



January 6, 2011

Centers for Medicare & Medicaid Services
Department of Health and Human Services

Attention: CMS-2346-P

Mail Stop C4-26-05
7500 Security Boulevard
Baltimore, MD 21244-1850

RE: Medicaid Program; Federal Funding for Medicaid Eligibility Determination and Enrollment Activities

To Whom It May Concern:

The National Association of Community Health Centers, Inc. (NACHC) is pleased to respond to the request for comments from the Department of Health and Human Services (HHS), Centers for Medicare and Medicaid Services (CMS) regarding CMS's proposed rule entitled "Federal Funding for Medicaid Eligibility Determination and Enrollment Activities" as published on November 8, 2010 (75 Fed Reg 68583 et seq). NACHC is the national membership organization for federally qualified health centers (hereinafter interchangeably referred to as "health centers" or "FQHCs") throughout the country, and is a Section 501(c)(3) tax exempt non-profit organization.

Introduction

There are, at present, more than 1200 FQHCs with more than 7000 sites serving close to 20 million patients nationwide. Most of these FQHCs receive federal grants under Section 330 of the Public Health Service (PHS) Act (42 U.S.C. 254b) from the Bureau of Primary Health Care (BPHC), within the Health Resources and Services Administration (HRSA) of HHS. To qualify as a Section 330 grantee, a health center must be located in a designated medically underserved area or serve a medically underserved population. In addition, a health center's board of directors must be made up of at least fifty-one percent (51%) users of the health center and the health center must offer services to all persons in its area, regardless of one's ability to pay. BPHC's grants are intended to provide funds to assist health centers in covering the otherwise uncompensated costs of providing comprehensive preventive and primary care and enabling services (such as translation, transportation services, smoking cessation classes, etc) to uninsured and underinsured indigent patients, as well as to maintain the health center's infrastructure. Patients from eligible communities, who are not indigent and are able to pay or who

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have insurance, whether public or private, are expected to pay for the services rendered. Approximately 35 percent of health center patients are Medicaid recipients, approximately 7.5 percent are Medicare beneficiaries, and approximately 40 percent are uninsured. NACHC estimates that the Medicaid expansions mandated in the Affordable Care Act (ACA) will result in health centers serving approximately 18.4 million Medicaid recipients by 2015.

Comments on the Proposed Rule

NACHC applauds and supports CMS' proposed rule to provide enhanced federal matching funds to states for implementing new Medicaid eligibility systems. With the passage of the Affordable Care Act, states will be enrolling millions of additional people into the Medicaid program and will have to ensure seamless coordination with the new Exchanges also established under the ACA. It is essential, therefore, that states have modernized cost effective systems that will accurately enroll these new beneficiaries into coverage with minimal delay and minimal administrative burdens. We believe there is room for some improvement in CMS's proposal, however, and in that regard, NACHC has signed onto, supports, and incorporates the comments (attached) submitted by the National Health Law Program, Georgetown University Center for Children and Families, the Center on Budget and Policy Priorities, Families USA and Community Catalyst and a broad list of national and state consumer and provider organizations

In supporting the list of comments submitted by these organizations, NACHC would emphasize certain points made in paragraphs 2 and 5 of those comments. In paragraph 2 of the comments, these organizations urge CMS to modify the proposed rule to ensure that beneficiaries, consumer advocates and other members of the public are provided the opportunity to provide input into the development, operation and evaluation of the new eligibility systems. We would add provider groups to this list, **particularly safety net providers such as Federally qualified health centers**, since health centers are increasingly involved (with the strong encouragement of CMS) in assisting potential beneficiaries to enroll in the Medicaid and CHIP programs and anticipate a similar effort with the Exchanges as these entities enter into the health care system.

We would also underline and emphasize the comments made by these organizations in paragraph 5 of their submission relating to the importance of proposed rule 42 CFR 433.112(14) in calling for these upgraded eligibility systems supporting effective communication with providers, beneficiaries and the public. As pointed out in those comments, past experiences with Medicaid and CHIP suggest that many families, particularly those in hard-to-reach populations, require the support of community-based organizations and safety net providers to help them navigate the application and renewal process. Even with upgraded computer systems and improved enrollment processes, some families will continue to require the assistance of safety net providers and others in helping them to enroll and retain their health care coverage, whether it be under Medicaid, CHIP or through the Exchanges. FQHCs are committed to assisting their patients in applying for and retaining health care coverage under Medicaid, CHIP or the Exchanges and to assuring the ACA's mandate for seamless and uninterrupted coverage if and when a patient moves from Medicaid/CHIP to Exchange coverage or in the other direction. NACHC supports, therefore, a broad application of the enhanced FFP in the proposed rule so that such matching

percentages will apply to states efforts to facilitate the activities of health centers in enrolling their patients into these programs

NACHC appreciates the opportunity to comment on these proposed rules. If CMS has any questions or wishes to follow-up with further communication on these comments, please contact me at 202-296-0158 or by email at rschwartz@nachc.org.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Roger Schwartz". The signature is fluid and cursive, with the first name "Roger" and last name "Schwartz" clearly distinguishable.

Roger Schwartz, Esq.
Associate Vice President and Legal Counsel