



June 1, 2018

The Honorable Alex Azar, Secretary of Health and Human Services  
U.S. Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

Re: Florida Section 1115 Waiver Amendment Request: Draft Proposal to Eliminate the Three-Month Medicaid Retroactive Eligibility

Dear Secretary Azar:

On behalf of the Florida Academy of Family Physicians (FAFP), which represents more than 5,400 physicians and medical students across the state of Florida, and the American Academy of Family Physicians, which represents 131,400 family physicians and medical students across the country, we write in response to Florida's Section 1115 demonstration waiver proposal which would eliminate prior quarter coverage for 39,000 Floridians, also known as "retroactive eligibility."

Previously, Florida has used the Section 1115 waiver process to fund its Low-Income Pool to offset costs associated with uncompensated care and develop and expand a unique managed care model. If approved, this latest waiver would increase the amount of uncompensated care in the state and introduce significant financial uncertainty to Florida family physicians and their patients. The FAFP and AAFP are very concerned with the waiver to eliminate retroactive eligibility for non-pregnant adults.

### Uncompensated Care and Physician Impact

Florida's Medicaid program first implemented three-month retroactive eligibility in 1991. Under this statute, should a Medicaid applicant qualify for retroactive coverage, the program reimburses covered services rendered up to three months prior to the date of application to prevent gaps in coverage. Oftentimes, individuals are not aware of their Medicaid eligibility until they encounter the health system or experience a medical event. Retroactive eligibility ensures that these individuals, who may be experiencing a series of health events prior to discovered eligibility, do not become burdened by medical debt. Avoiding this medical debt, in turn, lowers the amount of uncompensated care that the state and providers face.

The pending waiver to eliminate prior quarter coverage would limit retroactive eligibility to the month of Medicaid application for non-pregnant adults aged 21 and over, negatively affecting access to critical health care services for Florida's most vulnerable populations, including the poor, the disabled, and the elderly. Services rendered before this arbitrary cutoff would translate into more uncompensated care for already-overwhelmed hospitals. We have concerns that, should retroactive eligibility be eliminated for most adults, busy hospital emergency rooms and

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overloaded community health centers will increase costs for all Floridians and further strain already-stressed providers and health systems alike.

Family physicians across Florida are on the front lines serving vulnerable Medicaid populations across the state. However, the low Medicaid payments compared to Medicare and private payers factor into every physician's and practice's day-to-day operations. Many of FAFP's members have come to rely on and expect timely reimbursement under the existing retroactive coverage component. Should it be eliminated, it would pose more uncertainty to our members, especially those in rural or underserved areas, who are already operating on thin margins. We fear the elimination of retroactive coverage would further dissuade physicians from treating Medicaid populations, further entrenching the health disparities facing the state, and leave others unable to offer services to vulnerable Medicaid populations altogether.

We appreciate the opportunity to comment on the waiver to eliminate prior quarter coverage. The FAFP and the AAFP stand ready to work with stakeholders and policymakers to identify innovative strategies to strengthen Medicaid and improve the outcomes of the high-quality care it finances in Florida. However, we believe that fundamental changes like the ones proposed in this waiver would negatively impact the marginalized populations who need it most, and we urge HHS to reconsider. For any questions, please contact Robert Hall, JD, Director, Division of Government Relations for the AAFP, at [rhall@aafp.org](mailto:rhall@aafp.org), or Jay Millson, Executive Vice President for the Florida AFP, at [jmillson@fafp.org](mailto:jmillson@fafp.org).

Sincerely,

A handwritten signature in black ink, appearing to read "John Meigs, Jr.", with a stylized flourish at the end. The initials "MS" are written in the bottom right corner of the signature.

John Meigs, Jr., MD, FAFP  
Board Chair

### **About Family Medicine**

Family physicians conduct approximately one in five of the total medical office visits in the United States per year – more than any other specialty. Family physicians provide comprehensive, evidence-based, and cost-effective care dedicated to improving the health of patients, families and communities. Family medicine's cornerstone is an ongoing and personal patient-physician relationship where the family physician serves as the hub of each patient's integrated care team. More Americans depend on family physicians than on any other medical specialty.