

January 27, 2016

Ms. Vikki Wachino, Director
Center for Medicaid and CHIP Services
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Ms. Wachino:

The undersigned write to express our support for CMS' decision to undertake an independent federal evaluation of the Healthy Indiana Plan (HIP) 2.0 Section 1115 Research and Demonstration Waiver. Section 1115 authority was established by Congress to allow states to pursue experimental, pilot or demonstration programs. Demonstrations should be subject to rigorous review and evaluation – especially when, like HIP 2.0, they include complex policy changes that pose significant risks to Medicaid beneficiaries.

We are confident that an impartial assessment of Indiana's ongoing demonstration project will prove very valuable. A major shortcoming of state-contracted evaluations of state programs is the potential for a conflict of interest. When a state pays an organization to assess the merits of its own program there is the potential that the evaluator's objectivity will be compromised. While it is not now common for CMS to hire its own contractors to evaluate Medicaid demonstration projects, it was not uncommon in the past. We believe that an independent evaluation would be a significant improvement from current practice that should be emulated for future demonstrations of high consequence. Moreover, the federal evaluation of Indiana will serve as an instructive tool for the Secretary as she considers similar waiver requests from other states.

We remain concerned with specific aspects of Indiana's demonstration including the "lockout" provision for those who miss premium payments, the option to charge premiums to individuals with incomes below 100 percent of the federal poverty line; waiver of the non-emergency medical transportation benefit; and the overall complexity of the HIP 2.0 program. Because of the potential harm to beneficiaries, it is of great importance to conduct an in-depth and detailed evaluation of the waiver's impact.

Thank you for the opportunity to share our views. Please contact Judith Solomon at the Center on Budget and Policy Priorities or Joan Alker at the Georgetown University Center for Children and Families if you would like additional information.

American Association on Health and Disability
American Cancer Society Cancer Action Network, Inc.
American Congress of Obstetricians and Gynecologists
American Music Therapy Association

Center on Budget and Policy Priorities
Community Transportation Association of America
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