

June 28, 2006

Secretary Mike Leavitt  
Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

Dear Secretary Leavitt:

The organizations listed below, representing hospitals, health care systems and other health care organizations, are concerned about guidance that the Centers for Medicare & Medicaid Services (CMS) recently issued regarding the new citizenship verification requirements, which implements section 6036 of the Deficit Reduction Act (DRA, P.L. 109-171).

These requirements will have a significant impact on both the ability for those eligible for Medicaid benefits to qualify for the program and on the ability of states to enroll them in the program. While we appreciate your efforts to make the State Medicaid Director Letter (SMDL), released June 9, more flexible, we remain concerned that these new requirements could mean that eligible U.S. citizens and nationals will lose Medicaid coverage.

In particular, we are concerned about:

CMS oversight. The SMDL indicates that states will be subject to increased audits and agency monitoring, and that noncompliance with citizenship verification requirements will result in withholding the Federal Financial Participation (FFP). We are concerned that states will be overly cautious in interpreting the CMS guidance, and err on the side of not enrolling eligible individuals. CMS should ensure that states understand the CMS oversight is not intended to prevent entitled citizens from receiving Medicaid benefits.

Vulnerable populations. We appreciate that the SMDL recognizes and identifies populations who may be at risk for losing Medicaid coverage under the new citizenship verification requirements. The SMDL guidance does not require states to provide assistance, but just encourages them to assist the listed vulnerable populations in securing necessary citizenship and identity documentation. However, many vulnerable populations were not specified in the SMDL. We believe that CMS should expand its list of vulnerable populations and require that states assist these populations. We further recommend that certain populations should be excluded from these documentation requirements, including, but not limited to, Alzheimer's

patients, the homeless and the mentally impaired, adoptive and foster children, those on social security disability, as well as those eligible for both Medicare and Medicaid. We also ask that CMS provide further guidance to clearly state that the verification requirement does not apply to pregnant women and children, who are presumptively eligible for Medicaid.

Restrictions. We are concerned that applicants and individuals subject to redeterminations do not have sufficient time to produce the necessary documentation and that the use of certain documents listed in the SMDL is too restrictive. Specifically:

- Both applicants and current recipients should be provided that same “reasonable opportunity period” to produce the necessary citizenship documentation.
- Medicaid applicants or beneficiaries born outside the United States who are naturalized citizens should not be restricted to three forms of documents – a U.S. passport, certificate of naturalization, or certificate of citizenship.
- While states are prohibited from accepting many documents unless they were created more than five years before an individual applied for Medicaid, CMS does not provide a sufficient explanation as to why documents created at any time are more or less valid than ones created five years prior to application. Such restrictions should be eliminated.
- The guidance states that original documents must be presented to satisfy the requirements, but the statute makes no such stipulation. States should be allowed to use copies of documents to satisfy the documentation requirements.
- We also urge CMS to strongly encourage states to use electronic data matches, such as those through the Vital Statistics Records, and that these matches be considered acceptable documentation.

We appreciate the need to protect the integrity of the Medicaid program, but we believe this need must be paired with equal vigor to preserve the Medicaid safety net for America’s neediest population. We look forward to working with you to achieve both purposes.

Sincerely,

American Hospital Association  
Association of American Medical Colleges  
The Catholic Health Association of the United States  
Federation of American Hospitals  
National Association of Children’s Hospitals  
National Association of Public Hospitals and Health Systems  
Premier  
VHA Inc.