



Connected **for Life**

January 7, 2021

Dana Hittle  
Interim Deputy State Medicaid Director  
500 Summer St. NE, E65  
Salem, OR 97301

Dear Deputy Director Hittle:

The American Diabetes Association (ADA) appreciates the opportunity to submit comments on the Oregon 1115 Demonstration Waiver for the Oregon Health Program.

I am writing on behalf of the ADA, the nation's largest voluntary health organization concerned with the health of people with diabetes. An estimated 34 million Americans and nearly 457,447 Oregonians have diabetes, a chronic illness that requires continuing medical care and ongoing patient self-management to prevent acute complications and reduce the risk of long-term complications, such as blindness, amputation, kidney failure, heart attack, and stroke.

The ADA is committed to ensuring that Oregon's Medicaid program provides quality and affordable healthcare coverage. The American Diabetes Association appreciates the focus that the Oregon Health Program has placed on equitable access to healthcare in the 1115 Demonstration Waiver. In addition, Oregon's request to provide multi-year continuous enrollment for children under six and continuous eligibility for all beneficiaries ages six and over will help to eliminate gaps in coverage.

The ADA offers the following comments and suggested changes on the 1115 Demonstration Waiver for the Oregon Health Program.

#### *Continuous Eligibility*

ADA supports the request for continuous enrollment for children under six and two-year continuous eligibility for beneficiaries over the age of six. Continuous eligibility reduces gaps in coverage that prevent patients from accessing the care that they need. Continuous eligibility increases equitable access to care, as studies show that children of color are more likely to be affected by gaps in coverage.<sup>i</sup> Research has also shown that individuals with disruptions in coverage during a year are more likely to delay care, receive less preventive care, refill prescriptions less often, and have more emergency department visits.<sup>ii</sup> Continuous eligibility will help reduce these negative health outcomes.

#### *Closed Formulary*

ADA is concerned by the proposal to transition to a closed formulary for adult beneficiaries. Diseases present differently in different patients. Prescription drugs have different indications, different mechanisms of action and different side effects, depending on the person's diagnosis and comorbidities. A closed formulary limits the ability of providers to make the best medical decisions for the care of their patients, effectively taking the clinical care decisions away from the doctor and patient and giving them to the state. Yet people with diabetes may need to rely on a broad range of medications, as well as various technologies for administering insulin and



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monitoring glucose levels, in order to support proper diabetes management and avoid adverse outcomes.

Our organization is disappointed that Oregon's proposal does not even include an appeals process for patients to access non-formulary medications. However, even an appeals process

or exemptions for certain classes drugs would not eliminate the barriers to care that patients would face with a closed formulary.

Additionally, Oregon's proposal to exclude prescription drugs that the state deems to have "limited or inadequate evidence of clinical efficacy," including those approved through FDA's accelerated approval processes, will also harm patients by restricting access to novel and lifesaving therapies. In the past few years, many new treatments have been approved through an accelerated approval process that benefit patients. All patients enrolled in Oregon's Medicaid program should have the opportunity to access treatments that could extend or improve their quality of life.

The ADA requests that the Oregon Health Program remove these requests and provide a robust, open formulary for all beneficiaries that will allow patients to access the medications that their providers believe are best for them.

#### *Retroactive Coverage*

The ADA is concerned by the proposal to continue to eliminate retroactive coverage for nearly all beneficiaries, excluding the aged, blind and disabled. Retroactive eligibility in Medicaid prevents gaps in coverage by covering individuals for a set amount of time prior to the month of application, assuming the individual is eligible for Medicaid coverage during that time frame. It is common that individuals are unaware they are eligible for Medicaid until a medical event or diagnosis occurs. Eligible applicants may also delay necessary healthcare until the Medicaid enrollment process is complete, which can increase their health risks and exacerbate any health conditions that they may have.

Retroactive eligibility allows patients who have been diagnosed with a serious illness, such as Diabetes, to begin treatment without being burdened by medical debt prior to their official eligibility determination. In Indiana, Medicaid recipients were responsible for an average of \$1,561 in medical costs with the elimination of retroactive eligibility.<sup>iii</sup> Without retroactive eligibility, Medicaid enrollees could then face substantial costs at their doctor's office or pharmacy.

Patients with underlying health conditions who are unable to access regular care are often forced to go to emergency rooms and hospitals if their conditions worsen, leading health systems to provide more uncompensated care. For example, when Ohio was considering a similar provision in 2016, a consulting firm advised the state that hospitals could accrue as much as \$2.5 billion more in uncompensated care as a result of the waiver.<sup>iv</sup> Increased uncompensated care costs are especially concerning as safety net hospitals and other providers continue to deal with limited resources and capacity during the COVID-19 pandemic. Limiting retroactive coverage increases the financial hardships to rural hospitals that absorb



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uncompensated care costs. The ADA opposes the continued limitations to retroactive coverage and encourages the state to expand retroactive coverage to include all Medicaid beneficiaries.

Thank you for the opportunity to provide comments. If you have questions or would like to discuss this issue, please contact me at 1-800-676-4065 x 7207 or [lkeller@diabetes.org](mailto:lkeller@diabetes.org).

Sincerely,

A handwritten signature in black ink that reads 'Laura Keller'.

Laura Keller  
Managing Director Advocacy

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<sup>i</sup> Osorio, Aubrianna. Alker, Joan, "Gaps in Coverage: A Look at Child Health Insurance Trends", Center for Children & Families (CCF) of the Georgetown University Health Policy Institute, November 21, 2021. [Gaps in Coverage: A Look at Child Health Insurance Trends – Center For Children and Families \(georgetown.edu\)](https://www.georgetown.edu/ccf/research/gaps-in-coverage-a-look-at-child-health-insurance-trends)

<sup>ii</sup> <https://aspe.hhs.gov/sites/default/files/private/pdf/265366/medicaid-churning-ib.pdf>.

<sup>iii</sup> Healthy Indiana Plan 2.0 CMS Redetermination Letter. July 29, 2016. Available at: <https://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Waivers/1115/downloads/in/Healthy-Indiana-Plan-2/in-healthy-indiana-plan-support-20-lockouts-redetermination-07292016.pdf>

<sup>iv</sup> Virgil Dickson, "Ohio Medicaid waiver could cost hospitals \$2.5 billion", Modern Healthcare, April 22, 2016. (<http://www.modernhealthcare.com/article/20160422/NEWS/160429965>)