November 29, 2023

VIA ELECTRONIC SUBMISSION

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

Re: MassHealth Section 1115 Demonstration Amendment

Dear Secretary Becerra,

The Center on Budget and Policy Priorities and the Georgetown University Center for Children and Families appreciate the opportunity to comment on Massachusetts' application to amend its "MassHealth" section 1115 demonstration.

The Center on Budget and Policy Priorities (CBPP) is a nonpartisan research and policy organization based in Washington, D.C. Founded in 1981, CBPP conducts research and analysis to inform public debates and policymakers about a range of budget, tax and programmatic issues affecting individuals and families with low or moderate incomes. The Georgetown University Center for Children and Families (CCF) is an independent, nonpartisan policy and research center founded in 2005 with a mission to expand and improve high quality, affordable health coverage for America's children and families. As part of the McCourt School of Public Policy, Georgetown CCF conducts research, develops strategies, and offers solutions to improve the health of America's children and families, particularly those with low and moderate incomes.

Massachusetts has been a leader in expanding coverage and improving affordability for people with low incomes. CMS's extension and amendment of the MassHealth waiver last year provided Massachusetts with new authorities to advance its longstanding goals of improving coverage and affordability and reducing health disparities; this amendment supports those ongoing goals and is consistent with the objectives of the Medicaid program. We urge you to approve the Commonwealth's proposed section 1115 amendment to further increase affordability of coverage, improve continuity of care, reduce medical debt, and address the health care needs of target populations, such as people experiencing homelessness and justice-involved people. We also recommend CMS work with the Commonwealth to provide more clarity about the proposed short-term housing support services.

Increasing income eligibility to qualify for premium and cost sharing assistance in the Commonwealth's marketplace would allow more people to avoid affordability cliffs

Massachusetts' ConnectorCare program has successfully provided premium subsidies and cost-sharing assistance to make health coverage more affordable. Now, the Commonwealth is proposing to build on that success by extending the program to people with slightly higher incomes who may also be unable to afford the rising costs of health care. We support the Commonwealth's request to extend eligibility for ConnectorCare premiums and cost sharing from 300 percent of the

poverty level to 500 percent, given the evidence of affordability concerns among people with moderately higher incomes than included in the existing waiver. A recent survey on health care affordability found that 30 percent of people with employer coverage and incomes above 400 percent of poverty had difficulty affording health care costs.[1]

Extending the Commonwealth's current continuous eligibility authorities would reduce gaps in coverage and improve continuity of care

In September 2022, CMS approved two important MassHealth continuous eligibility policies: 12 months of continuous eligibility for people upon release from a correctional facility and 24 months of continuous eligibility for people *under* age 65 who are experiencing homelessness. We supported those policies[2] and now endorse the Commonwealth's proposal to amend the waiver to provide 12-month continuous eligibility for all adults and 24 months of continuous eligibility for people *over* the age of 65 who are experiencing homelessness. Extending continuous eligibility would increase family and financial stability, improve care continuity and access to care, and strengthen program efficiency. This proposal will promote the objectives of Medicaid and is the type of request for which section 1115 demonstrations should be used. We strongly urge CMS to approve the request to extend continuous eligibility.

In addition to aligning family renewal periods and lessening the administrative burdens on families, continuous eligibility for parents and other adults would increase family and financial stability. Access to stable coverage for parents and other caregivers would promote increased preventive care, timely access to acute care, and protect against the medical debt that can accrue during gaps in coverage and disproportionately affects Black individuals and families.[3] In turn, continual access to care and lower levels of financial stress in the home foster a better home environment and healthy parental-child interaction.[4]

Evidence also shows that continuous eligibility will improve program efficiency. In New York, implementing a one-year continuous eligibility period for adult beneficiaries led to declines in

---

[1] Sara R. Collins et. Al., "Paying for It: How Health Care Costs and Medical Debt Are Making Americans Sicker and Poorer," October 26, 2023, https://www.commonwealthfund.org/publications/surveys/2023/oct/paying-for-it-costs-debt-americans-sicker-poorer-2023-affordability-survey.

