



February 3, 2023

The Honorable Xavier Becerra  
 Secretary  
 U.S. Department of Health and Human Services  
 200 Independence Ave, SW  
 Washington, DC 20201

**Re: Oklahoma 1115 Demonstration Extension Request**

Dear Secretary Becerra:

Thank you for the opportunity to provide feedback on the Oklahoma 1115 Demonstration Extension Request.

The undersigned organizations represent millions of individuals facing serious, acute and chronic health conditions. We have a unique perspective on what individuals and families need to prevent disease, cure illness and manage chronic health conditions. The diversity of our organizations and the populations we serve enable us to draw upon a wealth of knowledge and expertise that is an invaluable resource regarding any decisions affecting the Medicaid program and the people that it serves. We urge the Centers for Medicare and Medicaid Services (CMS) to make the best use of the recommendations, knowledge and experience our organizations offer here.

Our organizations are committed to ensuring that Oklahoma's Medicaid program provides quality and affordable healthcare coverage. Our organizations are opposed to Oklahoma's continued waiver of three-month retroactive coverage for most of the state's Medicaid population and urge you to deny this request in Oklahoma's demonstration extension application.

Retroactive eligibility in Medicaid prevents gaps in coverage by covering individuals for up to 90 days prior to the month of application, assuming the individual is eligible for Medicaid coverage during that time frame. It is common that individuals are unaware they are eligible for Medicaid until a medical event or diagnosis occurs. Retroactive eligibility allows patients who have been diagnosed with a serious illness to begin treatment without being burdened by medical debt prior to their official eligibility determination, providing crucial financial protections to newly enrolled beneficiaries.

Medicaid paperwork can be burdensome and often confusing. A Medicaid enrollee may not have understood or received a notice of Medicaid renewal and only discovered the coverage lapse when picking up a prescription or going to see their doctor. In Indiana, Medicaid recipients were responsible for an average of \$1,561 in medical costs with the elimination of retroactive eligibility.<sup>1</sup> Without retroactive eligibility, Medicaid enrollees could face substantial costs at their doctor's office or pharmacy. This can lead to patients that are newly diagnosed with health conditions delaying their treatment.

Patients with underlying health conditions who are unable to access regular care are often forced to go to emergency rooms and hospitals if their conditions worsen, leading health systems to provide more uncompensated care. The Iowa Hospital Association has stated that the absence of retroactive eligibility harms both trauma centers that administer services before Medicaid applications can be completed and rural hospitals that are forced to absorb costs of uncompensated care.<sup>2</sup> Additionally, when Ohio was considering a similar provision in 2016, a consulting firm advised the state that hospitals could accrue as much as \$2.5 billion more in uncompensated care as a result of the waiver.<sup>3</sup>

Waiving retroactive coverage is especially problematic as Oklahoma and other states prepare to unwind the COVID-19 continuous coverage requirements. A recent study from the Kaiser Family Foundation found that 65% of individuals who lost Medicaid or Children's Health Insurance Program (CHIP) coverage had a period of uninsurance in the following year.<sup>4</sup> It also found that more than 40% of individuals re-enrolled in Medicaid or CHIP within a year. During this unprecedented enrollment event, Oklahoma should be pursuing policies that reduce churn and its administrative burden on the Medicaid program, not policies that contribute to gaps in coverage.

Given the crucial impact of retroactive coverage on patients, our organizations urge CMS to reinstate retroactive eligibility for all eligibility groups in Oklahoma's Medicaid program. Reinstating retroactive coverage would promote the objectives of the Medicaid program and relieve some of the burden patients may face during the redetermination process at the end of the COVID-19 continuous coverage requirements.

Thank you for the opportunity to provide comments.

Sincerely,

American Cancer Society Cancer Action Network  
American Heart Association  
American Kidney Fund  
American Lung Association  
Arthritis Foundation  
Asthma and Allergy Foundation of America  
Cancer Support Community  
CancerCare  
Cystic Fibrosis Foundation  
Epilepsy Foundation  
Hemophilia Federation of America  
Lupus Foundation of America  
Lutheran Services in America  
National Multiple Sclerosis Society  
National Organization for Rare Disorders  
National Patient Advocate Foundation  
National Psoriasis Foundation  
Pulmonary Hypertension Association  
Susan G. Komen  
The AIDS Institute  
The Leukemia & Lymphoma Society

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<sup>1</sup> Healthy Indiana Plan 2.0 CMS Redetermination Letter. July 29, 2016. Available at: <https://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/in/Healthy-Indiana-Plan-2/in-healthy-indiana-plan-support-20-lockouts-redetermination-07292016.pdf>

<sup>2</sup> Meyer, Harris, "New Medicaid barrier: Waivers ending retrospective eligibility shift costs to providers, patients." Modern Healthcare, February 9, 2019. Available at: <https://www.modernhealthcare.com/article/20190209/NEWS/190209936/new-medicaid-barrier-waivers-ending-retrospective-eligibility-shift-costs-to-providers-patients>

<sup>3</sup> Virgil Dickson, "Ohio Medicaid waiver could cost hospitals \$2.5 billion", Modern Healthcare, April 22, 2016. Available at: <http://www.modernhealthcare.com/article/20160422/NEWS/160429965>

<sup>4</sup> Kaiser Family Foundation. What Happens After People Lose Medicaid Coverage. January 2023. Available at: <https://www.kff.org/medicaid/issue-brief/what-happens-after-people-lose-medicaid-coverage/>.