



July 14, 2017

Dear Senator,

The undersigned are strongly **opposed to House Bill 59** (HB 59). Before recessing Tuesday, the House passed this measure by a vote of 102-91. HB 59 negatively impacts Medicaid eligibility and benefits for consumers, specifically limiting the ability of health and human service providers to offer services to the Commonwealth's most vulnerable population. Consumers and health and human service providers are concerned that HB 59 is on a fast track to passage. The bill's language to limit eligibility and access to Medicaid benefits was inserted during budget negotiations without public debate or hearings. After the bill was amended and voted out of committee, it was sent directly to the House in its entirety for an up or down vote. Ultimately, HB 59 passed the House largely along party lines without any votes from Democrats, and fifteen (15) Republicans voted against it.

From a good governance perspective this is simply astounding. On process alone, HB 59 should be rejected. More than 2.8 million people who are served by thousands of health care providers and eight different health insurance companies rely upon Pennsylvania's Medicaid program. It is not good public policy to insert language, which impacts the health care coverage of so many Pennsylvanians and their providers, into a bill during the waning days of budget negotiations without public input.

As to content, HB 59 contains language that will lock-in all Medicaid consumers into a managed care plan for one year. Since 1997, when Pennsylvania became one of the first states to adopt Medicaid managed care, consumers have been able to change their Medicaid Managed Care Organizations (MCOs) whenever they need to without having to go through a formal process of proving they have good cause. The very name for Pennsylvania's managed care program, **HealthChoices**, recognizes that giving consumers the choice of MCOs is an essential consumer protection; one that can be exercised anytime a consumer is dissatisfied with their health insurer's performance.

The proposed MCO lock-in has the potential to harm Pennsylvanians with disabilities. The state is on the eve of launching Community HealthChoices (CHC), an ambitious plan to use Medicaid MCOs to coordinate and deliver long-term services and supports (LTSS) to low-income parents with children and individuals who are functionally impaired, disabled, and/or critically ill. Advocates and health and human service providers for these groups are deeply concerned about turning long-term care over to private insurance companies. HB 59 ensures that consumers making the difficult choice of an MCO for coverage upon the implementation of the new program will not be allowed to change this selection for one full year. One year is a long time, if you are ill, elderly, or have a disabled child to wait to change coverages.

Consumer choice of managed care plans is also an important check on the power of insurance plans. It is a protection supported not just by consumers but by health care providers — e.g., hospitals, physician groups, home health care agencies — that contract with the insurers, and by state Medicaid officials who monitor the insurance plans. Moreover, very few consumers actually change plans. Only one percent of HealthChoices members voluntarily change plans during the year, so why change this important foundation of Pennsylvania's Medicaid program?

The following are examples of other areas of concern that we believe need additional public discussion and input:

1. Requiring DHS to seek a CMS waiver to allow work requirements for Medicaid;
2. Requiring a "coordinated care pilot" in a Medicaid region of PA requiring "evidence-based decisions" for all behavioral and physical health care;
3. Requiring DHS to seek a CMS waiver to reduce financial burden to PA before seeking a supplemental from legislature.

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On behalf of consumer advocates and health and human service providers, we respectfully request you to ask Senate leadership to hold public hearings or stakeholder group meetings before voting on HB 59. Absent this type of public input, the below signatories strongly **oppose HB 59**.

Very truly,

American Academy of Pediatrics
Pennsylvania Health Access Network
Pennsylvania Health Law Project
Rehabilitation & Community Providers Association