



January 24, 2018

The Honorable Eric D. Hargan, Acting Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Re: KanCare 2.0, Section 1115 Demonstration Waiver Renewal Application

Dear Secretary Hargan:

On behalf of the American Academy of Family Physicians (AAFP), which represents 129,000 physicians and medical students across the country, I write in response to Kansas's Section 1115 demonstration waiver renewal application, known as "KanCare 2.0."

Historically, states have requested waivers of statutory Medicaid safeguards to create or test demonstration programs to expand care to new populations, offer new services, and deliver care in new and different settings. The AAFP stands ready to work with stakeholders and policymakers – both federal and state – to identify innovative strategies to strengthen Medicaid and improve the outcomes of the high-quality care it finances.

Several states have recently submitted Medicaid Section 1115 waivers that will harm Medicaid beneficiaries if approved. They will restrict access by conditioning the receipt of care on meeting standards antithetical to the objectives of the Medicaid program and will ultimately harm health. In response to these proposals, a group of six front-line physicians (AAFP, American Academy of Pediatrics, American College of Obstetricians and Gynecologists, American College of Physicians, American Osteopathic Association, and American Psychiatric Association), representing more than 560,000 physicians and medical students, have adopted a [joint set of principles](#) related to Section 1115 demonstration waivers. Based on the standards set by these principles, we are deeply concerned with the Medicaid reforms Kansas proposes in its waiver.

Medicaid in Kansas

Medicaid provides health insurance for more than 76 million low-income Americans. In Kansas, Medicaid, known as "KanCare," and the Children's Health Insurance Program (CHIP) provide health and long-term care coverage to more than 393,000 low-income children, pregnant women, adults, seniors, and people with disabilities, or 13% of the state's population. KanCare currently has some of the most stringent eligibility requirements of any state, with an upper income threshold of 38% federal poverty level (FPL) for adults, or \$4,528.80 per year per individual.

Work Requirements and Lock Out

80% of adult and child Medicaid enrollees in Kansas currently live in families with at least one individual working outside of the home. Pending CMS approval, KanCare 2.0 would impose work

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requirements on adults who make less than 38% FPL and establish a “lock-out” period for those who fail to gain employment. Kansas projects that approximately 12,000 enrollees will be subject to the new work requirements. The waiver would also limit lifetime enrollment in KanCare to 36 months for those who satisfy work requirements.

The AAFP does not support limiting barriers to eligibility and coverage through the waiver process. We believe CMS should ensure that waivers and other proposed changes to Medicaid do not impose punitive requirements that individuals be employed, be actively seeking a job, or be enrolled in a job training or job recruitment program as a condition of eligibility. Imposing work requirements, lifetime limits on coverage, and lock-outs limit access to preventative and primary care services and inhibit Medicaid beneficiaries from seeking care that helps individuals avoid costlier health conditions and maintain wellness. While we support voluntary programs to assist Medicaid enrollees in obtaining a job or gaining job skills, we are concerned that making participation in such programs a mandatory condition of eligibility will create unacceptable barriers to care, especially for the most vulnerable persons.

The AAFP believes that the Medicaid reforms Kansas is exploring in their demonstration waiver should be pursued through the legislative process. It is inappropriate for the executive branch to act unilaterally on such complex provisions that would have significant effects on Kansas’s Medicaid population. Last year, the Kansas legislature overwhelmingly voted to support Medicaid expansion, and almost overturned a veto by the Governor by a wide, bipartisan margin. It is clear that the Kansas Legislature is exploring options to expand coverage in Kansas, not further limit access to Medicaid and coverage. If the administration believes that this is the best option for Kansas, legislation should be introduced in the 2018 legislative session to allow elected officials to debate and vote on Medicaid policies affecting their constituents.

We appreciate the opportunity to comment on the KanCare Section 1115 demonstration waiver application. Again, we welcome the opportunity to work with policymakers and stakeholders to identify innovative strategies to strengthen Medicaid. However, we believe that fundamental changes like the ones proposed in KanCare 2.0 should be pursued legislatively. For any questions you might have, please contact Robert Hall, JD, Director, Division of Government Relations at 888-794-7481, extension 2510 or rhall@aafp.org.

Sincerely,

A handwritten signature in black ink, appearing to read "John Meigs, Jr." followed by initials "MS".

John Meigs, Jr., MD, FAAFP
Board Chair