March 27, 2018

Representative Kelly Fenton

525 State Office Building

100 Rev. Dr. Martin Luther King Jr. Blvd.

Saint Paul, MN 55155-1206

Dear Representative Kelly Fenton,

AARP is writing to express our opposition to HF 3722 that would impose Medicaid work requirements on older Minnesotans in need of health care. We are concerned about the adverse impact this bill will have on workers over 50 years of age. We believe this proposal will worsen health outcomes, increase administrative costs to the state, and result in increased uncompensated care costs for Minnesota health providers. Additional concerns of ours include the following:

AARP believes that the proposed waiver provision seeking to impose a work requirement is not authorized by Section 1115 of the Social Security Act because it is not “likely to assist in promoting the objectives” of the Medicaid Act. 42 U.S.C. § 1315(a). Specifically, this bill is not likely to assist in promoting the objective of enabling the state of Minnesota  “to furnish medical assistance [to individuals and families] whose income and resources are insufficient to meet the costs of necessary medical services and rehabilitation and other services to help such families and individuals attain or retain capability for independence or self-care.” 42 U.S.C. § 1396-1(1).”

In addition, this bill would present an unnecessary barrier to health coverage for a sector of Minnesota's population that is most in need of coverage. This includes the many individuals who have recurring periods of illness due to chronic and behavioral health conditions who may not be determined to be exempt from the work or job search/training requirements. Because many of those enrolled in Medicaid have chronic illnesses, placing limits on their access to care may result in an inability to get the care and/or medications they need, and ultimately, deterioration of their health status over time. Inconsistent or interrupted healthcare coverage is likely to lead to increased use of more costly alternatives like emergency department visits, in-patient hospitalizations, and, in some cases, institutional placements. Many will be unable to shoulder these higher medical costs, resulting in more personal bankruptcies, more uncompensated care costs for the federal government and for the state, and more cost-shifting to other taxpayers.

Also, of significant concern is the lack of detail and clarity on the process for determining how older Minnesotans will be assessed for a health exemption.  This process will impose new administrative costs on the state, including new staffing needs, to develop or expand a reporting system, verify the accuracy of member reporting, and conduct fact finding hearings.

Moreover, we are concerned that it may be burdensome for individuals who should be exempt to continually prove they are meeting the requirements, which may lead to inappropriate denials of coverage.

Finally, AARP believes that any work requirement must include clear exemptions for persons with chronic, disabling and serious health conditions and for family caregivers who are providing critical care for their elderly loved ones with chronic, disabling or serious health conditions. We urge lawmakers to oppose these work requirements.

Thank you for your attention to this urgent matter.

Sincerely,



Will Phillips

State Director