

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Kost</i>	DATE <i>12-18-13</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000205</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>1-7-14</i>
2. DATE SIGNED BY DIRECTOR <i>C: Keck</i> <i>cleaned 1/7/14, see attached note.</i>	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____ <input type="checkbox"/> FOIA DATE DUE _____ <input type="checkbox"/> Necessary Action

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			<i>Bryaa - pls speak to TK about this on Thurs 12/19.</i>
2.			<i>the-far</i>
3.			
4.			

FRED UPTON, MICHIGAN  
CHAIRMAN

HENRY A. WAXMAN, CALIFORNIA  
RANKING MEMBER

ONE HUNDRED THIRTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**

COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115

Majority (202) 225-2927  
Minority (202) 225-3641

December 9, 2013

**RECEIVED**

DEC 16 2013

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Tony Keck  
Director  
State of South Carolina, Department of Health and Human Services  
1801 Main Street  
Columbia, SC 29201-8206

Dear Director Keck:

According to previous estimates from the Centers for Medicare and Medicaid Services (CMS), implementation of the Patient Protection and Affordable Care Act (PPACA) would contribute to the largest expansion of the Medicaid program in history – with nearly 26 million Americans joining the program if fully implemented.<sup>1</sup> That number is staggering in light of the over 72 million Americans enrolled in the program in 2012.<sup>2</sup> Given PPACA's significant impact on the Medicaid program's projected growth, we write to gather the most updated information on your state's current ability to serve existing Medicaid eligibles prior to a potential January 1, 2014, expansion. We believe a review of this information will be vital as you prepare your state's fiscal year 2015 Medicaid budgets, regardless of whether your state is implementing the Medicaid expansion, is still considering an expansion, or has decided against an expansion.

While billions are spent on the program's antiquated structure each year, Medicaid still struggles to deliver health care to thousands of Americans. A 2011 analysis found that on average, only 70 percent of physicians accept new Medicaid patients, and in some states, that number is as low as 40 percent.<sup>3</sup> Additional studies have shown that Medicaid beneficiaries also face more difficulties than those with private insurance when scheduling adequate and timely follow-up care after initial treatment for an illness. Waiting for physicians is just one of the many hurdles Medicaid enrollees face today.

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<sup>1</sup> Centers for Medicare & Medicaid Services (CMS), Office of the Actuary (OACT). 2011 Actuarial Report on the Financial Outlook for Medicaid. Available online at <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Financing-and-Reimbursement/Downloads/medicaid-actuarial-report-2011.pdf> [Note: number reflects the number of Americans that ever enrolled during the year]

<sup>2</sup> MACPAC. Medicaid and CHIP Enrollment as a Percentage of the U.S. Population, 2012. March 2013 Report, page 75. Available online at <http://www.macpac.gov/reports>

<sup>3</sup> Decker, Sandra L. "In 2011 Nearly One-Third of Physicians Said They Would Not Accept New Medicaid Patients, But Rising Fees May Help,"

Furthermore, according to 2011 data from the Center on Disability at the Public Health Institute, nearly all states had a waiting list for certain Home and Community Based Services (HCBS).<sup>4</sup> Similar data from the Kaiser Family Foundation notes that of those waiting for services, more than 35,000 were children, more than 150,000 were aged individuals or had physical disabilities, and nearly 320,000 had intellectual or developmental disabilities.<sup>5</sup> We recognize that waiting lists such as those for HCBS are a reality for states already struggling to maintain their current Medicaid programs. It is therefore important to note that as states face \$2.5 trillion in Medicaid costs over the next 10 years, those lists will most likely continue to grow.<sup>6</sup>

As scarce resources become even further divided, the most vulnerable Americans could face a significant delay in accessing key services and treatments. PPACA's expansion of an already overburdened program raises serious questions for access to care for those already enrolled and eligible for the program today. As such, we request you provide the Committee with the most updated estimates for the following program aspects:

1. What percentage of currently practicing physicians in your state accepts new Medicaid patients?
2. What waiting lists does your state currently maintain under the Medicaid program as of October 1, 2013 (i.e. waiting lists associated with active Sections 1115 or 1915(c) waivers)?
3. How many individuals on your existing waiting lists qualify for Medicaid under your state's existing eligibility pathways?
4. Please provide average wait times for eligible Medicaid individuals currently on a state waiting list as of October 1, 2013. If available, please provide such wait times by category of need and/or waiver.
5. Please provide income level ranges for individuals currently on your state's waiting lists as of October 1, 2013.
6. For those individuals qualifying as newly eligible by PPACA definition, how many individuals have you estimated would require the institutional level-of-care provided in HCBS waivers and could therefore be added to your state's waiting lists?
7. For those individuals qualifying as newly eligible by PPACA definition, how would asset tests apply and would asset test application vary in comparison with other individuals currently on existing waiting lists?

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<sup>4</sup> Center on Disability at the Public Health Institute. "Number of Persons on Medicaid 1915(c) HCBS Waiver Lists, 2011. Available online at [http://www.centerondisability.org/community\\_living\\_indicators/indicator9.php](http://www.centerondisability.org/community_living_indicators/indicator9.php)

<sup>5</sup> Kaiser Family Foundation. "Waiting Lists for Medicaid Section 1915(c) Home and Community-Based Service (HCBS) Waivers." 2011. Available online at <http://kff.org/medicaid/state-indicator/waiting-lists-for-hcbs-waivers-2010/#>

<sup>6</sup> Centers for Medicare & Medicaid Services (CMS), Office of the Actuary (OACT). 2012 Actuarial Report on the Financial Outlook for Medicaid. Available online at <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Financing-and-Reimbursement/Downloads/medicaid-actuarial-report-2012.pdf>

While the substantial federal match for newly eligible populations may entice many states into a dramatic expansion of the program in 2014, we remain concerned that the Medicaid program's existing financial troubles will be exacerbated by the program's growth as a result of the PPACA. At a state level, Medicaid already competes with other state priorities. Expanding the program based on an expectation that the enhanced federal match will alleviate existing financial burdens is misleading to both taxpayers and the millions of Medicaid enrollees who depend on the program today.

As you know, federal funds received for those deemed newly eligible must only be applied to the costs of that specific population. These funds cannot be transferred to cover existing funding shortfalls or medical costs associated with previously eligible or previously eligible, but non-enrolled, recipients. In fact, every state dollar used to cover the costs of a newly eligible enrollee is a dollar that could have been applied to help reduce waiting lists for Medicaid eligible individuals, or improve care for those who already depend on your state's program today.


Finally, in an effort to ensure that every Medicaid dollar is applied correctly, this Committee will continue to review your state's eligibility determinations, actual spending, and enrollment levels. We believe you share our interest in ensuring that the Medicaid program provides the highest standard of care to the nation's most vulnerable populations. As such, we look forward to receiving your responses and together considering the impact that an overexpansion of the program could have on millions of Americans who already depend on Medicaid today.

Please submit responses to the above data requests by no later than December 31, 2013. Thank you for your prompt attention to this matter. Should you have any questions, please do not hesitate to contact my staff, Monica Popp or Clay Alspach, with the Committee Staff at (202) 225-2927.

