



COALITION ON HUMAN NEEDS

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January 4, 2021

CHN Submits Comments in Opposition to Cuts in Medicaid Funding and Services, Especially in Light of the COVID-19 Crisis

Attn.: Ms. Stephanie Bell

Dear Ms. Bell:

I am writing on behalf of the Coalition on Human Needs (CHN), an independent non-profit alliance of national-scope organizations representing people of faith, human service providers, policy experts, and labor, civil rights and other advocacy groups concerned with improving federally funded programs and policies to better meet the needs of low-income and vulnerable people. We urge you to withdraw the Interim Final Rule for which you are now seeking comments that would allow states to continue to receive the increase of 6.2 percentage points in the federal Medicaid match (FMAP) without complying with the provisions of the Families First Coronavirus Response Act, which prohibit reducing coverage or eligibility for Medicaid or increasing cost-sharing for Medicaid services. The new Interim Final Rule is contrary to the law as enacted in the Families First Coronavirus Response Act.

The Coalition on Human Needs has long advocated for an effective Medicaid program, recognizing its essential role in meeting the needs of millions of people who would not otherwise be able to afford health coverage and who would therefore go without adequate medical care. Medicaid's importance is multiplied during the COVID-19 pandemic. Because of this, we strongly favored the Families First Coronavirus Response Act's inclusion of a 6.2 percentage point increase in the federal share of Medicaid funding, to assist states in meeting a dramatic increase in need. We also favored the bill's conditions for states' receipt of this enhanced match: that states would apply Medicaid eligibility standards, methodologies, and procedures that are no more restrictive than those in effect on January 1, 2020; that states cannot increase Medicaid premiums above those in effect at that time; that states must cover COVID-19 testing and treatment, including vaccines, without cost-sharing; that political subdivisions of a state cannot be charged more than they were required to contribute on March 1, 2020; and that states must provide continuous coverage for enrollees as of March 18, 2020 through the period of the Public Health Emergency (PHE). Consistent with the law, the Centers for Medicare and Medicaid Services (CMS) issued guidance providing for all these components of Families First, and prohibited states from increasing cost-sharing or restricting benefits.

The Interim Final Rule reverses much of CMS's initial guidance. It allows children turning 19 to be moved to an adult coverage group, even if that would mean a different benefits package or higher cost-sharing. They would lose access to Early Periodic Screening, Diagnostic and Treatment benefits (EPSDT) on reaching age 21, which would previously have remained available to them up to age 26. It would allow for reduced benefits for adults with ACA Medicaid expansion coverage when they turn 65. States could switch the individual to the Medicare Savings Programs, which covers Medicare premiums and

cost-sharing, but not other Medicaid benefits not covered by Medicare. It would allow states to increase cost-sharing for individuals moving from the community to nursing home care. State Medicaid programs would now be permitted to eliminate optional benefits such as dental coverage and reduce the amount, duration and scope of covered benefits (for example, imposing lower visit limits or adding other utilization controls), compared to what was covered on March 18, 2020.

We are concerned that people with disabilities will lose vital Medicaid services under the Interim Final Rule, at a time when they have no realistic other options for receiving care.

We are also concerned that CMS has not provided adequate guidance for states for their requirements once the Public Health Emergency is ended.

This is a time when about half of individuals are living in households where someone has lost earnings due to the pandemic. About 85 million people have reported not having enough income to pay for their basic household expenses. Unemployment remains high and fewer people are covered by employer-provided health insurance. This is a very bad time for the federal government to be restricting access to Medicaid and making people pay more to secure Medicaid services. Doing so is also contrary to the law.

We strongly urge you to withdraw the IFR and to continue implementing your original guidance.

Sincerely yours,

Deborah Weinstein
Executive Director,
Coalition on Human Needs