

August 16, 2018

The Honorable Alex Azar, Secretary  
U.S. Department of Health and Human Services  
200 Independence Avenue SW  
Washington, DC 20201

Dear Secretary Azar:

I am writing on behalf of First Focus, a national, bipartisan children's advocacy organization dedicated to making children and families the priority in federal policy decisions. Please accept these comments in response to the revised proposed Section 1115 Medicaid demonstration waiver submitted by the state of Mississippi on May 29<sup>th</sup>, 2018.

Because Mississippi did not expand Medicaid through the Affordable Care Act (ACA), only adults, parents and caregivers with the very lowest of incomes receive Medicaid in Mississippi. In fact, they must have income below 27% of the federal poverty limit (FPL), which is about \$467 a month for a family of three. Parents affected by the proposal are a **mandatory coverage group** in the Medicaid statute at §1902(a)(10)(A)(i)(1).

The revised waiver proposal requires that they work 20 hours per week. However, even at a minimum wage job they would earn \$580/month, thus disqualifying them for Medicaid. They are quite literally damned if they do and damned if they don't. The idea that these part-time, minimum wage jobs would offer affordable health coverage is absurd. What this waiver proposal does then is propose to absolutely eliminate the ability to receive health coverage from these very poor parents in Mississippi.

The state's own budget neutrality estimates project that approximately 5,000 Mississippi parents will lose their Medicaid coverage in the first year, with thousands more losing coverage in the out years of the five year waiver. Because only [14 percent of persons living below the poverty line in Mississippi have employer-sponsored insurance](#), the vast majority of these parents, with children in the home, will lose their health coverage.

If approved and implemented, the new requirements would disproportionately harm [women, African-Americans, and families living in Mississippi's small towns and rural communities](#). The data bear this out:

- 91% of the parents affected are mothers; 71% are African-American and 24% are white.

The proposal ignores the fact that rural areas of the state tend to have higher unemployment rates and that more than half, [54% of the nonelderly population](#) of Mississippi lives in rural areas. [Sixty percent of children](#) in Mississippi's rural areas and small towns are enrolled in Medicaid for their health coverage.

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A [recent review of the literature](#) on the relationship between health and work concludes that “the large body of research on the link between work and health indicates that proposed policies requiring work as a condition of Medicaid eligibility may not necessarily benefit health among Medicaid enrollees and their dependents, and some literature also suggests that such policies could negatively affect health.” This could impact the entire family’s health and well-being and end up costing more in terms of health costs overall.

While helping connect people to work is a worthwhile goal, the proposal does nothing to achieve this goal. There are no new resources to address the real barriers to employment faced by Mississippi’s poor families such as a lack of access to childcare, job training, and transportation. Each of those issues in and of itself could make it nearly impossible for a poor mother to find work.

We are concerned about how this proposal will harm Mississippi’s children as well. Studies show that when parents are uninsured, [children are less likely to have their own coverage](#). Lack of health insurance is a serious problem for children with long term consequences that are detrimental to these families and society at large. [Children who have Medicaid](#) are more likely to have their health needs addressed, have greater educational attainment, and better economic outcomes as adults. If parents lose Medicaid through bureaucratic red tape, they may not understand that their children are still eligible.

As parents become uninsured, the entire family is at greater risk for medical debt due to unpaid bills and even bankruptcy – moving these families in the opposite direction of economic self-sufficiency. This cannot be the intent of this proposal. [Having Medicaid is an effective anti-poverty strategy](#).

We strongly oppose the approval of this waiver and urge you to reject it. Thank you for considering our comments. If you have questions, please contact Bruce Lesley at [brucel@firstfocus.org](mailto:brucel@firstfocus.org).

Sincerely,

A handwritten signature in blue ink that reads "Bruce Lesley". The signature is written in a cursive, slightly slanted style.

Bruce Lesley  
President