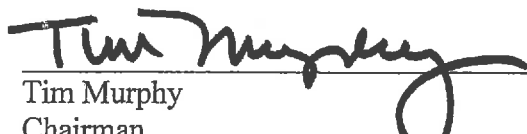
Sincerely,



Fred Upton  
Chairman



Joseph R. Pitts  
Chairman  
Subcommittee on Health



Tim Murphy  
Chairman  
Subcommittee on Oversight and Investigations

Letter to State Medicaid Director

Page 4

cc: The Honorable Henry A. Waxman, Ranking Member

The Honorable Diana DeGette, Ranking Member  
Subcommittee on Oversight and Investigations

The Honorable Frank Pallone Jr., Ranking Member  
Subcommittee on Health

National Association of Medicaid Directors

Congress of the United States  
House of Representatives  
Committee on Energy and Commerce  
2125 Rayburn House Office Building  
Washington, DC 20515

Talked to Bryan. He  
says no point in  
responding. Do you  
want to put this  
stuff w/ the logfile  
for our records?

- Jenny

log # 000205  
✓

The Honorable Fred Upton and the Honorable Joseph R. Pitts:

Thank you for your questions regarding the South Carolina Medicaid program. A response to each of your questions is provided below.

1. What percentage of currently practicing physicians in your state accepts new Medicaid patients?

Approximately 57% of South Carolina Healthy Connections enrolled physicians are accepting new Medicaid patients.

We have 21,959 physicians enrolled with SC Healthy Connections Medicaid and of those 12,611 are accepting new Medicaid patients. The active physicians was pulled from our internal system with the search criteria being all non-facility providers, all specialties, must be MD. The number of physicians accepting new members is a new field stored on BlueCross' system that is pulled from Augusta that contains all responses from enrolled providers in 2013.

2. What waiting lists does your state currently maintain under the Medicaid programs as of October 1, 2013 (i.e. waiting lists associated with active Sections 1115 or 1915(c) waivers)

South Carolina currently maintains 8 1915(c) waivers. The waivers below currently have a waiting list:

- Medically Complex Children (MCC)
- Intellectual Disabilities/Related Disabilities (ID/RD)
- Community Supports
- Head and Spinal Cord Injury (HASCI)
- Pervasive Developmental Disability (PDD)
- HIV/Aids
- Community Choices

3. How many individuals on your existing waiting lists qualify for Medicaid under your state's existing eligibility pathways?

For the Medically Complex Children, ID/RD, Community Supports, HASCI and PDD we do not know how many individuals are financially eligible for Medicaid.

That is typically determined prior to allocation of a waiver slot, which is done sufficiently ahead of when they will be able to enter the program and would not keep them from enrolling in the waiver.

For the Community Choices waiver, of the 2,587 on the processing list, 2,174 need to be determined financially eligible for long term care services, i.e. they were not eligible at time of application. For HIV/Aids, 25 of 64 need a financial eligibility determination. (Numbers provided are as of March 2013)

4. Please provide average wait times for eligible Medicaid individuals currently on a state waiting list as of October 1, 2013. If available, please provide such wait times by category of need and/or waiver.

<b>Waiver</b>	<b>Number on Waiting List as of October 2013</b>	<b>Number on Waiting List as of March 2013</b>	<b>Projected Average Wait Time</b>	<b>Longest Wait Time</b>
Medically Complex Children	118	114	1-2 months	7 months
ID/RD	4,659	5,077	4 years	7 years
Community Supports	3,985	4,066	3 years	4 years
HASCI	378	300	3 years	6 years
PDD	1,208	1,285	3 years	2 years
Community Choices*	2,403	2,587	1-2 months	N/A
HIV/Aids*	48	64	1-2 months	N/A
Mechanical Ventilator*	N/A	N/A	N/A	N/A

\* Individuals are not on a waitlist but are awaiting an eligibility determination.

5. Please provide income level ranges for individuals currently on your state's waiting lists as of October 1, 2013.

The income level is not requested prior to placing an individual on a waiting list.

6. For those individuals qualifying as newly eligible by PPACA definition, how many individuals have you estimated would require the institutional level of care provided in HCBS waivers and could therefore be added to your state's waiting lists?

South Carolina did not expand Medicaid and the Modified Adjusted Gross Income guidelines are cost and population neutral; therefore, the waiting list is not directly impacted.

7. For those individuals qualifying as newly eligible by PPACA definition how would asset tests apply and would asset test application vary in comparison with other individuals currently on existing waiting lists?

South Carolina did not expand Medicaid and the Modified Adjusted Gross Income guidelines are cost and population neutral; therefore, the waiting list is not directly impacted.

Please do not hesitate to contact me directly should you need additional information.

Sincerely,

Anthony Keck



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

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**Congress of the United States**  
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COMMITTEE ON ENERGY AND COMMERCE

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December 9, 2013

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DEC 16 2013

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Tony Keck  
Director  
State of South Carolina, Department of Health and Human Services  
1801 Main Street  
Columbia, SC 29201-8206

Dear Director Keck:

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While billions are spent on the program's antiquated structure each year, Medicaid still struggles to deliver health care to thousands of Americans. A 2011 analysis found that on average, only 70 percent of physicians accept new Medicaid patients, and in some states, that number is as low as 40 percent.<sup>3</sup> Additional studies have shown that Medicaid beneficiaries also face more difficulties than those with private insurance when scheduling adequate and timely follow-up care after initial treatment for an illness. Waiting for physicians is just one of the many hurdles Medicaid enrollees face today.

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<sup>1</sup> Centers for Medicare & Medicaid Services (CMS), Office of the Actuary (OACT). 2011 Actuarial Report on the Financial Outlook for Medicaid. Available online at <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Financing-and-Reimbursement/Downloads/medicaid-actuarial-report-2011.pdf> [Note: number reflects the number of Americans that ever enrolled during the year]

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<sup>3</sup> Decker, Sandra L. "In 2011 Nearly One-Third of Physicians Said They Would Not Accept New Medicaid Patients, But Rising Fees May Help,"

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As scarce resources become even further divided, the most vulnerable Americans could face a significant delay in accessing key services and treatments. PPACA's expansion of an already overburdened program raises serious questions for access to care for those already enrolled and eligible for the program today. As such, we request you provide the Committee with the most updated estimates for the following program aspects:

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2. What waiting lists does your state currently maintain under the Medicaid program as of October 1, 2013 (i.e. waiting lists associated with active Sections 1115 or 1915(c) waivers)?
3. How many individuals on your existing waiting lists qualify for Medicaid under your state's existing eligibility pathways?
4. Please provide average wait times for eligible Medicaid individuals currently on a state waiting list as of October 1, 2013. If available, please provide such wait times by category of need and/or waiver.
5. Please provide income level ranges for individuals currently on your state's waiting lists as of October 1, 2013.
6. For those individuals qualifying as newly eligible by PPACA definition, how many individuals have you estimated would require the institutional level-of-care provided in HCBS waivers and could therefore be added to your state's waiting lists?
7. For those individuals qualifying as newly eligible by PPACA definition, how would asset tests apply and would asset test application vary in comparison with other individuals currently on existing waiting lists?

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<sup>5</sup> Kaiser Family Foundation. "Waiting Lists for Medicaid Section 1915(c) Home and Community-Based Service (HCBS) Waivers." 2011. Available online at <http://kff.org/medicaid/state-indicator/waiting-lists-for-hcbs-waivers-2010/#>

<sup>6</sup> Centers for Medicare & Medicaid Services (CMS), Office of the Actuary (OACT). 2012 Actuarial Report on the Financial Outlook for Medicaid. Available online at <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Financing-and-Reimbursement/Downloads/medicaid-actuarial-report-2012.pdf>


While the substantial federal match for newly eligible populations may entice many states into a dramatic expansion of the program in 2014, we remain concerned that the Medicaid program's existing financial troubles will be exacerbated by the program's growth as a result of the PPACA. At a state level, Medicaid already competes with other state priorities. Expanding the program based on an expectation that the enhanced federal match will alleviate existing financial burdens is misleading to both taxpayers and the millions of Medicaid enrollees who depend on the program today.

