



# 1115 MEDICAID WAIVER MODIFICATIONS

**YOUR GUIDE FOR THE NEW COMMENT PERIOD**

*July 3rd - August 2nd, 2017*

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## **Do you or someone you know have Medicaid? Aetna, Anthem, Humana-CareSource, Passport, or WellCare? Your coverage could CHANGE!**

Governor Bevin recently modified his original plans to reform Kentucky's Medicaid program using an 1115 Medicaid waiver. As a result, the Administration has opened a new 30-day comment period that runs from July 3rd through August 2nd. During this comment period you have the opportunity to speak up and tell your public leaders how the changes would impact you, your family, and your community.

### **WHAT'S CHANGING?**

#### **1. Community Engagement & Employment Initiative (work, volunteer, or job training)**

Originally, the community engagement requirement was meant to be phased-in for Medicaid members, starting at 5 hours and increasing to 20 hours per week by the end of the first year. However, this has been modified to make monitoring and enforcement easier for the State. Instead, this requirement will be static at 20 hours per week. Most "able-bodied" adults without dependents would have to meet this requirement *immediately*, unless they are new to the Medicaid program.

#### **2. Dis-enrollment (getting locked-out of coverage)**

Originally, two six-month lock-out periods were requested. One for non-payment of premiums within 60-days and another for not re-enrolling within a specified period. Now, A THIRD lock-out period has been added for failing to report changes in income and/or employment that impact eligibility, falsely reporting community engagement or employment hours, or any other action that would fall under Medicaid fraud. The State has proposed enforcing a *10-day* notification period for changes in eligibility.

#### **3. Presumptive Eligibility (temporary enrollment)**

Originally, Presumptive Eligibility would be expanded to more locations in order to enroll people in temporary coverage before they complete the full application. This was proposed as a way to keep uncompensated care from rising under the waiver. However, the State has reversed this decision. Instead, the "Fast Track" enrollment process will be used, requiring full enrollment and payment of premiums up-front, *before* coverage starts.

### **ATTEND A PUBLIC HEARING OR SUBMIT WRITTEN COMMENTS**

***Submit comments by August 2nd at 11:59PM***

- Submit comments to [kyhealth@ky.gov](mailto:kyhealth@ky.gov)
- Copy us at [kymedicaidchanges@gmail.com](mailto:kymedicaidchanges@gmail.com) (if you want your comments shared publicly)

#### ***Attend a public hearing and testify***

- July 14th, 10am-12pm ET, Center for Rural Development: 2292 South Hwy 27, Somerset
- July 17th, 10am-12pm ET, Capitol Annex: 702 Capital Ave, Frankfort

## TALKING POINTS

- An additional 9,000 people are estimated to lose coverage due to these changes.
- In total, more than 95,000 Kentuckians will lose coverage because of this waiver.
- Without access to healthcare, these individuals will be less employable, less productive employees, and the cycle of poverty will deepen.
- These modifications may simplify administrative complexity for the State, but it shifts the burden to Medicaid members.
- A failure to report a change of circumstances within a 10-day period should not be equated with Medicaid fraud.
- A 10-day reporting window is not practical and holds Medicaid members to a different standard than those with commercial insurance.
- Reporting frequent changes in income or employment will shift the burden to individuals – most of whom are working and may have limited breaks, phone minutes, or internet access.
- Income and work status fluctuate for individuals working irregular hours or with seasonal employment, even as their annual income still makes them eligible for Medicaid. In that case, individuals will be discouraged from taking temporary job opportunities that would earn them more than 138% of the federal poverty level.
- Expansion of Presumptive Eligibility was justified in the original proposal as being needed to avoid rising rates of uncompensated care. This has not changed.
- Presumptive Eligibility is “presumptive” specifically because it doesn’t require income verification or full enrollment before temporary Medicaid coverage can begin. The Fast Track process described in the application requires full enrollment and premium payment. Therefore, Fast Track enrollment is not an appropriate alternative to Presumptive Eligibility.

## QUESTIONS TO ASK

- Most counties in Kentucky have received a waiver of SNAP (food stamps) work requirements because there are not enough jobs available. Will Medicaid members in these counties have their community engagement requirement waived for the same reason?
- Will there be a hardship exemption for those who do not have transportation, reliable childcare, or have been convicted of a felony?
- Will member notification of reporting requirements only be provided in written form? How will individuals with limited literacy or English proficiency be notified?
- How will the reporting requirements be tracked and enforced?
- How will “intentionally fraudulent member actions” be defined and determined?
- How will a change of circumstance be reported?
- What will be the appeal process for those who believe they’ve been wrongly dis-enrolled?
- Since there will be no retroactive coverage, will individuals filing an appeal keep their coverage until their appeal is heard and a decision issued?
- Are individuals going to be dis-enrolled if they make more than \$640 in a 2-week period (temporarily above 138% of the Federal Poverty Rate)?
- If all current Presumptive Eligibility qualified providers are to be maintained, will they be subject to collecting and/or tracking premium payments?
- Will Presumptive Eligibility requirements or the Presumptive Eligibility enrollment process change? How? Will this lead to fewer individuals able to enroll through PE?
- Will the Fast Track process allow for temporary enrollment without income verification?
- Will the Fast Track process allow for real-time payment of premiums so that enrollment is effective immediately?
- Will Emergency Medicaid still be available for those with critical needs who may not be able to complete the enrollment process?