



August 30, 2021

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

**Re: Texas Healthcare Transformation and Quality Improvement Program - Extension Request Demonstration.**

Dear Secretary Becerra:

Thank you for the opportunity to provide comments on the Texas Healthcare Transformation and Quality Improvement Program - Extension Request Demonstration.

The undersigned organizations represent millions of individuals facing serious, acute and chronic health conditions across the country. Our organizations have a unique perspective on what individuals need to prevent disease, cure illness and manage chronic health conditions. The diversity of our groups and the

patients and consumers we represent enables us to draw upon a wealth of knowledge and expertise and serve as an invaluable resource regarding any decisions affecting the Medicaid program and the people that it serves. We urge the Department of Health and Human Services (HHS) to make the best use of the recommendations, knowledge and experience our organizations offer here. Our organizations believe everyone should have access to quality and affordable healthcare coverage. Texas' proposal raises many complicated issues regarding that goal. We urge you to consider our comments as you evaluate this proposal.

#### Uncompensated Care Pools and Medicaid Expansion

Texas has the nation's highest uninsured rate; 18.4% of the state's population does not have healthcare coverage.<sup>1</sup> This waiver application has several important provisions related to access to care in the Medicaid program, but it falls profoundly short of its coverage and cost-effectiveness potential by not including Medicaid expansion.

Medicaid expansion has been a lifeline to millions of patients and consumers across the country, especially in the midst of the COVID-19 pandemic. Expanding Medicaid to adults with incomes up to 138% of the federal poverty level (just under \$1,500/month for an individual) could extend coverage to more than 1.5 million Texans.

While Medicaid expansion would not eliminate all uncompensated care that providers face, it would significantly reduce the amount of uncompensated care in the state and extend comprehensive coverage, not just emergency care, to millions of patients who need it now more than ever. Expanding Medicaid would result in 1.5 million low-income Texans accessing comprehensive healthcare coverage. This coverage includes vital services such as cancer screenings and annual wellness checks. Access to these services through Medicaid expansion reduces health disparities. For example, one recent study found that states that expanded Medicaid under the ACA reduced racial disparities in timely treatment for cancer patients.<sup>2</sup> Medicaid expansion is also associated with improvements in quality measures at federally qualified health centers, which are critical healthcare providers for low-income patients.<sup>3</sup>

Providing healthcare coverage, as opposed to relying on emergency department services, supplemented by uncompensated care pools, improves health outcomes. Uncompensated care pools only provide debt forgiveness for acute care provided, not the full scope of care a person needs including preventive care, outpatient care and prescription drug coverage. Medicaid expansion provides this comprehensive coverage, which in other states has resulted in improved health outcomes. For example, Medicaid expansion is associated with a reduction in preventable hospitalizations, including for asthma and COPD.<sup>4</sup> State Medicaid expansions also provide continuous care to pregnant women before, during, and after pregnancy, leading to decreases in both maternal deaths and infant mortality.

The undersigned organizations have long supported Medicaid expansion and recognize that many individuals that the uncompensated care pool would support, have incomes that would make them eligible for Medicaid expansion. As demonstrated above, these individuals would be better served in the long-term with comprehensive healthcare coverage, like Medicaid expansion.

#### 10-Year Approval

Texas has requested a 10-year approval of this 1115 demonstration extension. A 10-year approval of a 1115 demonstration extension is not permissible under the Medicaid statute. The statute limits Section 1115 demonstration extensions to three or five years, depending on the populations covered under the demonstration. Our organizations believe it is important to evaluate the evidence of a waiver's impact

on the patients we represent and whether policies should be continued at least that often and value the opportunity to regularly comment on the waiver proposals during the extension process. Due to the complex issues raised in this waiver, it makes sense for the HHS to issue a short-term approval, such as for three years, to allow HHS to consider the many questions raised by this application.

### Transparency

The notice and comment period for 1115 Demonstration waivers allows the patients our organization represent to have a voice in the way their medical care is delivered. Our organizations appreciate the Administration's commitment to the public comment process and the opportunity to provide comments on a proposal that impacts the patients we represent.

Our organizations believe everyone should have access to quality and affordable healthcare coverage. Texas' proposal raises many complicated issues regarding that goal. We again urge you to consider our comments as you evaluate this proposal. Thank you for the opportunity to provide comments.

Sincerely,

American Lung Association  
American Cancer Society Cancer Action Network  
American Heart Association  
Arthritis Foundation  
Asthma and Allergy Foundation of America  
Cancer Support Community  
Epilepsy Foundation  
Hemophilia Federation of America  
Mended Hearts & Mended Little Hearts  
National Alliance on Mental Illness  
National Multiple Sclerosis Society  
National Organization for Rare Disorders  
National Psoriasis Foundation  
Pulmonary Hypertension Association  
Susan G. Komen  
The AIDS Institute  
The American Liver Foundation  
The Leukemia & Lymphoma Society

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<sup>1</sup> Kaiser Family Foundation, Health Insurance Coverage of the Total Population, 2019. Available at:

<https://www.kff.org/other/state-indicator/total-population/?currentTimeframe=0&sortModel=%7B%22colld%22:%22Location%22,%22sort%22:%22asc%22%7D>.

<sup>2</sup> American Society of Clinical Oncology, "Racial Disparities in Access to Timely Cancer Treatment Nearly Eliminated in States with Medicaid Expansion." American Society of Clinical Oncology Annual Meeting, June 2, 2019. Access at: <https://www.asco.org/about-asco/press-center/news-releases/racial-disparities-access-timely-cancer-treatment-nearly>

<sup>3</sup> Megan B. Cole, Omar Galárraga, Ira B. Wilson, Brad Wright, and Amal N. Trivedi. "At Federally Funded Health Centers, Medicaid Expansion Was Associated With Improved Quality Of Care," Health Affairs 36, no. 1 (January 2017): pp. 40-48. Available at <https://www.healthaffairs.org/doi/pdf/10.1377/hlthaff.2016.0804>.

<sup>4</sup> Hefei Wen Kenton J. Johnston, Lindsay Allen, and Theresa M Waters. "Medicaid Expansion Associated with Reductions in Preventable Hospitalizations." November 2019. Health Affairs. Doi 10.1377/hlthaff.2019.00483