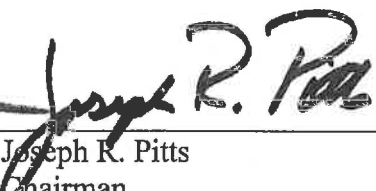
As you know, federal funds received for those deemed newly eligible must only be applied to the costs of that specific population. These funds cannot be transferred to cover existing funding shortfalls or medical costs associated with previously eligible or previously eligible, but non-enrolled, recipients. In fact, every state dollar used to cover the costs of a newly eligible enrollee is a dollar that could have been applied to help reduce waiting lists for Medicaid eligible individuals, or improve care for those who already depend on your state's program today.


Finally, in an effort to ensure that every Medicaid dollar is applied correctly, this Committee will continue to review your state's eligibility determinations, actual spending, and enrollment levels. We believe you share our interest in ensuring that the Medicaid program provides the highest standard of care to the nation's most vulnerable populations. As such, we look forward to receiving your responses and together considering the impact that an overexpansion of the program could have on millions of Americans who already depend on Medicaid today.

Please submit responses to the above data requests by no later than December 31, 2013. Thank you for your prompt attention to this matter. Should you have any questions, please do not hesitate to contact my staff, Monica Popp or Clay Alspach, with the Committee Staff at (202) 225-2927.

Sincerely,

  
Fred Upton  
Chairman

  
Joseph R. Pitts  
Chairman  
Subcommittee on Health

  
Tim Murphy  
Chairman  
Subcommittee on Oversight and Investigations

Letter to State Medicaid Director

Page 4

cc: The Honorable Henry A. Waxman, Ranking Member

The Honorable Diana DeGette, Ranking Member  
Subcommittee on Oversight and Investigations

The Honorable Frank Pallone Jr., Ranking Member  
Subcommittee on Health

National Association of Medicaid Directors

Congress of the United States  
House of Representatives  
Committee on Energy and Commerce  
2125 Rayburn House Office Building  
Washington, DC 20515

The Honorable Fred Upton and the Honorable Joseph R. Pitts:

Thank you for your recent questions regarding the South Carolina Medicaid program. A response to each of your questions is provided below.

1. What percentage of currently practicing physicians in your state accepts new Medicaid patients?

Approximately 84% of South Carolina practicing physicians accept new Medicaid patients. (Source: National Ambulatory Medical Care Survey Electronic Medical Records Supplement, 2011 and Health Affairs)

SHOULD WE ALSO INDICATE NUMBER OF ENROLLED DOCS TO TOTAL ACTIVE IN SC?

2. What waiting lists does your state currently maintain under the Medicaid programs as of October 1, 2013 (i.e. waiting lists associated with active Sections 1115 or 1915(c) waivers)

South Carolina currently maintains 8 1915(c) waivers. The waivers below currently have a waiting list:

- Medically Complex Children
- Intellectual Disabilities/Related Disabilities
- Community Supports
- Head and Spinal Cord Injury
- Pervasive Developmental Disability
- HIV/Aids
- Community Choices

3. How many individuals on your existing waiting lists qualify for Medicaid under your state's existing eligibility pathways?

For the Medically Complex Children, ID/RD, Community Supports, HASCI and PDD we do not know how many individuals are financially eligible for Medicaid. That is typically determined prior to allocation of a waiver slot, which is done sufficiently ahead of when they will be able to enter the program and would not keep them from enrolling in the waiver.

For the Community Choices waiver, of the 2,403 on the processing list, 2,063 need to be determined financially eligible for long term care services, i.e. they were not eligible at time of application. For HIV/Aids, 7 of 48 need a financial eligibility determination.

4. Please provide average wait times for eligible Medicaid individuals currently on a state waiting list as of October 1, 2013. If available, please provide such wait times by category of need and/or waiver.

SHOULD WE DO LONGEST WAIT TOO?

WHAT IS SOURCE OF AVERAGE WAIT?

DO WE HAVE IDEA OF DUPLICATES? *Individuals are on multiple lists.*

Waiver	Number on Waiting List	Projected Average Wait Time
Medically Complex Children	118	30 days
ID/RD	4,659	4 years
Community Supports	3,985	3 years
HASCI	378	3 years
PDD	643	3 years
Community Choices	2403	1-2 months
HIV/Aids	48	1-2 months
Mechanical Ventilator	N/A	N/A

Max

7 years Source: DOSN  
4 years Source: DOSN

N/A

N/A

*may also be receiving services & on another waiting list. Do not have actual # of these individuals.*

5. Please provide income level ranges for individuals currently on your state's waiting lists as of October 1, 2013.

The income level is not requested prior to placing an individual on a waiting list.

6. For those individuals qualifying as newly eligible by PPACA definition, how many individuals have you estimated would require the institutional level of care provided in HCBS waivers and could therefore be added to your state's waiting lists? *New ACA guidelines would not affect the waiver*

This question does not apply to South Carolina because the state has not expanded the eligibility guidelines. *income threshold.*

IM NOT SURE THIS ANSWERS THE QUESTION. LET'S DISCUSS. *0*

7. For those individuals qualifying as newly eligible by PPACA definition, how would asset tests apply and would asset test application vary in comparison with other individuals currently on existing waiting lists?

This question does not apply to South Carolina because the state has not expanded the eligibility guidelines. *1.*

Please do not hesitate to contact me directly should you need additional information.

Sincerely,

Anthony Keck

*Ind who appear elig for HCBS waiv  
are already enrolled.*



Jan Polatty

followup →

**From:** Jenny Lynch  
**Sent:** Thursday, January 09, 2014 3:36 PM  
**To:** Anthony Keck  
**Cc:** Bryan Kost; Jan Polatty  
**Subject:** Response to US House Committee on Energy and Commerce - Log 0205  
**Attachments:** Response to US House Committee on Energy and Commerce - Log 0205.doc

The updated response is attached. Additional comments/response to your questions in red.

Thanks!

**Jenny Lynch**  
*Director, Legislative  
Affairs*  
[LYNCHJEN@scdhhs.gov](mailto:LYNCHJEN@scdhhs.gov)  
803-898-3965  
cell: 803-351-5673  
[www.scdhhs.gov](http://www.scdhhs.gov)  
  

SOUTH CAROLINA  
**Healthy Connections**   
MEDICAID

*Healthy Connections* and the Healthy Connections logo are trademarks of South Carolina Department of Health and Human Services and may be used only with permission from the Agency.

Bren -  
Was this log  
closed out?  
The Jan  
4/3

Congress of the United States  
House of Representatives  
Committee on Energy and Commerce  
2125 Rayburn House Office Building  
Washington, DC 20515

The Honorable Fred Upton and the Honorable Joseph R. Pitts:

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4. Please provide average wait times for eligible Medicaid individuals currently on a state waiting list as of October 1, 2013. If available, please provide such wait times by category of need and/or waiver.

