American Lung Association.

June 25, 2020

The Honorable Alex Azar
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Re: SoonerCare 1115(a) Research and Demonstration Waiver Amendment Request (Project Number: 11-W0048/6)

Dear Secretary Azar:

The American Lung Association appreciates the opportunity to submit comments on the SoonerCare 1115(a) Research and Demonstration Waiver Amendment Request (Project Number: 11-W0048/6).

The American Lung Association is the oldest voluntary public health association in the United States, currently representing the more than 36 million Americans living with lung diseases including asthma, lung cancer and COPD, including more than 562,000 Oklahomans. The Lung Association is the leading organization working to save lives by improving lung health and preventing lung disease through research, education and advocacy.

The purpose of the Medicaid program is to provide healthcare coverage for low-income individuals and families, and the Lung Association is committed to ensuring that SoonerCare provides quality and affordable healthcare coverage. We strongly supported the State Plan Amendment (SPA) submitted on March 6, 2020 that would have expand Medicaid coverage in Oklahoma to individuals making less than 138 percent of the federal poverty level ($2,498 for a family of three) beginning July 1, 2020. This expansion would have extended coverage to thousands of patients with or at risk of lung disease, helping them to access preventive care like lung cancer screening and tobacco cessation, prescription medications to manage their conditions, and emergency care if they have trouble breathing or another life-threatening health issue.

Unfortunately, Oklahoma withdrew its SPA to expand Medicaid on May 28, 2020.[1] The current waiver's proposals and enrollment projections are based on an expectation that Oklahoma implemented this SPA. Therefore, when the Governor withdrew the SPA, CMS should have returned the waiver to the State and withdrawn its certification of the proposal as complete.

Additionally, the policies proposed this 1115 waiver amendment would add barriers to people getting the care they need. This would be harmful to lung disease patients anytime, but are even more harmful during the current public health crisis. The American Lung Association urges CMS to reject the provisions of this waiver listed below as they would jeopardize patients' access to care.

Retroactive Coverage
Oklahoma has requested the authority to waive retroactive eligibility, a policy that prevents gaps in coverage by covering individuals for up to 90 days prior to the month of application, assuming the individual is eligible for Medicaid coverage during that timeframe. It is common that individuals are unaware they are eligible for Medicaid until a medical event or diagnosis occurs. Retroactive eligibility allows patients who have been diagnosed with a serious illness, such as lung cancer, to begin treatment without being burdened by medical debt prior to their official eligibility determination.

Medicaid paperwork can be burdensome and often times confusing. A Medicaid enrollee may not have understood or received a notice of Medicaid renewal and only discovered the coverage lapse when picking up a prescription or going to see their doctor. Without retroactive eligibility, Medicaid enrollees could then face substantial costs at their doctor's office or pharmacy. When Ohio was considering a

similar provision in 2016, one estimate predicted that hospitals could accrue as much as $2.5 billion more in uncompensated care as a result of the waiver.[2] Additional uncompensated care would be especially problematic at the current time because it would add to the financial challenges hospitals are facing as a result of COVID-19. The Lung Association opposes a waiver of retroactive coverage and asks CMS to not approve this proposal.

Cost-Sharing
The proposal also includes cost-sharing for patients. The copays in Oklahoma's standard Medicaid program can be substantial – for example, the copay for inpatient hospital services is $10 per day, up to a total of $75.[3] Research demonstrates that low-income individuals served by Medicaid are more price sensitive compared to others, more likely to go without needed care, and more likely to experience long-term adverse outcomes.[4] The Lung Association fears that cost-sharing could deter patients from accessing needed care, resulting in more health complications and more expensive medical bills. The Lung Association opposes adding cost-sharing for the Medicaid expansion population and encourages CMS to not approve this proposal.

The core objective of the Medicaid program is to furnish healthcare to low-income populations. This demonstration application hampers that goal and the American Lung Association urges CMS not to approve the removal of retroactive coverage and cost-sharing provisions from this waiver. Thank you for the opportunity to submit comments.

Sincerely,

Harold P. Wimmer
National President and CEO

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[1] Melody Anthony to James Scott, May 28, 2020. Inside Health Policy. https://insidehealthpolicy.com/sites/insidehealthpolicy.com/files/documents/2020/may/he2020_1199.pdf
[2] Virgil Dickson, "Ohio Medicaid waiver could cost hospitals $2.5 billion", Modern Healthcare, April 22, 2016. (http://www.modernhealthcare.com/article/20160422/NEWS/160429965)
[3] https://www.medicaid.gov/sites/default/files/State-resource-center/Medicaid-State-Plan-Amendments/Downloads/OK/OK-14-014.pdf
[4] See for example: Chernew M, Gibson TB, Yu-Isenberg K, Sokol MC, Rosen AB, Fendrick AM. Effects of increased patient cost sharing on socioeconomic disparities in health care. J Gen Intern Med. 2008. Aug; 23(8):1131-6. Ku, L and Wachino, V. "The Effect of Increased Cost-Sharing in Medicaid: A Summary of Research Findings." Center on Budget and Policy Priorities (July 2005), available at http://www.cbpp.org/5-31-05health2.htm.