October 19, 2018

Susan Puglisi
Virginia Department of Medical Assistance Services
Attn: Virginia COMPASS
600 E Broad Street
Richmond, VA 23219

Re: Medicaid Section 1115 Demonstration Waiver Amendment: Virginia COMPASS, Creating Opportunities for Medicaid Participants to Achieve Self Sufficiency

Dear Ms. Puglisi:

On behalf of the more than 8 million Americans living with psoriasis and psoriatic arthritis, the National Psoriasis Foundation (NPF) appreciates the opportunity to comment on the proposed extension of your Section 1115 Demonstration Waiver. We applaud the state’s goals of expanded access to care, improved care for veterans and for individuals with serious mental illnesses, and enhanced value and innovation across the health system. However, the NPF has concerns that some of the proposed changes could lead to reduced access and diminished quality of care for the more than 271,000 psoriatic disease patients in the state. We offer the following comments on the amendment request.

Background on Psoriasis
The National Psoriasis Foundation exists to find a cure for psoriasis and psoriatic arthritis and to eliminate the devastating effects of psoriatic disease by supporting research, advocacy and education. Psoriasis is an immune-mediated disease that affects approximately 3 percent of the adult U.S. population.¹ Up to 30 percent of individuals with psoriasis may also develop psoriatic arthritis, an inflammatory form of arthritis that can lead to irreversible joint damage if left untreated.² Beyond the physical pain and discomfort of these diseases, individuals living with psoriatic disease also face higher incidence of comorbid health conditions including cardiovascular disease,³ diabetes⁴, hypertension⁵, and stroke⁶. A higher prevalence of atherosclerosis⁷, Crohn’s disease⁸, cancer⁹, metabolic syndrome⁹, obesity¹⁰ and liver disease¹¹ are also found in people with psoriasis, as compared to the general population.

Due to the heterogeneous characteristics of this chronic immune-mediated disease, psoriatic disease requires sophisticated medical care. Treatments that work for one person may not work for others, and many patients cycle through numerous accepted treatment options.¹² Without the tools to control their symptoms, people with psoriatic disease cycle through periods of intense pain; fatigue; unbearable itch; whole-body inflammation; flaking and bleeding of large swaths of the skin; and joint degradation. Recent research also suggests that the risk for comorbidities such as cardiovascular disease may increase with the severity of psoriatic disease, thereby magnifying the critical need for patient access to effective treatment options.¹³
Virginia Department of Medical Assistance Services 1115 Demonstration Extension Application Comments
(By Provision)

1. The Training, Education, Employment and Opportunity Program (TEEOP)

While the NPF is supportive of programs with the goal of promoting health, wellness, and greater financial stability and self-sufficiency, like Medicaid, we are concerned that placing conditions of work and community engagement to receive Medicaid coverage could significantly hinder the ability of patients with psoriatic disease to appropriately access and maintain critical health services needed to properly manage their conditions. Studies of Medicaid work requirements identify why these standards are burdensome to the patient population and can lead to negative health outcomes.\textsuperscript{xv}

Patients living with psoriasis or psoriatic arthritis dedicate a significant amount of time and effort to maintaining their disease, and comorbid conditions, while managing work and family life. Data shows 79% of Medicaid enrollees are in families with at least one worker, with nearly two-thirds (64%) with a full-time worker and another 14% with a part-time worker; one of the adults in such families may not work, often due to caregiving or other responsibilities.\textsuperscript{xvi} However, employed Medicaid enrollees facing work requirements have trouble with reporting requirements. While exceptions to work requirements may apply, as many psoriatic disease patients know, exceptions processes can also be overly burdensome. Data shows one in three Medicaid adults never use a computer or the internet and four in ten do not use email.\textsuperscript{xvii} More details on how this exception process would work and the turnaround time for approval would be appreciated.

In addition, compelled employment and community engagement may not be enough to overcome poverty while at the same time risking worse health outcomes for patients who cannot comply.\textsuperscript{xviii} Most employed Medicaid enrollees are working full-time for the full year, but their annual incomes are still low enough to qualify for Medicaid.\textsuperscript{xix} In addition, studies have shown there is a strong correlation between jobs with high level stressors, likely encountered in compelled employment or community engagement, that can lead to worsened health. When significant effort does not achieve commensurate rewards, emotional stress rises and illness increases. Such workplace imbalances are associated with increased rates of cardiovascular disease and smoking, which already pose a significant risk to psoriatic disease patients.

These challenges, among others, are likely to contribute to a significant loss of Medicaid coverage and negative health impacts for the Medicaid patient population. Arkansas is seeing similar results, where implementation of work requirements have currently led to over 8,000 individuals losing Medicaid benefits due to noncompliance.\textsuperscript{x}x

2. Health and Wellness Program Requirements

We are particularly concerned with the cost-sharing proposals requiring Medicaid enrolled adults to pay a monthly premium and co-payment for non-emergent use of the emergency department (ED). Psoriasis is a complex, chronic medical condition that requires life-long care. Even with adequate health insurance, those living with psoriatic disease face a high burden of out-of-pocket costs. Virginia’s Medicaid program, as the safety net provider for low-income individuals in Virginia, currently plays a critical role in ensuring that those with limited means are still able to access the health care and services that they need. The NPF is concerned that requiring a monthly premium in addition to co-payments for unplanned critical care needs could disrupt the ability for psoriatic disease patients to continue to receive the care they require.

A Kaiser Family Foundation (KFF) study on the “Effects Premiums and Cost Sharing on Low-Income Populations”\textsuperscript{xx} showed limited cost savings for the state and harmful patient impacts. Premiums serve as a barrier to obtaining and maintaining Medicaid and CHIP coverage among low-income individuals. Even relatively small levels of cost sharing in the range of $1 to $5 are associated with reduced use of care, including necessary services. When facing out-of-pocket
costs, patients do not use their medications appropriately; skipping doses in order to save money or abandoning treatment altogether. Reduced adherence can result in irreversible disease progress, more hospitalizations and increased health care costs to the state system.

Although exemptions may apply to these cost sharing requirements, as mentioned above, these may be burdensome and difficult for the patient population to navigate. In addition, Virginia has some of the most restrictive Medicaid eligibility with income thresholds for eligibility (for a family of three) set at $5727 annually to qualify. Even with the exemptions, it is estimated that 42,000 Virginia Medicaid enrollees will not be exempt and will be subject to premium requirements. This significant portion of our most vulnerable patient populations will also face Medicaid coverage suspension if they fail to pay their premiums after a three-month period.

We thank you for your attention to this important matter and hope that our feedback will help inform your final amendment for submission to CMS and ensure changes to the Virginia Medicaid program maintain critical accessibility and affordability for those living with psoriasis. If you have any questions about these comments, please contact Amy Prentice, Associate Director, State Government Relations (aprentice@psoriasis.org, 503-546-5551).

Thank you in advance for your consideration.

Sincerely,

Patrick Stone
Vice President, Government Relations and Advocacy
National Psoriasis Foundation

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