SHOULD WE DO LONGEST WAIT TOO? Added to chart below. Note: this includes someone who has been hospitalized or in a nursing facility

WHAT IS SOURCE OF AVERAGE WAIT? DDSN and Phoenix -for id/rd, hasci, pdd, and cs getting from ddsn. Mcc, cc, vent, hiv/aids from phoenix

DO WE HAVE IDEA OF DUPLICATES? There are individuals on multiple lists and individuals receiving services in one waiver and on a waiting list for another waiver. We do not have the actual # of these individuals.

<b>Waiver</b>	<b>Number on Waiting List</b>	<b>Projected Average Wait Time</b>	<b>Longest Wait Time</b>
Medically Complex Children	118	1-2 months	7 months
ID/RD	4,659	4 years	7 years
Community Supports	3,985	3 years	4 years
HASCI	378	3 years	6 years
PDD	1208	3 years	2 years
Community Choices*	2403	1-2 months	N/A
HIV/Aids*	48	1-2 months	N/A
Mechanical Ventilator*	N/A	N/A	N/A

\* Individuals are not on a waitlist but are awaiting an eligibility determination.

5. Please provide income level ranges for individuals currently on your state's waiting lists as of October 1, 2013.

The income level is not requested prior to placing an individual on a waiting list.

6. For those individuals qualifying as newly eligible by PPACA definition, how many individuals have you estimated would require the institutional level of care provided in HCBS waivers and could therefore be added to your state's waiting lists?

South Carolina did not expand Medicaid and the Modified Adjusted Gross Income guidelines are cost and population neutral; therefore, the waiting list is not directly impacted.

7. For those individuals qualifying as newly eligible by PPACA definition how would asset tests apply and would asset test application vary in comparison with other individuals currently on existing waiting lists?

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Sincerely,

Anthony Keck

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR**

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-------------------	-------------------------

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER  <i>000205</i>	<input checked="" type="checkbox"/> Prepare reply for the Director's signature DATE DUE <i>1-7-14</i>
2. DATE SIGNED BY DIRECTOR  <i>C. Keck</i>	<input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____  <input type="checkbox"/> FOIA DATE DUE _____  <input type="checkbox"/> Necessary Action

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			<i>Bryaa - pls speak to TK about this on Thurs 12/19. The-Jan</i>
2.			
3.			
4.			

FRED UPTON, MICHIGAN  
CHAIRMAN

HENRY A. WAXMAN, CALIFORNIA  
RANKING MEMBER

ONE HUNDRED THIRTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**

COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115

Majority (202) 225-2927

Minority (202) 225-3841

December 9, 2013

**RECEIVED**

DEC 16 2013

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Tony Keck  
Director  
State of South Carolina, Department of Health and Human Services  
1801 Main Street  
Columbia, SC 29201-8206

Dear Director Keck:

According to previous estimates from the Centers for Medicare and Medicaid Services (CMS), implementation of the Patient Protection and Affordable Care Act (PPACA) would contribute to the largest expansion of the Medicaid program in history – with nearly 26 million Americans joining the program if fully implemented.<sup>1</sup> That number is staggering in light of the over 72 million Americans enrolled in the program in 2012.<sup>2</sup> Given PPACA's significant impact on the Medicaid program's projected growth, we write to gather the most updated information on your state's current ability to serve existing Medicaid eligibles prior to a potential January 1, 2014, expansion. We believe a review of this information will be vital as you prepare your state's fiscal year 2015 Medicaid budgets, regardless of whether your state is implementing the Medicaid expansion, is still considering an expansion, or has decided against an expansion.

While billions are spent on the program's antiquated structure each year, Medicaid still struggles to deliver health care to thousands of Americans. A 2011 analysis found that on average, only 70 percent of physicians accept new Medicaid patients, and in some states, that number is as low as 40 percent.<sup>3</sup> Additional studies have shown that Medicaid beneficiaries also face more difficulties than those with private insurance when scheduling adequate and timely follow-up care after initial treatment for an illness. Waiting for physicians is just one of the many hurdles Medicaid enrollees face today.

---

<sup>1</sup> Centers for Medicare & Medicaid Services (CMS), Office of the Actuary (OACT). 2011 Actuarial Report on the Financial Outlook for Medicaid. Available online at <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Financing-and-Reimbursement/Downloads/medicaid-actuarial-report-2011.pdf> [Note: number reflects the number of Americans that ever enrolled during the year]

<sup>2</sup> MACPAC. Medicaid and CHIP Enrollment as a Percentage of the U.S. Population, 2012. March 2013 Report, page 75. Available online at <http://www.macpac.gov/reports>

<sup>3</sup> Decker, Sandra L. "In 2011 Nearly One-Third of Physicians Said They Would Not Accept New Medicaid Patients, But Rising Fees May Help,"

Furthermore, according to 2011 data from the Center on Disability at the Public Health Institute, nearly all states had a waiting list for certain Home and Community Based Services (HCBS).<sup>4</sup> Similar data from the Kaiser Family Foundation notes that of those waiting for services, more than 35,000 were children, more than 150,000 were aged individuals or had physical disabilities, and nearly 320,000 had intellectual or developmental disabilities.<sup>5</sup> We recognize that waiting lists such as those for HCBS are a reality for states already struggling to maintain their current Medicaid programs. It is therefore important to note that as states face \$2.5 trillion in Medicaid costs over the next 10 years, those lists will most likely continue to grow.<sup>6</sup>

As scarce resources become even further divided, the most vulnerable Americans could face a significant delay in accessing key services and treatments. PPACA's expansion of an already overburdened program raises serious questions for access to care for those already enrolled and eligible for the program today. As such, we request you provide the Committee with the most updated estimates for the following program aspects:

1. What percentage of currently practicing physicians in your state accepts new Medicaid patients? *Jason / Slide / Rate*
2. What waiting lists does your state currently maintain under the Medicaid program as of October 1, 2013 (i.e. waiting lists associated with active Sections 1115 or 1915(c) waivers)? *None*
3. How many individuals on your existing waiting lists qualify for Medicaid under your state's existing eligibility pathways? *they would already be eligible*
4. Please provide average wait times for eligible Medicaid individuals currently on a state waiting list as of October 1, 2013. If available, please provide such wait times by category of need and/or waiver.
5. Please provide income level ranges for individuals currently on your state's waiting lists as of October 1, 2013. *get list*
6. For those individuals qualifying as newly eligible by PPACA definition, how many individuals have you estimated would require the institutional level-of-care provided in HCBS waivers and could therefore be added to your state's waiting lists? *would not apply,*
7. For those individuals qualifying as newly eligible by PPACA definition, how would asset tests apply and would asset test application vary in comparison with other individuals currently on existing waiting lists? *not expanding*

<sup>4</sup> Center on Disability at the Public Health Institute. "Number of Persons on Medicaid 1915(c) HCBS Waiver Lists, 2011. Available online at [http://www.centerondisability.org/community\\_living\\_indicators/indicator9.php](http://www.centerondisability.org/community_living_indicators/indicator9.php)

<sup>5</sup> Kaiser Family Foundation. "Waiting Lists for Medicaid Section 1915(c) Home and Community-Based Service (HCBS) Waivers." 2011. Available online at <http://kff.org/medicaid/state-indicator/waiting-lists-for-hcbs-waivers-2010/#>

<sup>6</sup> Centers for Medicare & Medicaid Services (CMS), Office of the Actuary (OACT). 2012 Actuarial Report on the Financial Outlook for Medicaid. Available online at <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Financing-and-Reimbursement/Downloads/medicaid-actuarial-report-2012.pdf>

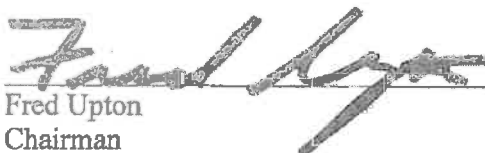
While the substantial federal match for newly eligible populations may entice many states into a dramatic expansion of the program in 2014, we remain concerned that the Medicaid program's existing financial troubles will be exacerbated by the program's growth as a result of the PPACA. At a state level, Medicaid already competes with other state priorities. Expanding the program based on an expectation that the enhanced federal match will alleviate existing financial burdens is misleading to both taxpayers and the millions of Medicaid enrollees who depend on the program today.

