

January 4, 2016

Andy Slavitt, Acting Administrator
Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

Dear Mr. Slavitt,

We write to express our appreciation for the extension of the Financial Alignment Initiative (FAI) and to request the Centers for Medicare and Medicaid Services (CMS) and states offer greater stability to the program. The undersigned national and state stakeholder organizations have contributed to the design and implementation of the FAI and are committed to working in good faith to improve the demonstrations so they achieve a coordinated, person-centered delivery system.

We are pleased all states participating in the Financial Alignment Initiative (FAI) have submitted letters indicating an interest in extending their dual eligible demonstration by two years. As the Medicare-Medicaid Coordination Office (MMCO) and states work to improve the FAI, we believe an extended implementation period has the potential to positively contribute to national health system transformation goals, when all parties, including consumers and their advocates, are included.

While all demonstration states launching this complex program have encountered problems of varying degrees, later implementation states appear to have learned lessons from early state challenges. As MMCO works with states to improve program design and implementation, we urge both entities to strengthen the program, including maintaining and improving important beneficiary protections. We are starting to receive beneficiary evaluation results which must inform timely program improvements, but it is too early to determine whether the demonstration has met its goals.

The over 400,000 dual eligible individuals who navigated complex FAI transitions and are now being served by FAI plans deserve the security of a stable health care program. No dual eligible individual should face additional enrollment disruptions or threats to her health program's continuity. Budgetary pressure on fledgling demonstration programs creates programmatic uncertainty and only distracts from what should be the program focus: quality and coordination.

As beneficiary advocates, we are open to program changes that improve access to services for beneficiaries or further shield them from service cuts, inappropriate marketing or other disruptions. We continue, however, to oppose any changes in enrollment or other rules that would decrease choice for beneficiaries or limit existing consumer protections. We are particularly concerned about proposals that would expand passive enrollment, introduce enrollment lock-in periods, or allow plans to directly enroll beneficiaries.

We appreciate MMCO's commitment to a robust stakeholder process from the start of the FAI, including its July 2015 clarification that all states with approved demonstrations must support ongoing

stakeholder engagement on the demonstrations.¹ We urge MMCO to continue this kind of dialogue with stakeholders regarding any future programmatic change considered at the state and national level and include input directly from dual eligible beneficiaries and their advocates. Through this collaborative process, the stakeholders can offer ideas for changes that will improve the program.

Thank you for your commitment to developing an integrated, quality Medicare-Medicaid program for dual eligible beneficiaries. We look forward to supporting future improvements and helping the FAI deliver on its promise of coordinated, person-centered care.

Sincerely,

Age Options-Illinois
California Association of Area Agencies on Aging
California Health Advocates
Center for the Independence of the Disabled, New York
Cincinnati Area Senior Services
Community Catalyst
Disability Advocates Advancing our Healthcare Rights (Massachusetts)
Disability Policy Consortium (Massachusetts)
Disability Rights California
Disability Rights Education and Defense Fund
Elder Law and Advocacy Center, Neighborhood Legal Services Michigan
Families USA
Health and Medicine Policy Research Group (Illinois)
Justice in Aging
Linking Employment, Abilities and Potential (LEAP Ohio)
Medicare Rights Center
Michigan Disability Rights Coalition
Michigan Elder Justice Initiative
National Association of Area Agencies on Aging
National Council on Aging
National Health Law Program
Ohio Association of Area Agencies on Aging
Ohio Consumer Voices for Integrated Care, Co-Chairs
South Carolina Appleseed Legal Justice Center
Universal Health Care Action Network-Ohio
Village Towers, Canton
Virginia Poverty Law Center

¹ MMCO Letter to State Medicaid Agencies, July 16, 2015: <https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/FinancialAlignmentInitiative/Downloads/FAExtensionMemo071615.pdf>.