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January 3, 2018

Eric D. Hargan
Acting Secretary
Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Avenue, SW
Washington, D.C. 20201

Re: North Carolina Medicaid and NC Health Choice Amended Section 1115 Demonstration Waiver Application

Dear Acting Secretary Hargan:

The American Cancer Society Cancer Action Network (ACS CAN) appreciates the opportunity to comment on North Carolina's Medicaid and NC Health Choice amended section 1115 demonstration waiver application. ACS CAN, the nonprofit, nonpartisan advocacy affiliate of the American Cancer Society, supports evidence-based policy and legislative solutions designed to eliminate cancer as a major health problem. As the nation's leading advocate for public policies that are helping to defeat cancer, ACS CAN ensures that cancer patients, survivors, and their families have a voice in public policy matters at all levels of government.

ACS CAN supports efforts to improve quality, efficiency, and effectiveness in Medicaid and we appreciate North Carolina's desire to pursue innovative approaches in its own Medicaid program. Nearly 57,000 North Carolinians are expected to be diagnosed with cancer this year¹ – many of whom rely on Medicaid or would greatly benefit from receiving their health care through expansion of the program. Research has demonstrated that individuals who lack health insurance coverage are more likely to be diagnosed with advanced-stage cancer, which is costly and often leads to worse outcomes.² Research has also shown that individuals in expansion states are more frequently diagnosed with cancer at earlier stages than those in non-expansion states.^{3,4} Additionally, individuals enrolled in Medicaid prior to their diagnosis have better survival rates than those who enroll after their diagnosis.⁵ While we appreciate

¹ American Cancer Society. *Cancer Facts & Figures: 2017*. Atlanta: American Cancer Society, 2017.

² American Cancer Society. *Cancer Prevention & Early Detection Facts & Figures 2016-2017*. Atlanta: American Cancer Society; 2017.

³ Jemal A, Lin CC, Davidoff AJ, Han X. Changes in insurance coverage and stage at diagnosis among non-elderly patients with cancer after the Affordable Care Act. *J Clin Oncol*. 2017; 35:2906-15.

⁴ Soni A, Simon K, Cawley J, Sabik L. Effect of Medicaid Expansion of 2014 on overall and early-stage cancer diagnoses. *Am J Public Health*. 2017; Epub ahead of print.

⁵ Adams E, Chien LN, Florence CS, et al. The Breast and Cervical Cancer Prevention and Treatment Act in Georgia: effects on time to Medicaid enrollment. *Cancer*. (2009); 115(6):1300-9.

that the North Carolina Department of Health and Human Services may expand access to coverage to over half a million low-income North Carolinians in the coverage gap, we are concerned with some of the proposed expansion placeholder language included in the 1115 waiver.

Our comments are intended to ensure that cancer patients have adequate access and coverage and that any requirements included in the waiver do not create unintentional barriers to care for low-income cancer patients. To this end, we urge the Centers for Medicare and Medicaid Services (CMS or “the Department”) to reject the waiver in its current form.

Premiums

ACS CAN opposes the proposed requirement that *Carolina Cares* (or the “New Adult Group”) enrollees with incomes above 50 percent of Federal Poverty Level (FPL) pay monthly premiums of two percent of income. While two percent may seem to be a minimal amount, for a lower income person the proposed out-of-pocket costs and related penalties for non-payment could actually deter enrollment or result in a high number of people dropping coverage. This could cause significant disruptions in care, especially for cancer survivors and those newly diagnosed. Studies have shown that imposing even modest premiums or cost sharing on low-income individuals is likely to deter enrollment in the Medicaid program.^{6,7,8} Proposals that place greater financial burden on the lowest income residents, especially those under 100 percent of FPL, create significant barriers to care and could negatively impact *Carolina Cares* enrollees – particularly those individuals who are high service utilizers with complex medical conditions.

Lock-Out Period

We are deeply concerned about the proposed lock-out period for non-payment of premiums, particularly for enrollees below 100 percent FPL. We appreciate that the North Carolina Department of Health and Human Services has provided exemptions for certain individuals with medical and financial hardship, but subjecting non-exempt enrollees to the proposed lock-out until their premium is paid could place a substantial financial burden on enrollees and cause significant disruptions in care. This would particularly be the case for cancer survivors (who require frequent follow-up visits) and individuals battling cancer who, depending on the definition, may not meet the exempt categories. During the proposed lock-out period, low-income cancer patients or survivors will likely have no access to health care coverage, making it difficult or impossible to continue treatment or pay for their maintenance medication until they can pay all outstanding premiums. For those cancer patients who are mid-treatment, a loss of health care coverage could seriously jeopardize their chance of survival. Being denied access to a cancer care team until back due premiums are paid could be a matter of life or death for a cancer patient and the financial toll that the lock-out would have on individuals and their families could be devastating.

⁶ Hendryx M, Onizuka R, Wilson V, Ahern M. Effects of a Cost-Sharing Policy on Disenrollment from a State Health Insurance Program. *Soc Work Public Health*. 2012; 27(7): 671-86.

⁷ Wright BJ, Carlson MJ, Allen H, Holmgren AL, Rustvold DL. Raising Premiums and Other Costs for Oregon Health Plan Enrollees Drove Many to Drop Out. *Health Affairs*. 2010; 29(12):2311-16.