As you know, federal funds received for those deemed newly eligible must only be applied to the costs of that specific population. These funds cannot be transferred to cover existing funding shortfalls or medical costs associated with previously eligible or previously eligible, but non-enrolled, recipients. In fact, every state dollar used to cover the costs of a newly eligible enrollee is a dollar that could have been applied to help reduce waiting lists for Medicaid eligible individuals, or improve care for those who already depend on your state's program today.


Finally, in an effort to ensure that every Medicaid dollar is applied correctly, this Committee will continue to review your state's eligibility determinations, actual spending, and enrollment levels. We believe you share our interest in ensuring that the Medicaid program provides the highest standard of care to the nation's most vulnerable populations. As such, we look forward to receiving your responses and together considering the impact that an overexpansion of the program could have on millions of Americans who already depend on Medicaid today.

Please submit responses to the above data requests by no later than December 31, 2013. Thank you for your prompt attention to this matter. Should you have any questions, please do not hesitate to contact my staff, Monica Popp or Clay Alspach, with the Committee Staff at (202) 225-2927.


Sincerely,



Fred Upton  
Chairman



Joseph R. Pitts  
Chairman  
Subcommittee on Health



Tim Murphy  
Chairman  
Subcommittee on Oversight and Investigations



Letter to State Medicaid Director

Page 4

cc: The Honorable Henry A. Waxman, Ranking Member

The Honorable Diana DeGette, Ranking Member  
Subcommittee on Oversight and Investigations

The Honorable Frank Pallone Jr., Ranking Member  
Subcommittee on Health

National Association of Medicaid Directors

## Jenny Lynch

---

**From:** Roy Smith  
**Sent:** Tuesday, December 31, 2013 2:58 PM  
**To:** Jenny Lynch  
**Cc:** GEORGE MAKY  
**Subject:** RE: Energy and Commerce Questions - Tony's questions attached

No on longest wait - that is going to be someone who has been hospitalized or in a nursing facility and not real helpful to this

Phoenix is the data source

No

---

**From:** Jenny Lynch  
**Sent:** Tuesday, December 31, 2013 2:44 PM  
**To:** Roy Smith  
**Cc:** GEORGE MAKY  
**Subject:** RE: Energy and Commerce Questions - Tony's questions attached

Thanks and can you provide the answer to these questions:

SHOULD WE DO LONGEST WAIT TOO?  
WHAT IS SOURCE OF AVERAGE WAIT?  
DO WE HAVE IDEA OF DUPLICATES?

-----Original Message-----

**From:** Roy Smith  
**Sent:** Tuesday, December 31, 2013 2:02 PM  
**To:** Jenny Lynch  
**Cc:** GEORGE MAKY  
**Subject:** FW: Energy and Commerce Questions - Tony's questions attached

Attached are reports that calculate the average time from application to enrollment. The mean and median are both reported by waiver. I highly recommend using the median, as the mean gives too much weight to outliers. Reasons for delays include: eligibility determination times, disenrolling from MCOs, etc.

Median range by program is from 24 days to 60 days, which fits the 1-2 month range I quoted earlier. Roy

---

**From:** Mary Fleming  
**Sent:** Tuesday, December 31, 2013 11:53 AM  
**To:** Roy Smith  
**Cc:** RHONDA FEASTER  
**Subject:** Re: Energy and Commerce Questions - Tony's questions attached

Roy,

Your update with the requested changes is attached. The dataset is much smaller and easier to work with.

I added a new tab ('Timelines') with the counts and averages for you -- hopefully it's clearer than in email.

As always, let me know if there is more I can do.

Thanks!

Mary

> From: Roy Smith <[SMITHROY@scdhhs.gov](mailto:SMITHROY@scdhhs.gov)>  
> Date: Tue, 31 Dec 2013 10:28:09 -0500  
> To: Mary Fleming <[Mary.Fleming@scdhhs.gov](mailto:Mary.Fleming@scdhhs.gov)>  
> Cc: RHONDA FEASTER <[Feaster@scdhhs.gov](mailto:Feaster@scdhhs.gov)>  
> Subject: RE: Energy and Commerce Questions - Tony's questions attached

>  
> Thanks - I hadn't reviewed it. It is helpful but I need more.

>  
> 1. Only include if good priority information is available 2. Do for  
> enrollments from 7/1/11 forward (or at least be able to filter to  
> those dates) 3. separate means and medians for the two groups and  
> then one mean and median for all included 4. do separately for each  
> waiver program

>  
> thanks

> \_\_\_\_\_  
> From: Mary Fleming  
> Sent: Tuesday, December 31, 2013 10:20 AM  
> To: Roy Smith  
> Cc: RHONDA FEASTER  
> Subject: Re: Energy and Commerce Questions - Tony's questions attached

>  
> Roy,  
>  
> I sent this to you on 12/27 ('As Requested: Report of time from  
> application to time of enrollment'), but it was just the CC enrollees.

>  
> If it has what you need, I'll add in the other waivers and resend. If  
> not, I'll rework it after we talk.

>  
> Thanks!  
> Mary

>  
>  
>  
>  
>> From: Roy Smith <[SMITHROY@scdhhs.gov](mailto:SMITHROY@scdhhs.gov)>  
>> Date: Tue, 31 Dec 2013 10:06:53 -0500  
>> To: Mary Fleming <[Mary.Fleming@scdhhs.gov](mailto:Mary.Fleming@scdhhs.gov)>  
>> Cc: RHONDA FEASTER <[Feaster@scdhhs.gov](mailto:Feaster@scdhhs.gov)>  
>> Subject: FW: Energy and Commerce Questions - Tony's questions  
>> attached  
>>  
>> Mary, I now need the waiting list numbers asap. The question is:

>> what is the average waiting time for the four waivers using Phoenix:

>> MCC, CC, HIV and Vent.

>>

>> The method should be to look at people entering the waivers over some

>> period of time and then look back to their first application date.

>> Separate, as we have discussed, by whether or not they needed a

>> financial determination (i.e., ever had a priority of 8). Should be

>> bimodal distribution, so we can calculate an average wait time for

>> each subgroup and also one for all applicants.

>>

>> I'll be calling Rhonda in about an hour to discuss this with the two of you.

>> Roy

>>

>>

>>

>> \_\_\_\_\_  
>> From: Jenny Lynch

>> Sent: Tuesday, December 31, 2013 9:56 AM

>> To: GEORGE MAKY; Peter Liggett; Roy Smith

>> Cc: Bryan Kost

>> Subject: Energy and Commerce Questions - Tony's questions attached

>>

>> Hi! See attached questions in red from Tony. Can you provide this

>> information (with the exception of question 1)? I have asked for an

>> extension on this. We can get together and discuss Thursday or

>> Friday if needed.

>>

>> Thanks!!

