



September 23, 2019

Mr. Sonny Perdue
Secretary
U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, DC 20250

Submitted electronically: <http://www.regulations.gov>

Re: AHIP Comments on USDA Proposed Rule – Revision of Categorical Eligibility in the Supplemental Nutrition Assistance Program (SNAP)
Docket ID Number [FNS–2018– 0037]

Dear Mr. Perdue:

America's Health Insurance Plans (AHIP) appreciates the opportunity to respond to the U.S. Department of Agriculture's (USDA) request for comments on its proposed rule to revise categorical eligibility of the Supplemental Nutrition Assistance Program (SNAP). AHIP is the national trade association representing the health insurance community whose members provide coverage for health coverage for hundreds of millions of Americans through employer-sponsored coverage, the individual market, and public programs such as Medicaid and Medicare.

AHIP believes that stakeholders and the public should be aware of some key intersections between SNAP and the Medicaid program. Medicaid provides a broad range of medical and behavioral health and long-term care services to approximately 74 million low income Americans in the 56 states and U.S territories. Many state Medicaid programs use SNAP eligibility information to verify a person's initial eligibility for Medicaid and their periodic recertifications of eligibility thereafter.

The Centers for Medicare and Medicaid Services (CMS) created the option for states to use SNAP gross income to support Medicaid income eligibility determinations to reduce duplicative administrative processes and streamline eligibility determinations.¹ CMS noted that this streamlined approach efficiently identifies and enrolls eligible individuals in Medicaid and facilitates eligibility renewal without requiring beneficiaries to complete new applications or renewal forms.

¹ <https://www.medicaid.gov/federal-policy-guidance/downloads/sho-15-001.pdf>

September 23, 2019

Page 2

Federal Medicaid regulations require states to use reliable data sources, such as SNAP, when verifying financial eligibility for Medicaid. Even if a state is not using the streamlined enrollment strategy described above, many states use SNAP data in conjunction with quarterly wage data to verify income. If a beneficiary is no longer on SNAP, the state agency would have to request pay stubs or other verification documents, which would delay the determination and increase administrative burden on states and beneficiaries alike.

Furthermore, these administrative complications could result in loss of Medicaid for beneficiaries who do not realize they need to perform extra steps to confirm eligibility, in turn increasing the number of people without health coverage. The proposed regulatory changes also would present operational challenges for states, requiring costly modifications to eligibility systems, leading to increased state and federal Medicaid expenditures.

Apart from concerns regarding impacts on Medicaid eligibility, we understand that some analysts have estimated that the USDA's proposal would affect access to food for more than 3 million Americans.² If the USDA's proposed rule is implemented, we are concerned that many families that currently receive SNAP benefits, including near-poor working families, seniors, and people with disabilities, would no longer receive basic food aid.

Apart from the specifics of USDA's proposed change to the SNAP program, these estimates highlight a broader concern with the proposed rule and the potential for significant negative effects on public health with downstream impact on programs like Medicaid and CHIP. Research demonstrates that food insecurity leads to higher rates of borderline malnutrition, diabetes, and other nutrition related illnesses³.

Health insurance providers recognize the critical link between access to healthy foods and health outcomes and are investing in innovative models to increase access to nutritious foods and ultimately, improve health care outcomes for all Americans.

Research: Food Insecurity Affects Health

A person's health is influenced by many factors, including housing, education, employment, and access to healthy food. These factors, sometimes referred to as the social determinants or social influencers of health (SDOH), are defined by the conditions and environment in which people are born, grow, live, work, and age. It is widely known that a lifestyle of healthy foods and exercise helps prevent the onset of chronic health conditions and can improve the management of many existing chronic conditions. However, millions of Americans have limited access to

² Statement of Robert Greenstein, President, Center for Budget and Policy Priorities; July 23, 2019

³ <https://www.cbpp.org/blog/food-insecure-households-likelier-to-have-chronic-diseases-higher-health-costs>

September 23, 2019

Page 3

nutritious foods. As a result, they are more likely to suffer from chronic conditions, such as hypertension and diabetes.

Limited access to food can be driven by a lack of:

- **Income** -- people may not be able to afford food, even though nutritious food may be available close by.
- **Accessibility** -- people may (or may not) be able to afford healthy food, but it may not be physically available to them (e.g., people with physical and/or cognitive disabilities, lack of transportation, food deserts, substandard kitchen not equipped to prepare healthy foods).
- **Nutritional Awareness** -- people can afford healthy food that is geographically accessible, but they need help to identify and prepare nutritious meals.

Health Insurance Providers Help to Address Food Insecurity

As part of their commitment to improve individual and population health, many insurance providers are innovating with new solutions to address food insecurity for the people and communities they serve. However, even with nutritional counselors and patient education efforts, some consumers may still have difficulty accessing healthy foods on a consistent basis. Facing this challenge, insurers and health care systems have launched initiatives to bring healthy foods to specific populations of patients in need such as people with chronically illness or barriers to accessing nutritious foods.

These initiatives are often aligned with government programs (e.g., Women, Infants, and Children (WIC) benefits, SNAP) and leverage community-based organizations with specific capacity and expertise in addressing food insecurity. Health insurance providers also work with states governments to leverage the flexibility offered by Medicaid programs. For example, many states have extended Medicaid Home and Community-Based Waivers allowing states to offer nutrition assistance, such as home-delivered meals.

Many of these activities and other strategies are outlined in AHIP's Issue Brief titled, "Access to Healthy Foods" (<https://www.ahip.org/access-to-healthy-foods-social-determinants-of-health/>).

To amplify these and other efforts to address social factors that impact people's health and well-being, AHIP recently launched Project Link (<https://www.ahip.org/project-link/>). Project Link will include convening health insurers to highlight and learn from best practices, identify and collectively address common challenges, and develop a research and policy agenda to improve the health, well-being, and financial stability of consumers, patients, and taxpayers. These efforts

September 23, 2019

Page 4

are also intended to lead to SDOH programs that are scalable, sustainable, and measurable in improving health and affordability for all Americans.

Conclusion

Again, we thank you for the opportunity to provide comments on these important issues and hope you will take our perspectives into consideration. We also welcome engagement with the USDA and other federal stakeholders regarding Project Link and other efforts of the health insurance community to tackle the SDOHs. If you have any questions about our comments or any supplemental materials, please contact Kate Berry at kberry@ahip.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith Fontenot", with a stylized flourish at the end.

Keith Fontenot

Executive Vice President, Policy and Strategy