



June 11, 2019

Jennifer Walthall, MD, MPH
Secretary
Indiana Family and Social Services Administration
402 W. Washington Street P.O. Box 7083
Indianapolis, IN 46207-7083

Re: NORD Opposition to Indiana's 1115 Amendment Request

Dear Dr. Walthall:

On behalf of the 1-in-10 Indiana residents with one of the over 7,000 known rare diseases, the National Organization for Rare Disorders (NORD) appreciates the opportunity to submit comments on Indiana's 1115 Amendment Request: Healthy Indiana Plan (HIP) Workforce Bridge Account Amendment Medicaid Section 1115 Waiver (Project Number 11-W-00296/5).

NORD is a unique federation of voluntary health organizations dedicated to helping people with rare "orphan" diseases and assisting the organizations that serve them. Since 1983, we have been committed to the identification, treatment, and cure of rare disorders through programs of education, advocacy, research, and patient services.

NORD believes everyone, including Medicaid enrollees, should have access to quality and affordable health coverage. Unfortunately, this waiver will not solve the problems created by Indiana's current Medicaid waiver requiring enrollees to report hours worked. To ensure all low-income individuals with a rare disease have access to quality and affordable healthcare, Indiana should not implement the requirement that Indiana Medicaid enrollees report their work or exemption.

The HIP Workforce Bridge Account

The waiver amendment proposes to create workforce bridge accounts for HIP enrollees who are disenrolled from the state's Medicaid program as a result of increased income. These new workforce bridge accounts will be funded by unspent POWER Account funds.

While these accounts might bring some limited financial relief to Medicaid enrollees who are transitioning onto private health insurance coverage, as waiver notes, a couple could see their healthcare premiums jump from \$20 per month to \$172.83 per month. This proposal would not provide sufficient relief to these individuals as they transition into the private market.

Additionally, this proposal fails to take into account Medicaid enrollees who will be disenrolled from the Medicaid program as a result of not being able to correctly navigate the system to report their hours worked. Arkansas, the only state which has experience implementing a similar work



requirement, disenrolled over 18,000 people from their Medicaid program for failing to report their number of hours worked in 6 months.ⁱ Over the first five months of the program, on average 12.6 percent of people that were disenrolled from Medicaid lost coverage as a result of an increase in income, while almost a quarter of closures over the same period of time were due to failing to meet the requirement.ⁱⁱ The data from Arkansas does not indicate if individuals reporting work are in a new job or had already been employed. If the work requirement policy has similar results to the one in Arkansas, individuals will not lose coverage because they find jobs, but because they are unable to navigate the system to report their work. 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.

This waiver is missing the larger problem that is created by implementing a work requirement: thousands of low-income individuals will lose health coverage. Patients need access to consistent, quality healthcare. Indiana recognizes this need for healthcare, for the population that will be disenrolled from the Medicaid program as a result of increased income. There are still thousands of Hoosiers who will lose Medicaid coverage and have no option.

New Exemptions for Reporting Hours Worked

The 1115 Waiver Amendment also proposes to expand the exemption for caretakers of dependent children to report their hours worked. The proposal seeks to exempt caretakers with children under age 13, while the current policy exempts caretakers with dependent children under the age of seven.

NORD is concerned that, even after expanding the category of exempt individuals, that the current exemption criteria may not capture all individuals with, or at risk of, serious and chronic health conditions that prevent them from working. Exempt enrollees will still have to understand how to report exemptions and it is unclear how often they will need to do so, creating opportunities for administrative error that could jeopardize their coverage. An analysis of Arkansas's experience implementing similar requirements revealed that the process for reporting exemptions has been complex and has created confusion for enrollees.ⁱⁱⁱ No exemption criteria can circumvent this problem and the serious risk to the health of the individuals we represent.

NORD believes healthcare should be affordable, accessible, and adequate. Unfortunately, this waiver will not solve the problems that the requirement to report hours worked will cause. To ensure all low-income rare disease patients have access to quality and affordable healthcare, Indiana should not implement the requirement that Indiana Medicaid enrollees report their work or exemption.

Thank you again for the opportunity to provide comments on the state's proposed amendment to its 1115 waiver. For further questions, please feel free to contact me at boyd@rarediseases.org.



Sincerely,

Tim Boyd, MPH
Director of State Policy

ⁱ Robin Rudowitz, MaryBeth Musumeci, and Cornelia Hall, “A Look at November State Data for Medicaid Work Requirements in Arkansas,” Kaiser Family Foundation, December 18, 2018. Accessed at: <https://www.kff.org/medicaid/issue-brief/a-look-at-november-state-data-for-medicaid-work-requirements-in-arkansas/>

ⁱⁱ Arkansas Department of Health and Human Services, Arkansas Works Program, December 2018. Available at: http://d31hzlkh6di2h5.cloudfront.net/20190115/88/f6/04/2d/3480592f7fbd6c891d9bacb6/011519_AWReport.pdf

ⁱⁱⁱ MaryBeth Musumeci, Robin Rudowitz and Cornelia Hall, “An Early Look at Implementation of Medicaid AWork Requirments in Arkansas,” Kaiser Family Foundation, October 8, 2018, https://www.kff.org/medicaid/issue-brief/an-early-look-at-implementation-of-medicaid-work-requirements-in-arkansas/?utm_campaign=KFF-2018-October-Medicaid-Arkansas-Work-Requirements.