

ANDRÉ CARSON
7TH DISTRICT, INDIANA

HOUSE PERMANENT SELECT COMMITTEE
ON INTELLIGENCE

SUBCOMMITTEE ON EMERGING THREATS
RANKING MEMBER

SUBCOMMITTEE ON DEPARTMENT OF DEFENSE
INTELLIGENCE AND OVERHEAD ARCHITECTURE

COMMITTEE ON TRANSPORTATION
AND INFRASTRUCTURE

SUBCOMMITTEE ON AVIATION

SUBCOMMITTEE ON RAILROADS,
PIPELINES AND HAZARDOUS MATERIALS

Congress of the United States
House of Representatives
Washington, DC 20515-1407

2135 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-1407
(202) 225-4011

DISTRICT OFFICE
300 E FALL CREEK PKWY N DR. #300
INDIANAPOLIS, IN 46205
(317) 283-6516

SENIOR WHIP

June 2, 2017

The Honorable Seema Verma
Administrator, Centers for Medicare and Medicaid Services
200 Independence Ave SW
Washington, DC 20201

Dear Administrator Verma,

I have long been proud to support the Healthy Indiana Plan 2.0 (HIP 2.0), which expanded healthcare coverage to hundreds of thousands of Hoosiers. As you know, HIP 2.0 was the result of a bipartisan compromise; while I would have much preferred a traditional Medicaid expansion, I was pleased to work with Democrats and Republicans alike so that Indiana could provide coverage to its citizens, and to date HIP 2.0 has expanded coverage to almost 400,000 Hoosiers, most of whom were previously uninsured.

I write, however, to express deep concerns regarding the May 24, 2017 Amendment Request to HIP's Extension Application, and urge you to consider the dramatic consequences of introducing a work requirement into HIP 2.0, which falls far outside the objectives of Medicaid, as statutorily defined by Congress. The Amendment Request states that, despite "conflicting data," the introduction of this requirement recognizes "the strong link between work and health." This linkage is indeed clear: in fact, providing healthcare coverage is likelier to help individuals find work than taking it away, as individuals without coverage are less equipped to find employment, and many individuals who lose coverage would be stuck in a vicious cycle.

As you are aware, the purpose of the Medicaid program is to provide health insurance. Section 1115 of the Social Security Act requires that waivers advance the aims of the program, but I am deeply concerned that this Amendment Request would fall outside its objectives, and instead lock thousands of Hoosiers out of coverage and diminish our bipartisan gains. In addition to this fundamental issue with the proposal, I also urge you to consider the following:

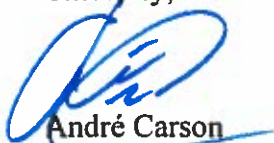
1. As you know, low-income individuals face numerous potential barriers to finding work, including but not limited to caregiver responsibilities, inability to work, undocumented illness or disability, appropriate job training, and access to transportation, appropriate clothing, or a cellphone. No exemption process is perfect: Many individuals would likely fall through the cracks, such as those waiting for a new "official" exemption, whose

exemption is not sufficiently documented by the state, or whose exemption is not continuously updated or renewed. How will CMS ensure that the complexity and burdensome nature of the exemption process does not result in any individual being denied coverage, given that individuals often face numerous legitimate (and often not government-recognized) barriers to work?

2. Historically, work requirements in programs targeted at low-income individuals have not been successful at increasing long-term employment, while decreasing program enrollment. Increasing long-term employment is critical, but healthcare programs are neither an appropriate nor likely effective vehicle to achieve this aim. Why would this requirement differ?
3. To date, participation in the Gateway program has been limited. How would adding more individuals into the program improve it, and how will you ensure that the expanded program has adequate funding, without taking resources intended by Congress to pay for healthcare?
4. The Amendment estimates that approximate one-quarter of individuals required to participate in the Gateway program would not participate, and therefore lose coverage for a reason unrelated to the purpose of the Medicaid program. Individuals without coverage are likelier to forgo needed care or medication, and to utilize the Emergency Room. How would CMS measure the short- and long-term consequences and costs of these effects, including the burden of uncompensated care on hospitals and the state?
5. As you know, evaluations of HIP 2.0's original reforms have been mixed to date. How will the Amendment (or your evaluation of the Amendment) address some of the program's identified issues, such as the racially disparate assignment of benefit tiers, its complexity for beneficiaries, administrative issues, and problems with enrolled individuals forgoing care?
6. How will CMS ensure that, if approved, sufficient outreach is conducted to inform individuals of the new requirement?

While I support HIP 2.0's original extension request, I strongly oppose the addition of a work requirement. I urge you to evaluate the Amendment Request in light of the statutory purpose of the Medicaid program—providing healthcare—and reject it. I look forward to your response.

Sincerely,



André Carson
Member of Congress