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FOUNDING PRESIDENT

Ruth Fox, MD 1895-1989 Wednesday, January 2, 2019

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

Re: VA Section 1115 Waiver Extension Application

Dear Administrator Verma,

On behalf of the Virginia Society of Addiction Medicine (VASAM) and the American Society of Addiction Medicine (ASAM), a national medical specialty society representing over 6,100 physicians and allied health professionals who specialize in the prevention, treatment, and recovery from addiction, we would like to take this opportunity to provide comments to Virginia's section 1115 waiver demonstration extension application. While we applaud the Commonwealth of Virginia on its recent decision to expand Medicaid eligibility, continue the Addiction and Recovery Treatment Services (ARTS) program, and address concerns about the proposed work requirements, we continue to urge the Commonwealth to consider the dangerous consequences of implementing this proposed waiver for Medicaid enrolles, especially those enrollees with an addiction.

Unfortunately, the Commonwealth, as required by law, is requesting authority to implement cost-sharing, require Medicaid enrollees to meet work requirements, and pay premiums. If approved, ASAM and VASAM fear that this application will cause a significant loss of coverage resulting in a corresponding increase in the number of uninsured Virginians. Medicaid's primary objective is to provide health coverage to people who otherwise wouldn't have it. Designing policies that lead to a loss of coverage and an increase in the number of uninsured people therefore, cannot be justified as furthering the objective of Medicaid.

While taking away coverage for failure to meet a work requirement will be harmful for many Medicaid enrollees across demographic groups, these policies will be particularly harmful for people with a substance use disorder (SUD). Medicaid is a lifeline for many people with an SUD. Medicaid expansion has significantly increased coverage rates for people with an SUD and reduced the share of uninsured hospitalizations for SUD in Medicaid expansion states from 20 percent in 2013 to 5 percent in

11400 Rockville Pike, Suite 200, Rockville, MD 20852 Phone: 301.656.3920 | Fax: 301.656.3815 www.ASAM.org 2015.¹ Losing Medicaid coverage could be detrimental to the health of people living with a SUD in Virginia. While the Commonwealth of Virginia has sought to address the concerns about the implementation of work requirements, VASAM and ASAM remain concerned that this waiver authority may inadvertenly harm those who need care the most.

VASAM and ASAM oppose the new CMS policy on work requirements, as well as Virginia's application for waiver authority to implement work and other requirements as a condition of Medicaid eligibility. Additionally, given that only ten percent of people who need treatment for a SUD actually receive it due to lack of access to healthcare and cost, the exceptions proposed in the Commonwealth's waiver application are not adequate protections for those who may lose coverage due to circumstances beyond their control.

Virginia's proposed waiver extension application would count being in treatment for SUD, and a SUD diagnosis as an exemption from the Medicaid eligibility requirements. However, the Commonwealth's accommodations fall short because people with Medicaid coverage may not be in active treatment, or may not be in treatment deemed acceptable by the state. While Virginia's ARTS program is one of the leading programs of its kind in the nation, it is likely that some individuals subject to this proposed work requirement will not be captured by the ARTS program. In addition, some people with a SUD will have significant privacy concerns about disclosing their disorder to staff reponsible for determining their eligibility for Medicaid. People who do not want to disclose the use of illegal substances may opt to forego coverage, putting their treatment and life at risk. VASAM and ASAM urge CMS to work with the Commonwealth of Virginia to consider and adequately plan for the negative consequences that may result from waiver authority to implement work requirements.

This waiver extension application would also require certain Medicaid enrollees to pay monthly premiums as high as \$10 per month. These proposed premiums may be extremely difficult for enrollees to pay given their limited incomes. Extensive research shows that premiums significantly reduce low-income people's participation in health coverage programs.² These studies also show that the lower a person's income, the less likely they are to enroll and the more likely they are to drop coverage due to premium obligations. People who lose coverage most often end up uninsured and are unable to obtain needed health care services. For example, under Indiana's waiver, fifty-five percent of people eligible to make a premium payment during their enrollment didn't do so at some point during their enrollment. Three-quarters of those below the poverty line who didn't make premium payments said they missed the payment because it was unaffordable, they were confused about how to pay, or they didn't know a premium was required.³

While we strongly urge CMS to reconsider this application, we recommend that the Commonwealth and CMS work together to find solutions that ensure patients have access to care that is vital to treatment and recovery. ASAM appreciates the agency's focus on efficient and effective solutions and opportunities to combat and end the opioid overdose epidemic. If you have any questions, comments, or concerns, please contact Corey Barton, Senior Manager, ASAM Private Sector Relations, at 301-547-4106 or via email at cbarton@asam.org.

¹ U.S. Department of Health and Human Services, "Continuing Progress on the Opioid Epidemic: The Role of the Affordable Care Act," January 11, 2017, <u>https://aspe.hhs.gov/system/files/pdf/255456/ACAOpioid.pdf</u> ² Samantha Artiga, Petry Ubri, and Julia Zur, "The Effects of Premiums and Cost-Sharing on Low-Income Populations: Updated Review of Research Findings," The Kaiser Family Foundation, June 2017, http://files.kff.org/attachment/lssue-Brief-The-Effects-of-Premiums-and-Cost-Sharing-on-Low-Income-Populations.

³ The Lewin Group, "Healthy Indiana Plan 2.0: POWER Account Contribution Assessment," March 31, 2017, <u>https://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/in/Healthy-Indiana-Plan-</u> <u>2/in-healthy-indiana-plan-support-20-POWER-acct-cont-assesmnt-03312017.pdf</u>

Sincerely,

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