October 17, 2025

The Honorable Robert F. Kennedy
Secretary
U.S. Department of Health and Human Services
200 Independence Ave, SW
Washington, DC 20201

Re: Montana HELP Demonstration Waiver

Dear Secretary Kennedy:

Thank you for the opportunity to submit comments on the Montana Health and Economic Livelihood Partnership (HELP) Demonstration Waiver.

The undersigned organizations represent millions of individuals facing serious, acute and chronic health conditions. We have a unique perspective on what individuals and families need to prevent disease, cure illness and manage chronic health conditions. The diversity of our organizations and the populations we serve enable us to draw upon a wealth of knowledge and expertise that is an invaluable resource regarding any decisions affecting the Medicaid program and the people that it serves. We urge the

Centers for Medicare and Medicaid Services (CMS) to make the best use of the recommendations, knowledge and experience our organizations offer here.

Our organizations are committed to ensuring that Montana's Medicaid program provides quality and affordable healthcare coverage. Our organizations are strongly opposed to Montana's proposal to implement work reporting requirements and premiums for Medicaid beneficiaries. These requirements will lead thousands of people to lose coverage and jeopardize the health of people with serious and chronic conditions in Montana. Our organizations urge CMS to reject this request and offer the following comments on the Montana HELP Demonstration Waiver:

Work Reporting Requirements

Work reporting requirements will result in significant coverage losses. If the state believes that individuals have not met these requirements, it will give enrollees 30 days to prove otherwise before terminating coverage. The state estimates that by 2030, approximately 16,578 individuals will lose coverage as a result of being unable to meet work reporting requirements or pay premiums. However, similar past demonstrations have shown that many people who are working and eligible for exemptions have still had their coverage terminated, so the coverage losses would likely far exceed the state's estimated coverage losses – especially if the state insists upon implementing these requirements early. For example, when Arkansas implemented a similar policy requiring Medicaid enrollees to report their hours worked or their exemption, the state terminated coverage for over 18,000 individuals before a federal court halted the policy.[1] For patients with serious or chronic conditions, loss of healthcare coverage can disrupt access to regular care and medications needed to manage their condition, leading to exacerbations that require emergency department visits at a higher cost to both the patient and the state.

Our organizations are deeply concerned that the current exemption criteria may not capture all individuals with, at risk of, or in the process of being diagnosed with serious and chronic health conditions that prevent them from working. While the demonstration has an exemption for individuals who are medically frail or who have special medical needs, this could still leave many patients with chronic conditions unable to get the exemption. Regardless, any additional processes to determine patient eligibility and participation in program requirements inherently create opportunities for administrative errors that jeopardize access to care. This is exactly what happened in Arkansas – as one study found, "more than 95% of persons who were targeted by the policy already met the requirement or should have been exempt. Many Medicaid beneficiaries were unaware of the policy or were confused about how to report their status to the state, which suggests that bureaucratic obstacles played a large role in coverage losses under the policy."[2] No criteria can circumvent these problems and the serious risk to the health of people we represent.

In addition, the state intends to rely on both data-sharing agreements with other state agencies and direct verification with beneficiaries to determine eligibility and compliance with the work reporting requirements. There will undoubtedly be individuals whose data is incomplete, outdated, or not accurately captured by the systems in use. For example, during the unwinding of the Medicaid continuous coverage requirements, only 16% of enrollees in Montana were automatically re-enrolled, demonstrating the significant gaps in existing data and the increased administrative burden many people will face.[3] Again, implementing these requirements early before additional data systems can be set up will exacerbate these challenges.

Our organizations are concerned by the cost to implement this waiver. There will likely be large administrative costs to the state given the complexity of tracking work activities, training staff, and having a system in place to identify and track exemptions. For example, a GAO study of work reporting requirements estimated that the administrative costs could be up to $272 million.[4] In Georgia, the state spent over $80 million within a year of implementing the Georgia Pathways to Coverage Program, despite the low enrollment, and over two thirds of that ($54.2 million) was for administrative costs.[5] Furthermore, the aforementioned changes in coverage status are likely to lead to increased churn, placing greater administrative burden on Montana's Medicaid program. The administrative cost of churn is estimated to be between $400 and $600 per person.[6] Montana's Medicaid program is likely unprepared for the additional cost and administrative burden that the work reporting requirements will generate.