[2] CBPP and CCF comments on MassHealth Section 1115 Demonstration Project Extension, February 3, 2022, https://ccf.georgetown.edu/wp-content/uploads/2022/06/MassHealth-Extension-Comments_CCF_CBPP_FINAL-1.pdf.

[3] Sarah Sugar et al., "Medicaid Churning and Continuity of Care: Evidence and Policy Considerations Before and After the COVID-19 Pandemic," April 2021, available at https://aspe.hhs.gov/sites/default/files/migrated_legacy_files//199881/medicaid-churning-ib.pdf; Matthew Rae et al., "The Burden of Medical Debt in the United States," Kaiser Family Foundation, March 10, 2022, https://www.kff.org/health-costs/issue-brief/the-burden-of-medical-debt-in-the-united-states/; The Census Bureau analysis of Survey of Income and Program Participation Survey Year 2020, "Wealth, Asset Ownership, & Debt of Households Detailed Tables: 2019," October 27, 2021, https://www.census.gov/data/tables/2019/demo/wealth/wealth-asset-ownership.html.

[4] Daniel Brisson et al., "A Systematic Review of the Association between Poverty and Biomarkers of Toxic Stress," Journal of Evidence-Based Social Work 17, no. 6, July 12, 2020, https://www.tandfonline.com/doi/abs/10.1080/26408066.2020.1769786; National Scientific Council on the Developing Child, "Young Children Develop in an Environment of Relationships," Harvard Center on the Developing Child, January 2004, https://developingchild.harvard.edu/resources/wp1/.

inpatient hospital admissions and overall per-member per-month costs.[5] And, after implementing one-year of continuous eligibility for adults, Montana officials reported administrative spending savings and fewer staff hours needed to process individuals moving off and on the program. Extending continuous eligibility has a valid, and commendable, experimental purpose that serves the objectives of the Medicaid program. Adding a strong evaluation component will help advance learning on this important topic.

Therefore, we commend the Commonwealth's efforts to minimize gaps in coverage and improve health outcomes and support approval of these changes.

Removing the waiver of retroactive eligibility restores a critical protection for enrollees

We strongly support the Commonwealth's request to drop its waiver of retroactive coverage and commend the Commonwealth for recognizing that the recent reinstatement of three-month retroactive coverage for pregnant women and children should be extended to all enrollees. Retroactive coverage is an essential protection for low-income families, especially people of color who are more likely to have medical debt.[6] We are pleased Massachusetts has recognized that the outdated waiver was no longer experimental and indeed contrary to the Commonwealth's stated goals of promoting health equity, maximizing coverage, and coordinating access to care.

Both housing related proposals would promote better health outcomes for targeted populations with high health care needs, but more clarity is needed on structure and partnerships

Short-Term Post Hospitalization Housing

We support Massachusetts' request to provide more short-term post hospitalization housing (STPHH) to improve health outcomes and reduce health care costs. MassHealth already includes robust housing supports. CMS recently clarified its position that Section 1115 demonstrations can be used to support STPHH, up to a combined 6 months, once-per year, so long as room and board services are combined with integrated, clinically oriented recuperative care or rehabilitative services and supports.[7] We generally support approval of Massachusetts' proposed amendment, consistent with CMS's established standards and subject to the comments below.

---

[5] Harry H. Liu et al., "New York State 1115 Demonstration Independent Evaluation: Interim Report," Rand Corporation, 2021, https://www.health.ny.gov/health_care/medicaid/redesign/mrt2/ext_request/docs/2021-08-03_1115_demo_eval.pdf#page=110.

[6] Leonardo Cuello, "Retroactive Coverage Waivers: Coverage Lost and Nothing Learned," Georgetown University Center for Children and Families Say Ahh! Health Policy Blog, October 4, 2021, https://ccf.georgetown.edu/2021/10/04/retroactive-coverage-waivers-coverage-lost-and-nothing-learned/; Matthew Rae et al., Op cit.

