

October 23, 2014

The Honorable Sylvia Mathews Burwell, Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, DC 20201

Dear Secretary Burwell:

We appreciate the opportunity to comment on Iowa's waiver amendment regarding the non-emergency transportation (NEMT) benefit.

While we support Iowa's decision to accept federal Medicaid funding to provide coverage to newly eligible low-income adults, we urge CMS to reject Iowa's request to continue waiving the NEMT benefit for members under the Iowa Health and Wellness plan who are not medically exempt.

Iowa's request to continue waiving the NEMT benefit is unnecessary and would undermine access to care.

In support of its NEMT waiver amendment, Iowa presents data collected by the University of Iowa Public Policy Center that actually demonstrate unmet need for transportation that is affecting access to care among members of the Iowa Health and Wellness plan. According to this data, 20 percent of those in the Wellness program and 10 percent of those in Medicaid were unable to obtain needed transportation to access health care services. This demonstrates that NEMT plays an important role in ensuring beneficiaries have access to care. Further, the data provided in Iowa's waiver amendment request indicate that 50 percent of those in the Wellness program and 37 percent of those in Medicaid expressed some level of concern regarding their ability to pay for the cost of transportation to a health care visit (with 14% and 8% having "a great deal" of concern, respectively). The availability of the NEMT benefit would alleviate these concerns.

Iowa's waiver amendment request also cites data indicating that the NEMT utilization rate for Medicaid beneficiaries was only 2.7 percent in May and June of 2014 as evidence that "Medicaid services that have such low utilization rates cannot be viewed as essential services to the entire Medicaid population." But a low utilization rate does not suggest that such services are not essential for those that require them to access needed and life-saving care. It is possible that low utilization rates indicate that beneficiaries are not aware of the availability of the NEMT benefit.

Available data also suggests that Medicaid beneficiaries who do utilize NEMT benefits do so in order to access care that is crucial (such as dialysis or mental health services) or preventive (such as screenings and testing). According to information provided in Iowa's waiver amendment request, the most frequent member-reported reason for utilizing the NEMT benefit for trips of 30 miles or more was to access mental health services, with other top reasons including hospital discharges, rehabilitative services (e.g., physical and occupation therapy), screenings and testing services. According to the data provided in the waiver amendment request, those who accessed the NEMT benefit five or more times per month most frequently reported they did so to access medically necessary dialysis treatments.

Data collected from other states corroborates the importance of the NEMT benefit in ensuring Medicaid beneficiaries' access to medically necessary and preventive care. According to data collected by the Community Transportation Association of America from a transportation broker that administered the NEMT benefit in 39 states for the period between January and November 2013, half of all NEMT trips were provided to access dialysis treatment (17.9 percent) or behavioral health services (31.9 percent), which include mental health services or drug abuse treatment. Continuing to waive the NEMT benefit could prevent Medicaid beneficiaries from accessing the primary, specialty, and preventive services that enable them to identify and address their health needs as they arise and preventing more costly care as undiagnosed medical problems worsen.

Iowa's waiver amendment request would entail unnecessary and complicated burdens for both Medicaid beneficiaries and the state itself.

In its waiver amendment request, Iowa acknowledges that the NEMT benefit may be necessary for some Medicaid beneficiaries to obtain care and proposes to classify this subgroup as medically exempt from the waiver. However, this medically exempt determination only adds an extra layer in Iowa's already complicated Medicaid program that amounts to a burden for both beneficiaries and the state. This is particularly true with regard to the relatively small portion of the Medicaid-eligible population that utilizes the NEMT benefit. Waiving the benefit but creating an exempt group that may still access NEMT services makes little sense for such a small subgroup of the Medicaid population. This complexity may adversely affect enrollment and would be inconsistent with section 1902(a)(19) of the Social Security Act which holds that eligibility for care and services be provided "in a manner consistent with simplicity of administration and the best interests of the recipients."

NEMT benefits – and Medicaid more generally – address the unique health care access needs of the low-income population.

One of Iowa's stated rationales for its waiver request is the goal of making Medicaid expansion "look more like a commercial benefit than traditional Medicaid coverage." However, there is reason to believe that private insurance – or coverage designed to resemble private insurance - is not inherently superior in meeting the needs of the low-income population that obtains coverage through Medicaid. A 2012 study based on National Health Interview Survey data published in the *Annals of Emergency Medicine* found that between 1999 and 2009, while less than one percent of those with private insurance reported that transportation was a barrier to accessing timely primary care treatment, seven percent of Medicaid beneficiaries did so. This indicates transportation provides a greater barrier to access to care for the Medicaid-eligible population and provides a strong rationale for the need to offer a set of benefits that meets these needs, including the NEMT benefit. Simply put, Iowa's waiver amendment request does not further the objectives of the Medicaid program and limits access to care for the population that Medicaid is intended to serve.

Waiving the NEMT benefit sets a bad precedent that leads to the erosion of Medicaid benefits in other states.

In the highly politicized environment in which states make decisions regarding Medicaid expansion, exemptions granted to one state quickly attract attention from other states looking to make changes to their own Medicaid programs. This dynamic is especially true in the case of approaches to Medicaid expansion via premium assistance generally and the NEMT benefit in particular. Since CMS allowed Iowa to temporarily waive the NEMT benefit, Pennsylvania has been allowed to waive

its NEMT coverage temporarily and a similar request is pending from Indiana. Meanwhile, lawmakers in Arkansas have publically expressed regret over not getting an exemption for the NEMT benefit as Iowa did and are currently pursuing such an exemption, while Utah is reported to be requesting a waiver as well. Clearly, the decision to allow Iowa to temporarily waive the NEMT benefit has had repercussions across other states and CMS would be wise to prevent this precedent from becoming institutionalized, thereby undermining Medicaid beneficiaries' access to care.

Thank you for your willingness to consider our comments. Please contact Joan Alker (jca25@georgetown.edu) at the Georgetown University Center for Children and Families or Judy Solomon (solomon@cbpp.org) or Jessica Schubel (jschubel@cbpp.org) at the Center on Budget and Policy Priorities if you would like any additional information.

CC: Cynthia Mann, Vikki Wachino, Eliot Fishman

American Association on Health and Disability
American Federation of State, County & Municipal Employees (AFSCME)
Center on Budget and Policy Priorities
Community Access National Network
Community Catalyst
Community Transportation Association of America
Disability Rights Iowa
Families USA
Georgetown University Center for Children and Families
Iowa Olmstead Task Force
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National Alliance on Mental Illness
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National Women's Law Center
Peer Action Disability Support (P.A.D.S.)
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