



October 22, 2018

Dear Governor Wolf:

Our organizations represent millions of patients and their families facing serious health conditions and are committed to ensuring they have adequate, affordable and accessible health care coverage at every stage of life. We have been deeply concerned by House Bill 2138, which sought to create new barriers to accessing healthcare by requiring people enrolled in the state’s Medicaid program to either prove they work a certain number of hours per week or meet exemptions. We write today to thank you for your continued leadership on this issue, and for vetoing HB 2138.

Requiring individuals enrolled in the Medical Assistance program to comply with extensive paperwork and administrative burdens, even if they are eligible for an exemption from the work requirements, will likely result in individuals losing Medicaid coverage. This effect has already been seen in other states that passed similar measures. The state of Arkansas has implemented a similar requirement in its Arkansas Works program and since September 2018, an estimated 8,462 Arkansans have lost access to their health care coverage through Medicaid. Only eight percent of the nearly 18,300 Medicaid enrollees required to comply with the work requirement were able to navigate the complex reporting system and satisfy the state’s reporting requirement.ⁱ Whether facing a new diagnosis or an ongoing health challenge, a patient’s focus should be on staying healthy and battling their disease, not battling red tape.

The foundational problem with the underlying policy cannot be fixed by creating exemptions from the work requirements. Forcing patients to prove the validity of their condition or their qualification for an exemption will create burdensome administrative barriers that stand between Pennsylvanians and the care they need. Missing one deadline or the mishandling of a single form could result in a loss of benefits lasting months – time that is not a luxury for those battling serious, chronic, life-threatening conditions. This is not a problem that can be fixed or circumvented.

Your administration has noted the significant cost that this policy will create for the Commonwealth. Data produced by the Department of Health for the House Appropriations Committee earlier this year estimated that the administrative costs for the state would total \$27 million in the first year, on top of significant additional per-enrollee expenditures.ⁱⁱ Medicaid dollars in the Commonwealth should be spent on Medicaid’s core goal: providing health coverage to those without access to care.

Additionally, it is important to note that most people on Medicaid who can work already do so.ⁱⁱⁱ A study was conducted on Michigan’s Medicaid enrollees and their labor-participation characteristics, and the results were

reported in *JAMA Internal Medicine* less than a year ago.^{iv} The study found that the overwhelming majority of enrollees were already employed. Notably, of the 27.6 percent of unemployed enrollees in that study, many noted that their ability to work was impacted by other health conditions, such as chronic physical or mental health conditions, underscoring the critical need for access to care.

For these reasons, we thank you again for vetoing HB 2138.

Sincerely,

Adult Congenital Heart Association
American Cancer Society Cancer Action Network, Inc.
American Diabetes Association
American Heart Association
American Lung Association
Arthritis Foundation
Chronic Disease Coalition
Cystic Fibrosis Foundation
Disability Rights Pennsylvania
Epilepsy Foundation
Epilepsy Foundation of Eastern Pennsylvania
Global Healthy Living Foundation
Hemophilia Federation of America
Leukemia & Lymphoma Society
March of Dimes
NAMI, National Alliance on Mental Illness
National Hemophilia Foundation
Eastern Pennsylvania Chapter of the National Hemophilia Foundation
National Patient Advocate Foundation
National Organization for Rare Disorders (NORD)
Pennsylvania Health Access Network
Susan G. Komen

ⁱ Arkansas Department of Human Services. Arkansas Works Program: September 2018 Report. Accessed October 2018. https://d31hzhk6di2h5.cloudfront.net/20181015/d9/50/39/04/d3b5bd23a6cef7ccec3e4716/101518_AWreport.pdf.

ⁱⁱ House Committee on Appropriations, Fiscal Note for HB 2138, April 16, 2018, <http://www.legis.state.pa.us/WU01/LI/BI/FN/2017/0/HB2138P3328.pdf>.

ⁱⁱⁱ Rachel Garfield, Robin Rudowitz, and Anthony Damico, "Understanding the Intersection of Medicaid and Work," Kaiser Family Foundation, February 2017, <http://kff.org/medicaid/issue-brief/understanding-the-intersection-of-medicare-and-work/>.

^{iv} Renuka Tipirneni, Susan D. Goold, John Z. Ayanian. Employment Status and Health Characteristics of Adults With Expanded Medicaid Coverage in Michigan. *JAMA Intern Med*. Published online December 11, 2017. doi:10.1001/jamainternmed.