research shows that premiums decrease use of healthcare including medications and that these decreases occur regardless of the relative benefit of the healthcare intervention for which the member has to pay. The premiums proposed in *Healthy PA* will likely lead to decreased use of preventive services and those for care of chronic conditions and therefore to a subsequent increase in healthcare associated costs for unnecessary hospital admissions and complications of chronic disease as well as to premature disability and mortality due to preventable disease.

If CMS concludes Pennsylvania must be granted permission to assess premiums on low-income Medicaid recipients, then we sincerely recommend these minimum protections be granted:

Premiums should be nominal and assessed only on higher-income members of the Medicaid expansion population – not current Medicaid eligibles and certainly not on people living below the poverty line.

A simple process needs to be created so that premiums can be waived due to financial hardship or other good cause.

Failure to pay a premium should not be grounds for termination. Absolutely no penalties or lockouts periods should be imposed on any individual or family for the failure to pay a premium.

¹ See Kaiser Family Foundation report: *Premiums and Cost-Sharing in Medicaid: A Review of Research Findings* February 25, 2013. Available at <http://kff.org/medicaid/issue-brief/premiums-and-cost-sharing-in-medicaid-a-review-of-research-findings/>

Healthy PA offers premium reductions only to people who are working or have applied for a certain number of jobs per month. Federal Medicaid dollars should be used to provide health care to low-income Pennsylvanians, not to support a job development program for Medicaid recipients, whether it is mandatory or optional. Tying work or work search activities to premium reductions is unfair to Medicaid recipients who are too sick or disabled to work who can't navigate the work search system because of a language barrier.

Medicaid expansion is an incredible opportunity to provide coverage to hundreds of thousands of Pennsylvanians. Every independent fiscal study that has been conducted on this, including the one done by Pennsylvania's own Independent Fiscal Office, has concluded it is also a smart fiscal move. The National Physicians Alliance still favors a straightforward Medicaid expansion as offered by the Affordable Care Act. Still, we recognize the importance of working together to ensure coverage for working moms and dads, veterans and other Pennsylvanians falling into this ever-growing gap. Medicaid expansion coverage, however, does not need to come at the expense of dangerous benefit cuts, the loss of Constitutional protections, or the imposition of burdensome premiums.

Thank you for taking the time to review these comments. If you have any questions for the National Physicians Alliance or would like to discuss any piece of this further, please feel free to contact Dr. Cheryl Bettigole, Immediate Past-President at 215 292-5350 or Cheryl.bettigole@npalliance.net.

Sincerely,

A handwritten signature in black ink, appearing to read "Cheryl Bettigole".

Cheryl Bettigole, MD, MPH
NPA Immediate Past President