

September 26, 2014

Marilyn B. Tavenner  
Administrator  
Centers for Medicare & Medicaid Services  
U.S. Department of Health and Human Services  
Hubert H. Humphrey Building, Room 445-G  
200 Independence Avenue, SW  
Washington, DC 20201

Re: **Healthy Indiana Plan 2.0**

Dear Administrator Tavenner:

On behalf of the American Medical Association (AMA) and our physician and medical student members, I write to express the AMA's support for state flexibility to expand Medicaid eligibility under the Affordable Care Act (ACA) using private coverage options, such as Indiana's recently submitted Section 1115 Demonstration waiver proposal, Healthy Indiana Plan (HIP) 2.0, that will expand Medicaid coverage to over 500,000 uninsured Indianans.

The AMA believes everyone deserves quality health care. Medicaid is an important—and often the only—source of consistent care for low income individuals, and we support state efforts to participate in the Medicaid expansion under the ACA. In addition, the AMA has long recognized the benefit of allowing states to experiment with new models for covering the uninsured and supports efforts, such as HIP 2.0, that provide states the freedom to develop and test different models for covering the uninsured.

The AMA advocates for use of subsidized private health insurance coverage over public sector expansions as a means of providing coverage to the uninsured and, in particular, supports allowing Medicaid beneficiaries to purchase private health insurance coverage with income-adjusted subsidies. Such state efforts should meet or exceed projected coverage levels while maintaining or improving upon established levels of quality of care and maximizing patient choice of physicians and private health plans.

While encouraging state flexibility, the AMA also acknowledges the need for safeguards to protect beneficiaries. AMA policy supports private coverage options for non-elderly and non-disabled Medicaid beneficiaries, but acknowledges that traditional Medicaid coverage may be more appropriate for more vulnerable groups of beneficiaries. HIP 2.0 would rightly make eligible only non-disabled adults between ages 19 and 64. AMA policy also recommends that private coverage for Medicaid individuals include Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefits for children with no cost-sharing, a benefit that HIP 2.0 will preserve. In addition, we advocate that private coverage for Medicaid-eligible individuals include minimal or no cost sharing obligations, but support the use of modest copays

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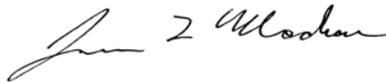
or income adjusted premium cost sharing, both of which the HIP 2.0 proposal utilizes, for non-emergency, non-preventive services as a way of expanding access to coverage.

We wish to emphasize, however, that health insurance coverage alone is insufficient to ensure access to care for the uninsured population that will gain coverage under Medicaid expansion programs. Medicaid reimbursement rates must be sufficient to ensure provider participation in the program, and we strongly encourage the Centers for Medicare & Medicaid Services (CMS) to support state efforts to increase Medicaid reimbursement rates as well as evaluate and monitor beneficiaries' access to care.

We applaud CMS' willingness to allow states flexibility to design their own Medicaid expansion plans and urge CMS to approve state proposals like HIP 2.0 that expand coverage options while also safeguarding low income individuals' access to care.

Thank you for the opportunity to comment. Please contact Margaret Garikes, Vice President of Federal Affairs, with any questions at [margaret.garikes@ama-assn.org](mailto:margaret.garikes@ama-assn.org) or 202-789-7409.

Sincerely,

A handwritten signature in cursive script, appearing to read "James L. Madara".

James L. Madara, MD