



The Honorable Mike Turzai
 Speaker
 Pennsylvania House of Representatives
 139 Main Capitol
 Harrisburg, PA 17120-2028

The Honorable Joseph Scarnati, III
 President Pro Tempore
 Pennsylvania Senate
 292 Main Capitol
 Harrisburg, PA 17120-3025

The Honorable Dave Reed
 Majority Leader
 Pennsylvania House of Representatives
 110 Main Capitol
 Harrisburg, PA 17120-2062

The Honorable Jake Corman
 Majority Leader
 Pennsylvania Senate
 350 Main Capitol
 Harrisburg, PA 17120-3034

The Honorable Frank Dermody
 Minority Leader
 Pennsylvania House of Representatives
 423 Main Capitol
 Harrisburg, PA 17120-2033

The Honorable Jay Costa
 Minority Leader
 Pennsylvania Senate
 535 Main Capitol
 Harrisburg, PA 17120-304

June 14, 2018

Dear Speaker Turzai, Leader Reed, Leader Dermody, Senator Scarnati, Leader Corman and Leader Costa:

Our organizations represent millions of patients and their families facing serious health conditions and are committed to ensuring they have adequate, affordable and accessible health care coverage at every stage of life. We write to express our deep concern with House Bill 2138 and any proposal that would create new barriers to accessing healthcare by requiring people enrolled in the state's Medicaid program to either prove they work a certain number of hours per week or meet exemptions. If passed, this policy would jeopardize access to care for Pennsylvanians.

A major consequence of this policy would be to increase the paperwork burden on all patients. Extensive administrative requirements will likely decrease the number of individuals with Medicaid coverage, regardless of whether they qualify for a modification or exemption. For example, after Washington State changed its Medicaid renewal process from every twelve months to every six months and instituted new documentation

requirements in 2003, approximately 35,000 fewer children were enrolled in the program by the end of 2004.¹ In Pennsylvania, the process of having to document exemptions from or compliance with the new requirements is similarly likely to create substantial administrative barriers to accessing or maintaining coverage. Battling administrative red tape in order to keep coverage should not take away from patients' or caregivers' focus on maintaining their or their family's health.

Failing to navigate these burdensome administrative requirements could have serious – even life or death – consequences for people with serious, acute and chronic diseases. If someone fails to comply with or properly report compliance with these requirements, they could lose benefits for months. People who are in the middle of treatment for a life-threatening disease, rely on regular visits with health care providers or must take daily medications to manage their chronic conditions cannot afford a sudden gap in their care. Even enrollees who qualify for exemptions will have to provide documentation of their illness, creating opportunities for administrative error that could jeopardize their coverage. No criteria can circumvent this problem and the serious risk to the health of the people we represent.

Administering these requirements will also be expensive for the Commonwealth of Pennsylvania. A fiscal note produced for the House Appropriations Committee earlier this year estimated that the administrative costs for the state would total \$27 million in the first year.² Additionally, the fiscal note estimates that the state would need to pay thousands of dollars per enrollee for employment training, child care and transportation. This would divert resources from Medicaid's core goal – providing health coverage to those without access to care – as well from other important initiatives in the state of Pennsylvania. Healthcare dollars should be used on delivering care, not creating bureaucratic red tape.

Ultimately, this policy will not help low-income families improve their circumstances without needlessly compromising their access to care. Most people on Medicaid who can work already do so.³ A recent study, published in *JAMA Internal Medicine*, looked at the employment status and characteristics of Michigan's Medicaid enrollees.⁴ The study found only about a quarter were unemployed (27.6 percent). Of this 27.6 percent of enrollees, two thirds reported having a chronic physical condition and a quarter reported having a mental or physical condition that interfered with their ability to work.

We urge you to oppose HB 2138 and any other proposals that would create new barriers to care in Pennsylvania's Medicaid program and instead focus on solutions that can promote adequate, affordable and accessible coverage.

¹ Tricia Brooks, "Data Reporting to Assess Enrollment and Retention in Medicaid and SCHIP," Georgetown University Health Policy Institute Center for Children and Families, January 2009.

² House Committee on Appropriations, Fiscal Note for HB 2138, April 16, 2018, <http://www.legis.state.pa.us/WU01/LI/BI/FN/2017/0/HB2138P3328.pdf>.

³ Rachel Garfield, Robin Rudowitz, and Anthony Damico, "Understanding the Intersection of Medicaid and Work," Kaiser Family Foundation, February 2017, <http://kff.org/medicaid/issue-brief/understanding-the-intersection-of-medicaid-and-work/>.

⁴ Renuka Tipirneni, Susan D. Goold, John Z. Ayanian. Employment Status and Health Characteristics of Adults With Expanded Medicaid Coverage in Michigan. *JAMA Intern Med*. Published online December 11, 2017. doi:10.1001/jamainternmed.2017.7055

Sincerely,

American Cancer Society Cancer Action Network, Inc.

American Diabetes Association

American Heart Association

American Lung Association

Arthritis Foundation

Crohn's and Colitis Foundation

Disability Rights Pennsylvania

GBS|CIDP Foundation International

Lutheran Services in America

March of Dimes

National Alliance on Mental Illness

National Organization for Rare Disorders (NORD)

National Patient Advocate Foundation

NephCure Kidney International

Pennsylvania Health Access Network

The Leukemia & Lymphoma Society