[7] CMCS Informational Bulletin, Coverage of Services and Supports to Address Health-Related Social Needs in Medicaid and the Children's Health Insurance Program, November 16, 2023 https://www.medicaid.gov/sites/default/files/2023-11/cib11162023.pdf; CMS, Coverage of Health-Related Social Needs (HRSN) Services in Medicaid and the Children's Health Insurance Program (CHIP), November 2023, https://www.medicaid.gov/sites/default/files/2023-11/hrsn-coverage-table.pdf; and CMS, Addressing Health-Related Social Needs in Section 1115 Demonstrations, December 6, 2022, https://www.medicaid.gov/sites/default/files/2023-01/addrss-hlth-soc-needs-1115-demo-all-st-call-12062022.pdf.

The proposed STPHH program would deliver short-term services to members experiencing homelessness after discharge from the hospital. We support the proposal, which includes an appropriate array of care coordination, medical care, and personal care services to help facilitate a safe location to heal, and we also recommend these services are coupled with the housing supports approved by CMS in September 2022. There is growing evidence that for people with complex health needs, housing support services such as help locating and apply for housing assistance, coaching on tenant rights and responsibilities, developing a support plan and connecting residents to community-based supports help people maintain housing, access care, and improve their health. The Commonwealth's application mentions housing navigation services, which should be available to all STPHH recipients, but does not include details about how such additional housing support services will be provided alongside STPHH; further clarity is needed on how the Commonwealth is structuring the supportive services it is proposing and who they are partnering with to help STPHH recipients transition into permanent, stable housing.

As part of its approval, CMS should also require the Commonwealth to develop close partnerships with the local homelessness services providers — including HUD-funded Continuum(s) of Care — and public housing agencies, which is necessary to help people transition to stable housing and minimize discharges into homelessness. CMS should also ensure that the state tracks and reports data about lengths of stay in STPHH and housing outcomes following discharge from STPHH, in addition to data regarding health outcomes and health care utilization.

CMS should ensure that STPHH does not exceed one annual 6-month period, so it remains focused on helping people transition out of acute care and does not become a secondary long-term care facility.

Temporary Housing Assistance

The proposed temporary housing assistance for families and pregnant Medicaid enrollees experiencing homelessness would similarly provide housing assistance and related support for up to 6 months. Given the unmistakable connection between housing and health, we support the Commonwealth's proposal to provide time-limited housing support and other services focused on health-related social needs (HRSN). However, the Commonwealth does not provide much detail on who it will be coordinating with to administer the new benefit or how it will identify community-based providers and other partners. The Commonwealth should ensure collaboration across programs serving the different communities that will be impacted. Such collaboration is essential to ensuring that the temporary housing assistance is a bridge to stability rather than merely a brief respite. To that end, while the state mentions that recipients of this service "would also be eligible to receive supportive services," it does not make clear that other covered housing-related services, such as housing navigation, will be made available as part of those other supportive services.

A strong implementation plan is needed to ensure consistency of the services across the Commonwealth and prevent a sudden cliff in assistance that could force beneficiaries back into homelessness or housing instability. We strongly recommend that the state define its needs criteria to align closely with HUD-funded and any state-funded housing assistance. In addition, consistent

with CMS's recent guidance,[8] it is imperative that, if approved, CMS ensure that funding for these HRSN services supplement housing resources already available in the community — including the state's efforts to "expand the availability of shelter and other accommodations (including hotels) to provide temporary housing to families and pregnant individuals" mentioned in the state's amendment — rather than supplant them. While Medicaid has a role to play in helping to address HRSNs, Medicaid cannot and should not make up for the large gaps in state and federal homelessness and affordable housing resources.

So long as the Commonwealth's proposals are implemented consistent with CMS guidance, the proposal to provide short-term housing supports is an appropriate use of the Section 1115 demonstration authority to determine if time-limited Medicaid support for housing needs can help improve health outcomes. Developing a robust monitoring and evaluation plan is key to help Massachusetts and other states learn from these projects.