>>

>>

>> \_\_\_\_\_

>> Jenny Lynch

>> Director, Legislative Affairs

>> [LYNCHJEN@scdhhs.gov](mailto:LYNCHJEN@scdhhs.gov)<<mailto:LYNCHJEN@scdhhs.gov>>

>> 803-898-3965

>> cell: 803-351-5673

>> [www.scdhhs.gov](http://www.scdhhs.gov)<<http://www.scdhhs.gov>>

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>> [p://www.pinterest.com/scmedicaid](https://www.pinterest.com/scmedicaid)>

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## Study: Nearly A Third Of Doctors Won't See New Medicaid Patients

TOPICS: MEDICAID, STATES, HEALTH COSTS

By Phil Galewitz

KHN Staff Writer

AUG 06, 2012

*This story was produced in collaboration with The Philadelphia Inquirer*



Physician's assistant Ann Valdez (check's out Amy Morales, 2), during a check-up at a community health center in Aurora, Colorado. The clinic serves many Medicaid patients (Photo by John Moore/Getty Images)

If you're on Medicaid and looking for a new doctor, your chances are excellent of finding one ... in Wyoming.

In New Jersey, not so much.

About 69 percent of doctors nationally accept new Medicaid patients, but the rate varies widely across the country, according to a study published Monday in the journal *Health Affairs*.

New Jersey had the nation's lowest rate at 40 percent, while Wyoming had the high at 99 percent, according to a survey last year of doctors by the U.S. Centers for Disease Control and Prevention.

For years, some states have struggled to attract doctors to treat patients enrolled in the state-federal health insurance program for the poor, largely because of their low pay. New Jersey's reimbursement rate for Medicaid doctors, compared to what Medicare pays, is the lowest in the nation, according to the study.

In comparison, more than 80 percent of doctors nationally accept new patients on Medicare, the program for seniors and the disabled, or those with private insurance, the Health Affairs study found.

Access to doctors looms as an important issue in 2014, when under the federal health law, the number of Medicaid patients -- now 60 million -- will increase by as many as 16 million, including about 200,000 more people in New Jersey.

The Medicaid expansion is optional for states under the recent Supreme Court ruling on the law, and New Jersey Gov. Chris Christie said he is leaning against it. States have more than a year to decide.

To boost doctor participation, the health law increases pay for primary care physicians in 2013 and 2014 who treat Medicaid patients -- a 30-percent hike on average nationally and a 50-percent boost for New Jersey doctors. After that, Congress is likely to come under pressure to continue the funding, but there is no guarantee it will.

The law also provides \$11 billion to expand community health centers that provide primary care to Medicaid patients.

Robert Maro Jr., a Cherry Hill, N.J. internist, said he has not accepted new Medicaid patients for 15 years because of low pay. He notes the state reimburses him only about \$23.50 for a basic office visit, less than half of what he gets from Medicare or private insurers.

Maro said he treats Medicaid patients in the hospital and in nursing homes, but he would lose

Percentage Of U.S. Office-Based Physicians Accepting New Medicaid Patients, 2011

States estimated to be statistically significantly different from the national average are displayed in **bold**.

States estimated *not* to be statistically significantly different are displayed in regular font.

State	Estimate
All	69.4
<b>NJ</b>	<b>40.4</b>
CA	57.1
FL	59.1
CT	60.7
TN	61.4
NY	61.6
LA	62.1
IL	64.9
MD	65.9
CO	66.1
OK	67.3
GA	67.4
MO	67.6

MOST POPULAR

money treating them in the office where his administrative costs are higher.

He said he would start seeing new Medicaid patients only if knew the pay hike under the health law would continue beyond 2014. Otherwise, he worries he would take on new patients only to see rates fall back to the old levels in 2015, and then he would be required legally and ethically to keep treating them.

"That would be a nightmare," he said.

Study author Sandra Decker, an economist at the CDC, said the impact of the law's two-year pay boost may be limited because of its short duration. She said she knows of no states that have expanded efforts to recruit Medicaid doctors, although the pay raise is slated to take effect in less than five months.

Doctors also cite administrative hassles and delays in getting paid as reasons why they don't accept Medicaid patients, according to the Center for Studying Health System Change, a Washington nonprofit.

New Jersey Medicaid officials acknowledge the lack of physician participation is a problem, but said the recent move to enroll nearly all Medicaid recipients into private managed care plans "should reverse the trend," said Nicole Brossoie, spokeswoman for the New Jersey Department of Human Services which oversees Medicaid.

Many states have contracted with private managed care companies for the care of Medicaid patients to cut costs and improve care. Brossoie said those companies can pay higher rates to doctors to get them to join their networks, and the state holds the firms accountable for making sure members have access to providers.

New Jersey has not completed any studies measuring patients' access to care in Medicaid managed care plans, Brossoie said.

Physicians' participation in Medicaid is an important barometer of patients' access to care, but not the only one since patients also get care at community health centers and from non-physician providers such as nurse practitioners, said Stephen Zuckerman, senior fellow at the Urban Institute.

PA	68
KS	68.2
AL	68.5
RI	68.9
HI	69.9
TX	69.9
IN	70.6
OH	72
ME	74
DC	75.2
NV	75.2
VA	76
WA	76.4
NC	76.4
DE	78.3
VT	78.4
AZ	78.5
KY	79.4
OR	79.5
MS	79.6
MA	80.6
WV	80.9
MI	81.1
NH	81.7
AK	82.1
UT	83.5
SC	84.1
ID	84.7
NM	86.3
NE	87.0
IA	87.6
MT	89.9
AR	90.7
WI	93.0
SD	94.1
ND	94.6
MN	96.3
WY	99.3

