



Kentucky Youth Advocates Position Statement Regarding the Bevin Administration's 1115 Medicaid Waiver Proposal

“Is it good for kids?” That is the question we at Kentucky Youth Advocates always ask of our decision-makers, and we have carefully considered that question in response to the Bevin Administration’s 1115 Waiver proposal to modify Kentucky’s Medicaid program. In reviewing the proposal, known as Kentucky HEALTH, we see some positives but also have concerns.

To briefly provide context, Medicaid has historically covered low-income, vulnerable populations, including children, pregnant women, people with disabilities, youth in foster care, and very limited populations of parents. Medicaid expansion for low-income adults—including many parents—up to 138% of the federal poverty level was included in the Affordable Care Act, the federal health care system reform law which was signed into law in 2010. This provision became optional for states due to a federal Supreme Court ruling in 2012. In 2014, Kentucky expanded Medicaid through the Governor’s authority. Kentucky Youth Advocates supports Medicaid expansion in Kentucky because of the positive impact affordable health coverage has on low-income parents such as increased access to preventive health care. We also know that children are more likely to have health insurance when their parents have health insurance, and health insurance is a vital component of access to health care.

The proposed 1115 Medicaid Waiver protects children and pregnant women from the potential direct negative impacts of premiums and reduced benefit packages, but many parents will be significantly impacted by this proposal causing barriers for them to maintain coverage. Because parent health is critical to the well-being of children, Kentucky Youth Advocates wants to ensure parents and children on Medicaid maintain affordable health insurance and can access the health care they need.

The Bevin Administration released the initial waiver proposal in June 2016 and submitted its final waiver proposal to the Centers for Medicare and Medicaid Services (CMS) on August 24, 2016. We submitted a number of recommendations during both public comment periods, and the final waiver proposal incorporated our recommendations. After negotiations with CMS, the Bevin Administration released proposed modifications to their Kentucky HEALTH 1115 Waiver in July 2017, and we will submit comments on these modifications by August 2, 2017.

Maintain Proposed 1115 Medicaid Waiver Provisions that Protect Vulnerable Populations

We thank the Bevin Administration for considering vulnerable populations in the 1115 Medicaid Waiver and strongly recommend that the final waiver **maintain** the provisions that protect them, including:

- Exempt children and pregnant women from cost-sharing requirements including monthly premiums and copayments.
- Exempt primary caregivers of dependents from work and community engagement requirements.
- Maintain the current Medicaid benefit package for children, pregnant women, and parents covered through SSA 1931, which were all eligible for Medicaid prior to the 2014 expansion.
- Exempt all youth formerly in the foster care system up to age 26 from the waiver entirely, a recommendation from Kentucky Youth Advocates that the Bevin Administration incorporated into its final proposal to CMS.

Amend or Add Proposed 1115 Medicaid Waiver Provisions to Improve Health Outcomes for Kids and Families

A number of provisions in the 1115 Medicaid Waiver proposal create barriers to parents maintaining health insurance. Based on research on other states, we know that when parents lose health insurance due to added requirements and cost-sharing mechanisms, their children are likely to also lose coverage even if children's eligibility and benefits do not change. Parents' health is vitally important to children's health, and if parents are going to improve health outcomes for themselves and their children, the Medicaid program must be simple for families to understand, participate in, and utilize. Many Kentucky families who will be affected by this Waiver face challenges, such as homelessness, and may be transient in where they live. Because of that, even the basic components of applying for Medicaid coverage or receiving updates about that coverage can pose a challenge for these families.

We recommend the following provisions be **added or amended** in the final 1115 Medicaid Waiver:

- Include dental and vision benefits in the standard benefits package instead of being classified as an earned benefit.
- Exempt individuals under 100% of the federal poverty level from premiums and copayments.

- Cap the monthly premium at \$15 per month for the length of the 1115 Medicaid Waiver (5 years) to ensure working adults without employer-sponsored insurance who cannot secure jobs with higher pay can maintain affordable health insurance through Medicaid.
- Remove barriers to Medicaid re-enrollment, such as lockout provisions and the requirement to back pay premiums, if dis-enrolled for nonpayment or failure to report changes in eligibility.
- Exempt all caregivers in non-traditional situations, like kinship care, from all cost-sharing and lockout periods.
- Exempt individuals diagnosed with a substance use disorder (SUD) from all cost-sharing and work (or community engagement) requirements until they are on a successful path to recovery.
- Increase the dollar amount of My Rewards Account incentives for parents and pregnant women for activities such as prenatal visits or taking children for preventative dental visits. While the Bevin Administration added more activities for parents to the final waiver proposal submitted CMS, increasing the incentive dollar amount to be earned per activity would allow individuals to earn more dollars to spend on things like over-the-counter medications.
- Define pregnancy to include a time period of six months after birth to ensure eligibility for appropriate follow-up care.
- Extend the timeline of the 1115 Medicaid Waiver implementation.
- Ensure Medicaid members have access to help if they have questions about their plan in person, by phone, and online. This includes having help available after regular business hours so parents who work during the day can get help in the evening in understanding their plan and the requirements they must meet to continue receiving Medicaid.

The Bevin Administration has put kids and families first in many of its policies, and we at Kentucky Youth Advocates encourage the Administration and CMS to come to an agreement that prioritizes kids and families as they move forward with the 1115 Medicaid Waiver proposal and preserve Medicaid expansion.

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