Extending proposed targeted pre-release services from the 30 days prior to release to 90 days would better prepare people for a succesful return to their communities

We continue to support Massachusetts' request to amend MassHealth to support targeted pre-release Medicaid services for adults and youth who are incarcerated, for all of the reasons outlined in our February 2022 comment letter on the Commonwealth's initial proposal.[9] We now support Massachusetts's proposed amendment to align its pending request with CMS's Apri1 17, 2023 guidance regarding in-reach services for justice-involved people. In particular, we support the proposal to cover pre-release services for people in certain types of correctional facilities for 90 days rather than limiting the coverage to 30 days as originally proposed. As stated in the proposal, the state-funded efforts to deliver in-reach pre-release services and coverage of post-release services has been successful in areas such as reducing emergency room utilization, increasing utilization of behavioral health services, and increasing the percentage of people with stable housing and employment.

Given the persistent disparities noted in the proposal, we agree that the additional time will enhance the ability to establish "trusting relationships with community providers in the pre-release period" and improve access to services post-release as the Commonwealth is seeing longer appointment wait times. Facilitating trusting relationships with community-based providers is important because these providers are best equipped to provide in-reach services – a promising strategy to help people prepare to successfully return to the community. One benefit is that extending the time period will build in time for health professionals to establish rapport, develop an individualized care plan, and schedule future appointments before someone returns to the community. Community-based providers are also best positioned to connect individuals to housing, employment, and other community resources that can reduce barriers to care and prevent returning to a carceral setting.

---

[8] *Ibid*.

[9] CBPP and CCF comments on MassHealth Section 1115 Demonstration Project Extension, February 3, 2022, https://ccf.georgetown.edu/wp-content/uploads/2022/06/MassHealth-Extension-Comments_CCF_CBPP_FINAL-1.pdf.

We support the inclusion of additional evaluation metrics beyond continuity of care (e.g., hospitalizations and deaths), consistent with CMS guidance from April 17, 2023 requiring states to include additional tests beyond improving care transitions if providing pre-release coverage for over 30 days and up to 90 days. We recommend CMS approve this proposal consistent with its guidance, including by specifying a standard set of benefits, prioritizing the use of community-based providers, and requiring the state to develop a reentry initiative reinvestment plan to ensure that Medicaid funding doesn't simply replace other current funding sources. We also appreciate that the Commonwealth intends to implement the demonstration in a phased manner; this is important to assure that adequate infrastructure and community-based provider capacity exists to ensure the success of the demonstration. CMS should work with the Commonwealth to develop a robust implementation plan and to ensure that implementation timelines give the state time to establish the infrastructure needed to make this program successful.

While we are generally supportive of the Commonwealth's pre-release coverage expansion, we recommend that CMS not approve the state's requested expenditure authority to allow the state to not require some pre-release providers to enroll as Medicaid providers, as required by Medicaid law including §§ 1902(a)(27) and (a)(78). Such a policy raises program integrity concerns for Medicaid as payments can be made to unvetted providers. It may also raise other practical problems, such as for ensuring effective health care reporting and communication. CMS previously approved similar expenditure authority in California in January 2023.[10] CMS's subsequent April 2023 guidance did not explicitly allow waivers of the provider enrollment requirements, though the guidance is unclear on this point and may allow states to set other standards.[11] We recommend that CMS not approve this component of the Massachusetts request and reconsider its policy and require provider enrollment in pre-release demonstrations.

Conclusion

Our comments include numerous citations to supporting research, including direct links to the research, for HHS's benefit in reviewing our comments. We direct HHS to each of the studies cited and made available to the agency through active hyperlinks, and we request that the full text of each of the studies cited, along with the full text of our comments, be considered part of the administrative record in this matter for purposes of the Administrative Procedure Act.

Thank you for the consideration of our comments. If you would like any additional information, please contact Joan Alker (jca25@georgetown.edu) or Allison Orris (aorris@cbpp.org).

---

[10] CMS, California Advancing and Innovating Medi-Cal (CalAIM) Approval, January 26, 2023, https://www.medicaid.gov/medicaid/section-1115-demonstrations/downloads/ca-calaim-ca1.pdf.

[11] See page 27, CMS, SMD# 23-003, Opportunities to Test Transition-Related Strategies to Support Community Reentry and Improve Care Transitions for Individuals Who Are Incarcerated, April 17, 2023, https://www.medicaid.gov/federal-policy-guidance/downloads/smd23003.pdf.