



April 24, 2024

The Honorable Xavier Becerra  
 Secretary  
 U.S. Department of Health and Human Services  
 200 Independence Ave, SW  
 Washington, DC 20201

Re: Florida CHIP Eligibility Extension

Dear Secretary Becerra:

Thank you for the opportunity to submit comments on Florida’s 1115 CHIP Eligibility Extension.

The undersigned organizations represent millions of individuals facing serious, acute and chronic health conditions. We have a unique perspective on what individuals and families need to prevent disease, cure illness and manage chronic health conditions. The diversity of our organizations and the populations we serve enable us to draw upon a wealth of knowledge and expertise that is an invaluable resource regarding any decisions affecting the Medicaid program and the people that it serves. We urge the Centers for Medicare and Medicaid Services (CMS) to make the best use of the recommendations, knowledge and experience our organizations offer here.

Our organizations are committed to ensuring that Florida’s Medicaid program provides quality and affordable healthcare coverage. Our organizations support the state’s proposal to expand Children’s Health Insurance Program (CHIP) coverage to 300% of the Federal Poverty Level (FPL), though we remain concerned by the state’s premium requirements and policies. We offer the following comments on this proposal:

Our organizations support the state's proposal to expand CHIP coverage to 300% of the FPL. The state estimates that this demonstration will cover an additional 14,000 children in the first year of implementation, rising to 41,000 children in the fifth year.<sup>1</sup> Approximately 7.4% of children in Florida are uninsured, ranking the state among the bottom five states in the nation for children's coverage.<sup>2</sup> Our organizations support this expansion of health coverage, particularly at a time when thousands of children and families in Florida have lost their healthcare coverage for procedural or paperwork issues.<sup>3</sup> We urge CMS to approve this expansion of coverage eligibility.

However, our organizations remain concerned by the state's premium requirements. The proposed premium tiers would account for up to half of the five percent limit on household cost-sharing (ranging from 0.5 to 2.7 percent). Evidence is clear that premiums make it harder for individuals to obtain or keep healthcare coverage.<sup>4</sup> The inclusion of premiums can exacerbate existing disparities in access to healthcare, as they have been shown to lead to lower enrollments for Black enrollees and lower-income enrollees, compared to their white and higher-income counterparts, respectively.<sup>5</sup> Higher premiums have also been shown to destabilize the insurance market; a study of Michigan's Medicaid program found that healthy individuals voluntarily disenrolled from coverage when premiums were higher, leaving those with greater medical needs in the risk pool.<sup>6</sup> Premiums can be a significant barrier for individuals accessing care, and removing them increases equitable access to care for all enrollees.

Recognizing the negative impact of premiums on access to quality, affordable coverage, this Administration has required a number of states to phase out high Medicaid premiums included in 1115 waivers, as well as worked with Congress to dramatically lower premiums for Marketplace coverage. Our organizations urge CMS to closely evaluate these premium levels to ensure that will not disrupt enrollment and are consistent with Medicaid policy, including that they are not likely to lead individuals to exceed the five percent limit on out-of-pocket costs when considered in combination with other forms of cost-sharing.

Finally, Florida's application states that its projected enrollment includes "disenrollments due to failure to pay the monthly premium," making clear that Florida intends to terminate CHIP coverage for a child if their family fails to make premium payments. However, the Consolidated Appropriations Act of 2023 (CAA) prohibits children from being disenrolled if their families fail to make a premium payment during the 12-month continuous eligibility period. Terminating coverage due to nonpayment of premiums would also lead to increased gaps in coverage for children and additional enrollment churn. Our organizations are strongly opposed to this aspect of Florida's proposal, and we urge CMS not to approve such terminations and to explicitly state that they are prohibited by the CAA and CMS policy.

Our organizations support Florida's proposal to expand CHIP coverage to 300% of the FPL, but we urge CMS to closely review the premium requirements and policies to ensure they will not disrupt access to coverage or violate the CAA in order to protect children from gaps in care. Thank you for the opportunity to provide comments.

Sincerely,

American Cancer Society Cancer Action Network  
American Lung Association  
Arthritis Foundation  
*CancerCare*

Child Neurology Foundation  
Chronic Disease Coalition  
Cystic Fibrosis Foundation  
Epilepsy Foundation  
Hemophilia Federation of America  
Immune Deficiency Foundation  
Leukemia & Lymphoma Society  
Lupus Foundation of America  
National Multiple Sclerosis Society  
National Organization for Rare Disorders  
National Patient Advocate Foundation  
The AIDS Institute  
WomenHeart

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<sup>1</sup> “Children’s Health Insurance Program Eligibility Extension.” Florida Agency for Health Care Administration. January 23, 2024. Available at:

<https://ahca.myflorida.com/content/download/23900/file/Children%27s%20Health%20Insurance%20Program%20Eligibility%20Extension%20Request.pdf>

<sup>2</sup> Florida, Children’s Health Care Report Card. Center for Children and Families, McCourt School of Public Policy at Georgetown University. 2024. Available at: <https://kidshealthcarereport.ccf.georgetown.edu/states/florida/>

<sup>3</sup> Letter from Xavier Becerra to Governor DeSantis. Department of Health and Human Services. December 18, 2023. Available at: <https://www.hhs.gov/sites/default/files/sec-becerras-letter-to-fl-governor.pdf>

<sup>4</sup> Samantha Artiga, Petry Ubri, and Julia Zur, “The Effects of Premiums and Cost Sharing on Low-Income Populations: Updated Review of Research Findings,” Kaiser Family Foundation, June 2017. Available at: <https://www.kff.org/medicaid/issue-brief/the-effects-of-premiums-and-cost-sharing-on-low-income-populations-updated-review-of-research-findings/>

<sup>5</sup> University of Wisconsin-Madison Institute for Research on Poverty. (2019). Evaluation of Wisconsin’s BadgerCare Plus Health Coverage for Parents & Caretaker Adults and for Childless Adults 2014 Waiver Provisions. Available at <https://www.irp.wisc.edu/wp/wp-content/uploads/2019/11/BC-2014-Waiver-Provisions-Final-Report-08302019.pdf>

<sup>6</sup> Cliff, Betsy Q et al, “Adverse Selection in Medicaid: Evidence from Discontinuous Program Rules.” National Bureau of Economic Research. May 2021. Available at: [https://www.nber.org/system/files/working\\_papers/w28762/w28762.pdf](https://www.nber.org/system/files/working_papers/w28762/w28762.pdf)