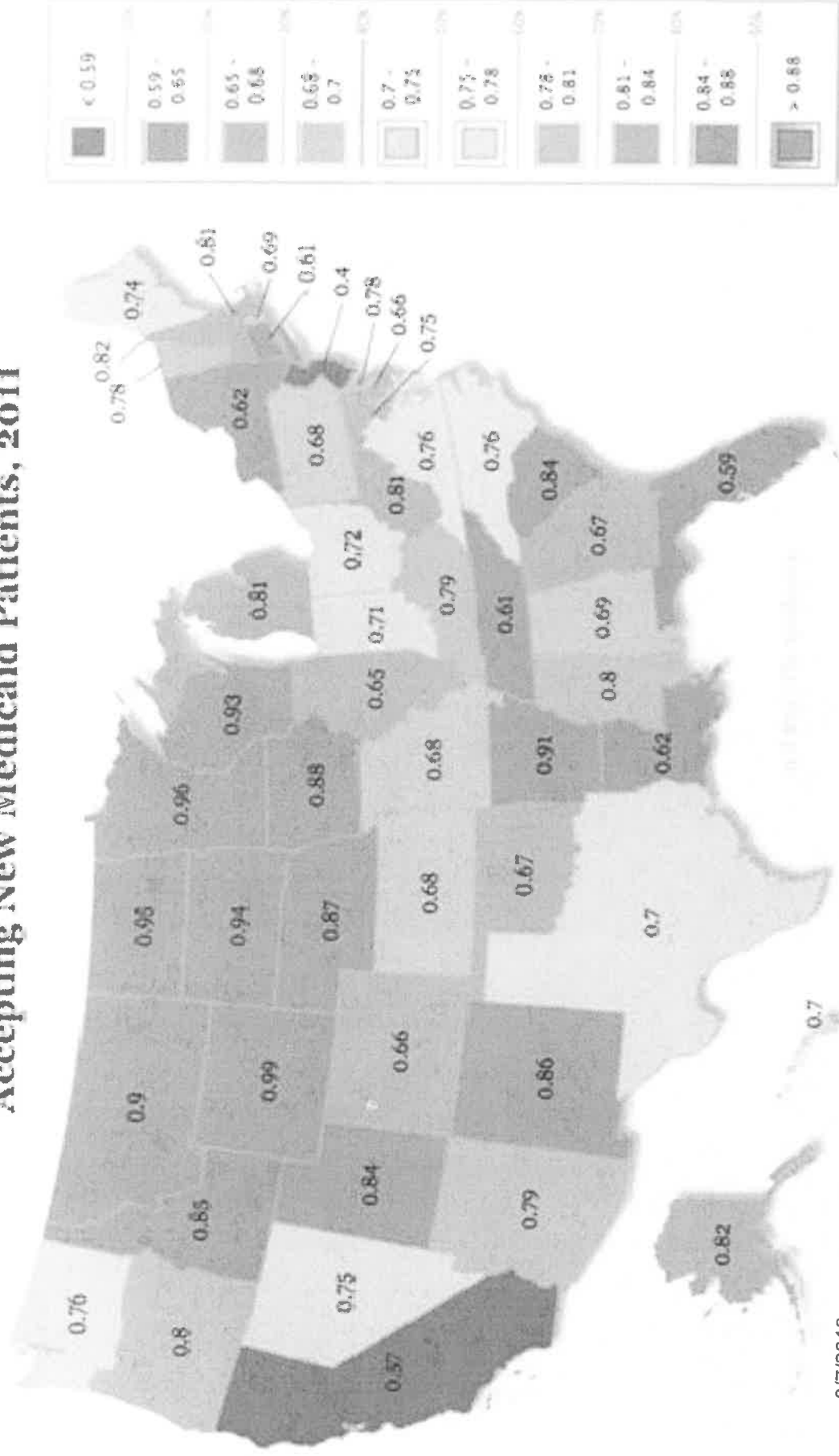
SOURCE: National Ambulatory Medical Care Survey Electronic Medical Record Supplement, 2011 and Health Affairs.

Excludes cases where acceptance was blank or unknown.

We want to hear from you: Contact Kaiser Health News

# Percentage of US Office-Based Physicians Accepting New Medicaid Patients

## Percentage of U.S. Office-Based Physicians Accepting New Medicaid Patients, 2011



## Jenny Lynch

---

**From:** Bryan Kost  
**Sent:** Thursday, December 19, 2013 1:36 PM  
**To:** Roy Smith  
**Cc:** GEORGE MAKY; Jenny Lynch  
**Subject:** Re: meeting this afternoon

Thanks Sir

Bryan Kost, SCDHHS.  
Phone: 803-898-2865.  
Mobile: 803-429-3201.  
Email: [kostbr@scdhhs.gov](mailto:kostbr@scdhhs.gov)

On Dec 19, 2013, at 1:35 PM, "Roy Smith" <[SMITHROY@scdhhs.gov](mailto:SMITHROY@scdhhs.gov)> wrote:

Bryan, I am going to be out of office this afternoon and will not be able to attend the meeting on the letter from Rep. Upton. I am available by phone if you want to reach me at 315-1787. I can also give you some answers to the questions now.

Page 2 of the letter

Question 1: don't know

Question 2: The CLTC area operates three waivers, for frail elderly and persons with physical disabilities, for persons with HIV/AIDS and for persons requiring mechanical ventilation. For all of these waivers, if an applicant meets the financial and medical criteria, the applicant will be enrolled without delay. We do not, therefore, have waiting lists. We do have processing lists, since it may take some time to determine all eligibility elements are met. (George's MCC waiver operates the same way to my knowledge. The DDSN waivers do not, but George is the one to provide data on those.)

Question 3: Not sure exactly what this means. However, for the Community Choices waiver, of the 2,403 on the processing list, 2,063 need to be determined eligible for long term care services, i.e, they were not eligible at time of application. These are mostly MAOs with some ABDs who need a look behind before enrollment. For HIV, 7 of 48 need an eligibility determination.

Question 4: We are looking at data to try to answer this. There is a bimodal distribution, based upon whether the applicant was already Medicaid eligible. Should have the data next week some time.

Question 5: don't know

Question 6 and 7: Would Rob be able to help with these? I don't know

Bryan, this is pretty much what I can contribute. Please e-mail me and let me know if you plan to call once your meeting starts so I can be sure to be available. Thanks - Roy



What are 1915 c programs?

Of these, which have a waiting list?

National vs. SC - can this be updated?

Primary care - Nate (the plans know some of this) -

ASK George about DDSN waitlist guidelines.

## Jenny Lynch

---

**From:** GEORGE MAKY  
**Sent:** Friday, December 20, 2013 8:04 PM  
**To:** Jenny Lynch  
**Cc:** Bryan Kost  
**Subject:** FW: Need your input - House Energy and Commerce Questions  
**Attachments:** House Energy and Commerce Committee - Follow-up Questions - December 2013.pdf

Sorry for the delay. This is the current information available.

Q1: n/a

Q2: five 1915(c) hcb waiver programs in community options (cltc has 3 others)

- medically complex children
- ID/RD
- community supports
- hasci
- pdd

Q3: we do not know how many of these individuals are financially eligible for Medicaid. That is typically determined prior to allocation of waiver slot, which is done sufficiently ahead of when they will be able to enter the program, and would not keep them from enrolling in the waiver.

Q4: waiting list and estimated wait times for individuals on waiting list. this is only a projection of avg wait time on wl, and has no correlation with Medicaid eligibility – because we don't know who is eligible unless there was to be an in-depth look. For these programs we have not found the Medicaid financial eligibility issue to be that much of a factor for the disabled populations in their access to the waiver programs. Many are already SSI eligible and due to that I understand the state deems them Medicaid eligible based on that. However, a long term care look back is required for entrance to the waivers, but not for Medicaid eligibility..

waiver	Waiting list	Projected avg wait time
medically complex children	118	30 days
ID/RD	4,659	4 years
community supports	3,985	3 years
Hasci	378	3 years
pdd	643	3 years

Q5: we are not aware of the income level ranges for those on the wl's.

Q6: unknown

Q7: unknown

\* \* \*

---

**From:** Jenny Lynch  
**Sent:** Friday, December 20, 2013 9:08 AM  
**To:** GEORGE MAKY  
**Cc:** Bryan Kost  
**Subject:** Need your input - House Energy and Commerce Questions

Hi George. We are responding to some questions from the House Energy and Commerce Committee and need your help. See attached. Can you answer the questions as they relate to the waivers in your area? Can you name the waivers, give the number on the waiting list, the approximate wait time and give the basic guidelines of the waiting list for each waiver? Does DDSN only put individuals on the waiting list once they are determined Medicaid eligible? The time frame they are requesting is as of October 1, 2013. Do you think you could get me this information sometime today?

Thanks! Sorry for the short turnaround time.