Ultimately, these requirements do not further the goals of the Medicaid program or help low-income individuals find work. Most people on Medicaid who can work already do so. According to KFF, 92% of adults with Medicaid coverage under age 65 who do not receive Social Security disability benefits are either workers, caregivers, students, or unable to work due to illness.[7] And continuous Medicaid coverage can actually help people find and sustain employment. In a report looking at the impact of Medicaid expansion in Ohio, the majority of enrollees reported that being enrolled in Medicaid made it easier to work or look for work (83.5% and 60%, respectively).[8] That report also found that many enrollees were able to get treatment for previously untreated health conditions, which made finding work easier. Additionally, a study in *The New England Journal of Medicine* found that Arkansas's work reporting requirement was associated with a significant loss of Medicaid coverage, but no corresponding increase in employment.[9] Terminating individuals' Medicaid coverage for non-compliance with these requirements will hurt rather than help Montanans search for and obtain employment.

Overall, the issues outlined above related to coverage losses, confusion for enrollees, administrative burden to patients and the state, and implementation costs will only be exacerbated if Montana rushes implementation and has to change key details of its work reporting requirements program as CMS releases guidance on implementation of P.L. 119-21. Our organizations urge CMS to reject this request and allow Montana to use more available time to adequately prepare for implementing the requirements in P.L. 119-21.

Premiums

Montana's HELP Demonstration proposes to impose graduated premiums on the Medicaid expansion population starting at two percent of household income for the first two years and increasing by half a percentage point annually up to a maximum of four percent, with exemptions matching those for work reporting requirements. If enrollees do not pay overdue premiums within 90 days of notification, they will be disenrolled. Our organizations oppose premiums, which jeopardize access to care for beneficiaries.

The evidence is clear that premiums make it harder for individuals to obtain or keep healthcare coverage through the Medicaid program.[10] Even small payments have been shown to deter patients from using necessary care, leading to worse health outcomes and more emergency room visits.[11] When Montana previously charged premiums, only 43% of current enrollees and 34% of those disenrolled for nonpayment knew about the 90-day grace period, and even fewer knew that they could re-enroll after 90 days.[12] Enrollees struggled with several hour-long wait times to receive assistance with understanding premium policies, demonstrating the greater administrative burden that premiums will

place on both enrollees and the program. Premiums do not promote the objectives of Medicaid and can cause devastating gaps in care for patients with chronic and serious conditions.

Finally, federal law generally does not permit premiums for Medicaid enrollees with low incomes, and because language involving premiums is in Section 1916 of the Social Security Act, it is not waivable under a Section 1115 waiver. Furthermore, P.L. 119-21 includes additional prohibitions on premiums for the Medicaid expansion population beginning in 2028. Our organizations urge CMS to reject this request and clarify that premiums will not be approved now or after 2028.

Conclusion
Our organizations remain opposed to work reporting requirements and premiums as they are not in line with the goals of the Medicaid program and will lead thousands of Montanans to lose healthcare coverage. In order to protect access to affordable and quality healthcare for Montanans, we urge CMS to reject this proposal.

Sincerely,

AiArthritis
American Cancer Society Cancer Action Network
American Diabetes Association
American Heart Association
American Kidney Fund
American Lung Association
Arthritis Foundation
Asthma and Allergy Foundation of America
Blood Cancer United
Cancer*Care*
Cystic Fibrosis Foundation
Diabetes Patient Advocacy Coalition
Epilepsy Foundation of America
Hemophilia Federation of America
Lupus Foundation of America
Lutheran Services in America
National Bleeding Disorders Foundation
National Multiple Sclerosis Society
National Psoriasis Foundation
Pulmonary Hypertension Association
Sickle Cell Disease Association of America, Inc.
Susan G. Komen
The AIDS Institute
The Coalition for Hemophilia B
WomenHeart
ZERO Prostate Cancer

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[2] Benjamin D. Sommers, MD, et al. "Medicaid Work Requirements—Results from the First Year in Arkansas," New England Journal of Medicine. Published online June 18, 2019. Available at: https://www.nejm.org/doi/full/10.1056/NEJMsr1901772

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