

Indiana Medicaid Waiver Request Getting Attention

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The National Health Law Program is taking a stand against Indiana's Medicaid waiver request, which would hit program beneficiaries with work requirements, cost sharing, and lockouts for failure to pay premiums.

The Section 1115 amended waiver request continues the Hoosier State's conservative Medicaid expansion under even tougher restrictions. But the Healthy Indiana Plan 2.0 "has yet to provide sufficient evidence showing these components promote Medicaid's objectives, and recent evidence from... evaluations suggests that several features have created substantial enrollment barriers," the law group representing low-income Americans said in comments submitted late last week. The group is pushing for the Department of Health and Human Services to reject the plan.

With Affordable Care Act repeal legislation and congressional Medicaid overhauls in limbo, the additional flexibility the Trump administration has promised states like Indiana is coming under increased focus. Michael Tanner, senior fellow with the libertarian Cato Institute, told Bloomberg BNA today he expects most proposals like these to pass, especially because ACA repeal-and-replace efforts probably won't succeed right away, and for other states to continue seeking them out. Medicaid expansion has proved more expensive in most states than expected, so governors are looking for ways to dial back on cost.

Implementing them, though, would be a different story: "Skin-in-the-game" features for Medicaid enrollees would likely improve health behaviors and lead to cutting back on overuse, Tanner said. But work requirements, like those also included in the House-passed American Health Care Act, might be less feasible.