---

**Jenny Lynch**  
*Director, Legislative Affairs*  
[LYNCHJEN@scdhhs.gov](mailto:LYNCHJEN@scdhhs.gov)  
803-898-3965  
cell: 803-351-5673  
[www.scdhhs.gov](http://www.scdhhs.gov)  




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ONE HUNDRED THIRTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**

**COMMITTEE ON ENERGY AND COMMERCE**

2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115

Majority (202) 225-2927  
Minority (202) 225-3641

December 9, 2013

**RECEIVED**

DEC 16 2013

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

Tony Keck  
Director  
State of South Carolina, Department of Health and Human Services  
1801 Main Street  
Columbia, SC 29201-8206

Dear Director Keck:

According to previous estimates from the Centers for Medicare and Medicaid Services (CMS), implementation of the Patient Protection and Affordable Care Act (PPACA) would contribute to the largest expansion of the Medicaid program in history – with nearly 26 million Americans joining the program if fully implemented.<sup>1</sup> That number is staggering in light of the over 72 million Americans enrolled in the program in 2012.<sup>2</sup> Given PPACA's significant impact on the Medicaid program's projected growth, we write to gather the most updated information on your state's current ability to serve existing Medicaid eligibles prior to a potential January 1, 2014, expansion. We believe a review of this information will be vital as you prepare your state's fiscal year 2015 Medicaid budgets, regardless of whether your state is implementing the Medicaid expansion, is still considering an expansion, or has decided against an expansion.

While billions are spent on the program's antiquated structure each year, Medicaid still struggles to deliver health care to thousands of Americans. A 2011 analysis found that on average, only 70 percent of physicians accept new Medicaid patients, and in some states, that number is as low as 40 percent.<sup>3</sup> Additional studies have shown that Medicaid beneficiaries also face more difficulties than those with private insurance when scheduling adequate and timely follow-up care after initial treatment for an illness. Waiting for physicians is just one of the many hurdles Medicaid enrollees face today.

---

<sup>1</sup> Centers for Medicare & Medicaid Services (CMS), Office of the Actuary (OACT). 2011 Actuarial Report on the Financial Outlook for Medicaid. Available online at <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Financing-and-Reimbursement/Downloads/medicaid-actuarial-report-2011.pdf> [Note: number reflects the number of Americans that ever enrolled during the year]

<sup>2</sup> MACPAC. Medicaid and CHIP Enrollment as a Percentage of the U.S. Population, 2012. March 2013 Report, page 75. Available online at <http://www.macpac.gov/reports>

<sup>3</sup> Decker, Sandra L. "In 2011 Nearly One-Third of Physicians Said They Would Not Accept New Medicaid Patients, But Rising Fees May Help,"

Furthermore, according to 2011 data from the Center on Disability at the Public Health Institute, nearly all states had a waiting list for certain Home and Community Based Services (HCBS).<sup>4</sup> Similar data from the Kaiser Family Foundation notes that of those waiting for services, more than 35,000 were children, more than 150,000 were aged individuals or had physical disabilities, and nearly 320,000 had intellectual or developmental disabilities.<sup>5</sup> We recognize that waiting lists such as those for HCBS are a reality for states already struggling to maintain their current Medicaid programs. It is therefore important to note that as states face \$2.5 trillion in Medicaid costs over the next 10 years, those lists will most likely continue to grow.<sup>6</sup>

As scarce resources become even further divided, the most vulnerable Americans could face a significant delay in accessing key services and treatments. PPACA's expansion of an already overburdened program raises serious questions for access to care for those already enrolled and eligible for the program today. As such, we request you provide the Committee with the most updated estimates for the following program aspects:

1. What percentage of currently practicing physicians in your state accepts new Medicaid patients?
2. What waiting lists does your state currently maintain under the Medicaid program as of October 1, 2013 (i.e. waiting lists associated with active Sections 1115 or 1915(c) waivers)?
3. How many individuals on your existing waiting lists qualify for Medicaid under your state's existing eligibility pathways?
4. Please provide average wait times for eligible Medicaid individuals currently on a state waiting list as of October 1, 2013. If available, please provide such wait times by category of need and/or waiver.
5. Please provide income level ranges for individuals currently on your state's waiting lists as of October 1, 2013.
6. For those individuals qualifying as newly eligible by PPACA definition, how many individuals have you estimated would require the institutional level-of-care provided in HCBS waivers and could therefore be added to your state's waiting lists?
7. For those individuals qualifying as newly eligible by PPACA definition, how would asset tests apply and would asset test application vary in comparison with other individuals currently on existing waiting lists?

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<sup>4</sup> Center on Disability at the Public Health Institute. "Number of Persons on Medicaid 1915(c) HCBS Waiver Lists, 2011. Available online at [http://www.centerondisability.org/community\\_living\\_indicators/indicator9.php](http://www.centerondisability.org/community_living_indicators/indicator9.php)

<sup>5</sup> Kaiser Family Foundation. "Waiting Lists for Medicaid Section 1915(c) Home and Community-Based Service (HCBS) Waivers." 2011. Available online at <http://kff.org/medicaid/state-indicator/waiting-lists-for-hcbs-waivers-2010/#>

<sup>6</sup> Centers for Medicare & Medicaid Services (CMS), Office of the Actuary (OACT). 2012 Actuarial Report on the Financial Outlook for Medicaid. Available online at <http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Financing-and-Reimbursement/Downloads/medicaid-actuarial-report-2012.pdf>

While the substantial federal match for newly eligible populations may entice many states into a dramatic expansion of the program in 2014, we remain concerned that the Medicaid program's existing financial troubles will be exacerbated by the program's growth as a result of the PPACA. At a state level, Medicaid already competes with other state priorities. Expanding the program based on an expectation that the enhanced federal match will alleviate existing financial burdens is misleading to both taxpayers and the millions of Medicaid enrollees who depend on the program today.

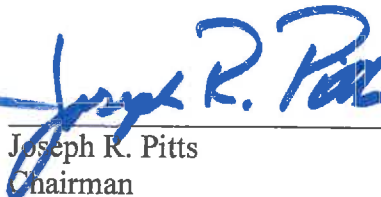
As you know, federal funds received for those deemed newly eligible must only be applied to the costs of that specific population. These funds cannot be transferred to cover existing funding shortfalls or medical costs associated with previously eligible or previously eligible, but non-enrolled, recipients. In fact, every state dollar used to cover the costs of a newly eligible enrollee is a dollar that could have been applied to help reduce waiting lists for Medicaid eligible individuals, or improve care for those who already depend on your state's program today.

Finally, in an effort to ensure that every Medicaid dollar is applied correctly, this Committee will continue to review your state's eligibility determinations, actual spending, and enrollment levels. We believe you share our interest in ensuring that the Medicaid program provides the highest standard of care to the nation's most vulnerable populations. As such, we look forward to receiving your responses and together considering the impact that an overexpansion of the program could have on millions of Americans who already depend on Medicaid today.

Please submit responses to the above data requests by no later than December 31, 2013. Thank you for your prompt attention to this matter. Should you have any questions, please do not hesitate to contact my staff, Monica Popp or Clay Alspach, with the Committee Staff at (202) 225-2927.

Sincerely,

  
Fred Upton  
Chairman

  
Joseph R. Pitts  
Chairman  
Subcommittee on Health

  
Tim Murphy  
Chairman  
Subcommittee on Oversight and Investigations

Letter to State Medicaid Director

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cc: The Honorable Henry A. Waxman, Ranking Member

The Honorable Diana DeGette, Ranking Member  
Subcommittee on Oversight and Investigations

The Honorable Frank Pallone Jr., Ranking Member  
Subcommittee on Health

National Association of Medicaid Directors

[illegible]

**M.C.**

Fred Hyatt

DEC 16 2013

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

**Tony Keck**  
**Director**  
**State of South Carolina**  
**Department of Health and Human Services**  
**1801 Main Street**  
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