⁸ Office of the Assistant Secretary for Planning and Evaluation. Financial Condition and Health Care Burdens of People in Deep Poverty. Published July 16, 2015. Accessed April 21, 2016. <http://aspe.hhs.gov/basic-report/financial-condition-and-health-care-burdens-people-deep-poverty>.

We understand that these waiver provisions may change depending on the outcome of State legislation that could authorize the State's Department of Health and Human Services to expand eligibility for the Medicaid program, but we urge the Department to require the State to more clearly define who would be included in the medical and financial hardship exemptions before allowing them to move forward with the waiver. We also ask the Department to require that the State exclude individuals managing complex medical conditions like cancer from any lock-out penalties if CMS allows the State to move forward with this provision. Additionally, we encourage the Department to ensure enrollees and/or their health care providers are able to proactively attest to any change in their health status that could qualify them for the medical or financial exemption, thereby preventing any unnecessary gaps in coverage.

Work Requirements

We understand the reasoning behind the proposed work requirements, but making the requirement a condition of eligibility for *Carolina Cares* enrollees could adversely impact the most vulnerable North Carolina residents enrolled in the program, particularly low-income cancer patients and survivors.

The requirement that all *Carolina Cares* enrollees be employed or engaged in activities to promote employment as a condition of eligibility could severely limit access to care for low-income North Carolina residents managing complex chronic conditions, including cancer patients and recent survivors. While we understand the intent of the proposal is to further encourage employment, many cancer patients in active treatment are often unable to work for periods of time or require significant work modifications due to their treatment.^{9,10,11} Research suggests that between 40 and 85 percent of cancer patients stop working while receiving cancer treatment, with absences from work ranging from 45 days to six months depending on the treatment.¹² If this requirement is included as a condition of eligibility for coverage, many cancer patients could find they are ineligible for the lifesaving cancer treatment services provided through the North Carolina Medicaid program.

We appreciate the State of North Carolina's acknowledgement that not all people are able to work and its decision to include several exemption categories from the work requirement. However, we are concerned that the waiver does not go far enough to protect vulnerable individuals and it is unclear if legislation authorized by the General Assembly will include more or less exemptions. We note that the State neglected to exclude those enrollees who gained eligibility for Medicaid through the North Carolina Breast and Cervical Cancer program from the work requirement, and it is unclear if cancer patients and recent survivors are included under the exemption categories. If CMS approves this requirement as a condition of eligibility, we urge the Department to require the State to utilize the federal medically frail designation (42 CFR §440.315(f)) that would exempt individuals with serious,

⁹ Whitney RL, Bell JF, Reed SC, Lash R, Bold RJ, Kim KK, et al. Predictors of financial difficulties and work modifications among cancer survivors in the United States. *J Cancer Surviv.* 2016; 10:241. doi: 10.1007/s11764-015-0470-y.

¹⁰ de Boer AG, Taskila T, Tamminga SJ, et al. Interventions to enhance return to work for cancer patients. *Cochrane Database Syst Rev.* 2011; 16(2): CD007569. doi: 10.1002/14651858.CD007569.pub2.

¹¹ Stergiou-Kita M, Pritlove C, van Eerd D, Holness LD, Kirsh B, Duncan A, Jones J. The provision of workplace accommodations following cancer: survivor, provider, and employer perspectives. *J Cancer Surviv.* 2016; 10:480. doi: 10.1007/s11764-015-0492-5.

¹² Ramsey SD, Blough DK, Kirchoff AC, et al. Washington State Cancer Patients Found to be at Greater Risk for Bankruptcy than People Without a Cancer Diagnosis. *Health Affairs.* 2013; 32(6): 1143-1152.

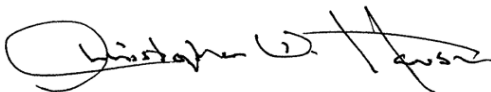
complex medical conditions like cancer from the proposed work requirement. This would include women diagnosed through the Breast and Cervical Cancer Program. The definition of medically frail should explicitly include individuals who are currently undergoing active cancer treatment – including chemotherapy, radiation, immunotherapy, and/or related surgical procedures – as well as new cancer survivors who may need additional time following treatment to transition back into the workplace.

Conclusion

We appreciate the opportunity to provide comments on North Carolina’s 1115 waiver amendment. The possibility of expanding eligibility and coverage through the Medicaid program is critically important for many low-income North Carolinians who could greatly benefit from the program for cancer prevention, early detection, diagnostic, and treatment services. We ask the CMS to weigh the potential impact premiums, work requirements, and lock-out penalties could have on *Carolina Cares* enrollees’ access to lifesaving health care coverage, particularly those individuals with cancer, cancer survivors, and those who will be diagnosed with cancer during their lifetime.

Maintaining access to quality, affordable, accessible, and comprehensive health care coverage and services is a matter of life and survivorship for thousands of low-income cancer patients and survivors, and we look forward to working with the Administration to ensure that all Americans are positioned to win the fight against cancer. If you have any questions, please feel free to contact me or have your staff contact Michelle DeFavero of our policy team at Michelle.DeFavero@cancer.org or 202-585-3266.

Sincerely,

A handwritten signature in black ink, appearing to read "Christopher W. Hansen". The signature is fluid and cursive, with a large initial "C" and a long horizontal stroke at the end.

Christopher W. Hansen
President