



Lutheran  
Services  
in America

January 31, 2020

The Honorable Seema Verma  
Centers for Medicare and Medicaid Services (CMS)  
U.S. Department of Health and Human Services  
Room 445-G,  
Hubert H. Humphrey Building  
200 Independence Avenue SW  
Washington, DC 20201

Dear Administrator Verma:

As President and CEO of Lutheran Services in America, I write to share our continued dedication to working with the Administration and Members of Congress on a nonpartisan basis to ensure Medicaid coverage is affordable, accessible and adequate for people in need. On this front, I want to respectfully express Lutheran Services in America's opposition to the "Healthy Adult Opportunity" proposal announced today whereby CMS will allow states to seek 1115 waivers to change how certain adult populations receive healthcare coverage under Medicaid. **CMS should not use the waiver process to remove coverage for so many vulnerable people in America who now are covered. Doing so directly threatens access to vital services – including treatment for behavioral health issues and substance abuse – for so many millions of people in our nation.**

For context, Lutheran Services in America leads one of the largest health and human services networks in the U.S., made up of over 300 Lutheran social ministry organizations that operate with over \$22 billion in annual revenue. Efforts of the dedicated people who make up our national network help improve the lives of 1 in 50 Americans each year. Guided by God's call to love and serve our neighbors, we empower our faith-based member organizations in their mission to lift up the nation's most vulnerable people. In providing services to seniors, children and people with disabilities, along with veterans, refugees and the homeless, our members work in 1,400 communities throughout the country—in rural and urban areas—as shown on this map: [http://bit.ly/LSA\\_member\\_map](http://bit.ly/LSA_member_map).



As a large non-profit provider of services to all of the groups relying on Medicaid—children, youth and families, seniors, and people with disabilities, as well as adults in the expansion population—the Lutheran Services in America network recognizes the importance of Medicaid in providing health coverage to millions of Americans. Indeed, Medicaid provides access to critically important preventive care, early identification and intervention services for children, health coverage for low-income adults, and long-term services and supports for vulnerable seniors and people with disabilities.

We and our national network of health and human services organizations are gravely concerned about the implications of allowing states to use the Medicaid waiver process to make changes in eligibility, health benefits, drug coverage, and premium costs for people who get Medicaid healthcare coverage as part of the expansion of the program under the Affordable Care Act. Consider that millions of people who previously went without much-needed health care have coverage under the Medicaid expansion: over 17 million adults under age 65 in 37 states currently rely on coverage obtained this way. Our members serve so many of these individuals who have serious healthcare needs, including treatment for substance use disorders and behavioral health issues. The changes to the program announced today would jeopardize the health and health coverage of this entire group.

Today's plan would also be a significant and counterproductive departure in how the federal government allows states to participate in Medicaid. Given how CMS indicated early last year that it wants to continue to expand the use of the waiver process to make changes to the program, we are concerned that today's announcement may be a first step toward still broader changes affecting *all* Medicaid populations. Given our already-challenging healthcare and economic landscape affecting so many millions of people in America, now is a time when we should be reinforcing – not cutting – needed Medicaid services.

Further, we understand this plan is likely to face legal challenges. Recently, federal courts have struck down restrictive 1115 waivers that included work requirements, finding that these waivers did not advance the core principle of Medicaid: providing



health coverage for low-income people.<sup>1</sup> III5 waiver requests under the “Healthy Adult Opportunity” are likely to face similar legal challenges. Rather than spending time and money litigating restrictive Medicaid waivers, we invite CMS to work with states and advocates to design innovative Medicaid systems that would improve outcomes and quality of care. Doing so represents an enormous and still-untapped opportunity.

Once again, Lutheran Services in America wishes to express our commitment to working with policymakers on a nonpartisan basis to ensure that Medicaid is affordable, adequate, and accessible for everyone eligible. However, we have significant concerns regarding the use of the waiver process to allow states to make significant changes leading to eliminated coverage and eligibility for millions. These proposed changes could irreparably damage the health and well-being of millions of people who rely on Medicaid for health coverage. We ask that you reconsider this plan, and look forward to working with the Administration on Medicaid and other healthcare issues.

Respectfully,

A handwritten signature in black ink that reads "Charlotte Haberaecker".

Charlotte Haberaecker  
President and CEO

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<sup>1</sup> *Philbrick v. Azar*, 2019 WL 3414376 (D.D.C. 2019) (slip opinion only); *Gresham v. Azar*, 363 F. Supp. 3d 165, 169 (D.D.C. 2019); *Stewart v. Azar*, 366 F. Supp. 3d 125, 131 (D.D.C. 2019); *Stewart v. Azar*, 313 F. Supp. 3d 237, 243 (D.D.C. 2018)