



RICK SCOTT
GOVERNOR

May 12, 2015

Secretary Sylvia Burwell
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, DC 20201

Dear Secretary Burwell:

Thank you for taking the time to meet with me at your office on May 6th. Florida families deserve access to the healthcare services they need at a price they can afford from providers with a proven track record of positive outcomes and a reputation for treating patients and their families with respect. During our meeting, you discussed your willingness to talk about opportunities for increasing insurance coverage in Florida apart from our state's immediate need to agree upon a budget to keep government running past June 30th. Again, I believe it is impossible to have a conversation about increasing access to healthcare, or "coverage," apart from a conversation about how to lower healthcare costs. Cost limits access to healthcare, no matter who pays.

As a follow up to our earlier conversation, I want to reiterate that it would not be in the best interest of Florida taxpayers for the state to burden them with a \$5 billion, 10-year state cost (in addition to their federal income taxes) to increase those enrolled in the Medicaid program under Obamacare. Approximately 250,000 individuals moved to Florida last year. In the last 20 years, approximately \$100 billion in annual income, which equals approximately one eighth of Florida's annual GDP, has relocated to Florida. One of the major drivers attracting people to Florida is our low taxes and no state income tax.

Medicaid expansion in Florida would not only be costly, it would force those who currently have private insurance on the federal exchange to lose the insurance they like and were told they could keep. Additionally, none of this \$5 billion in state spending would guarantee positive long-term outcomes, because your agency has repeatedly stated that they will not approve work requirements for Medicaid/Obamacare expansion.

We must begin a vigorous discussion about how to lower healthcare costs in Florida and therefore improve healthcare access for all Florida families. Accordingly, I recently formed a Commission on Healthcare and Hospital Funding to gather information on taxpayer funded healthcare entities in Florida and the return on investment for taxpayers. The Commission will focus their work on how to increase access, affordability and quality in healthcare.

To best guide the Commission's work over the next few weeks, I am requesting help from HHS to immediately answer the following questions about what your agency would approve at the federal level:

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- First, would HHS consider giving Florida a block grant of federal money to decide how to cover those who currently do not have government or private health insurance? (We would be interested in working with you to agree on desired outcomes, such as who would be provided subsidized healthcare, the commitment by the recipient for the subsidy, patient outcomes, access to care, and return on taxpayer investment.)

- Second, outside of the Medicaid program entirely, would HHS be interested in a larger population of individuals being eligible for insurance plans offered on the 100-percent-federally-funded-federal exchange, without assessing any new fees or administrative costs to the state? (This would represent an increase of Florida's population eligible for federal insurance plans on the federal exchange without creating a new entitlement program or expanding Medicaid at a \$5 billion state taxpayer expense.)
 - Those who would be added to the federal exchange will likely be able-bodied, non-pregnant, and independent adults with no intellectual disabilities. However, some of the people in the current coverage "gap" are 19 and 20 year olds who are eligible for Early and Periodic Screening, Diagnosis and Treatment (EPSDT). Florida has a number of safety net features to protect the most vulnerable in this population, including the Medically Needy program and programs for the intellectually disabled, medically complex, those with brain or spinal cord injuries, and those in need of long-term care, among others. All of these programs make EPSDT services available to the 19 and 20-year-olds most likely to need a medical intervention.

 - It is important that Floridians have a hearing process for people who purchase commercial insurance. It is called the Subscriber Assistance Panel, and it is housed at the Agency for Health Care Administration (AHCA). This process could be available to those on the federal exchange and is similar to the "Fair Hearing" process for current Medicaid recipients at the Department of Children and Families (DCF) for those who are denied a service by their Medicaid health plan.

- Third, will HHS support healthcare coverage initiatives that specifically protect the hundreds of thousands of Floridians between 100% and 138% of the federal poverty line from losing their current private health plans on the federal exchange with any future reforms?

Your prompt detailed answers to these questions will be critically important to the work of the Commission on Healthcare and Hospital Funding in the days ahead. In conclusion, thank you for your continued partnership in helping Florida develop solutions to decrease costs and increase quality and access in healthcare.

Sincerely,



Rick Scott
Governor