

September 25, 2024

Administrator Chiquita Brooks-LaSure
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Submitted to: stateinnovationwaivers@cms.hhs.gov

Re: Nevada Remediated Section 1332 State Innovation Waiver Addendum, 2024

Dear Administrator Brooks-LaSure,

On behalf of the Medicaid Health Plans of America (MHPA), we thank you for the opportunity to provide input on Nevada's recently re-submitted Section 1332 State Innovation Waiver.

MHPA is the only national trade association with a sole focus on Medicaid, representing more than 150 MCOs serving nearly 47 million Medicaid beneficiaries in 40 states, the District of Columbia and Puerto Rico. MHPA's members include both for-profit and non-profit, national, regional, as well as single-state health plans that compete in the Medicaid market. Nearly three-quarters of all Medicaid beneficiaries receive health care through MCOs, and the Association provides research and advocacy services that support policy solutions to enhance the delivery and coordination of comprehensive, cost-effective, and quality health care for Medicaid beneficiaries.

Summary of Previous Comments

MHPA previously submitted written comments regarding Nevada's 1332 Waiver application in March, commenting on the state's requirement of Battle Born State Plans (BBSP) to meet a 15% premium reduction target and provide formal attestation and rate certification that rates are actuarially sound as part of a "good faith" bid. This good faith bid was required to participate in the state's Medicaid program. In our prior comments MHPA noted that:

- The good faith bid requirement would stifle competition and negatively impact beneficiary choice in the Medicaid program and individual market; and
- The expected provider reimbursement reductions are likely to exacerbate the existing workforce shortage in Nevada and would not align with CMS' goal of improving access and addressing provider workforce shortages, including in the Medicaid program.

For these reasons, we continue to recommend that CMS reject this waiver application and work with the state of Nevada to develop an alternative 1332 waiver which improves access without negatively impacting provider participation and member choice in the state. The recently amended 1332 waiver application does not address MHPA's core concerns. Attached to this letter are our full comments that were submitted on March 14, 2024.

Remediated 1332 Application Requirement Summary – Premium Reduction

In response to public comments, Nevada amended the premium reduction target requirement, allowing MCOs participating in the individual market with less competitive 2025 premiums an opportunity to achieve the full 2029 premium reduction target of 15% over the first 4 years of the

waiver, instead of 1 year. The reductions are still expected to be achieved through a combination of lower provider rates, administrative efficiencies and reinsurance.

Additional MHPA Comments on the Updated Premium Reduction Requirements

MHPA appreciates the state's efforts to create a more level playing field for MCOs participating in the individual market by phasing in the 15% premium reduction requirement over 4 years. While this is a step in the right direction, it still does not alleviate our concerns. The new requirement only delays the issues noted in our previous comments. Even with these changes, plans will not have the necessary time to develop the infrastructure and workforce to submit a competitive bid, leading to the state being unlikely to attract new MCOs to its Medicaid program and individual market.

Further, making Medicaid procurement contingent on a good faith bid to offer the BBSP, can create a barrier to entry for new competition in the Medicaid market both initially and on an ongoing basis. Phasing in the 15% premium reduction requirement does not address this concern in the near- or longer-term.

In these comments we would like to reaffirm our recommendation that CMS reject the requirement that MCOs who wish to participate in the state's Medicaid program submit a good faith bid on a BSSP.

Closing

Again, thank you for the opportunity to provide additional comments on Nevada's 1332 State Innovation Waiver. It is important to MHPA that Nevadans have access to high quality, high value, affordable health coverage. We appreciate the ability to share our perspective and look forward to working with CMS and the state of Nevada to make a meaningful difference in the lives of Medicaid beneficiaries.

Please feel free to reach out to me directly at sattanasio@mhpa.org with any questions or should you need any additional information.

Sincerely,

/s/

Shannon Attanasio
Senior Vice President, Government Relations, Policy and Advocacy

Attachments:

MHPA Comments on the Nevada 1332 State Innovation Waiver, March 14, 2024