

KATHY CASTOR  
11TH DISTRICT, FLORIDA

COMMITTEE ON  
ENERGY AND COMMERCE  
COMMITTEE ON THE BUDGET



WASHINGTON OFFICE:  
205 CANNON BUILDING  
WASHINGTON, DC 20515  
(202) 225-3376

DISTRICT OFFICE:  
4144 NORTH ARMENIA AVENUE  
SUITE 300  
TAMPA, FL 33607  
(813) 871-2817

[www.castor.house.gov](http://www.castor.house.gov)

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515-0911**

January 7, 2013

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

**RE: Discussion with Florida Governor Rick Scott – Florida Medicaid waiver - Long-term care privatization raising serious and strong concerns across state**

Dear Secretary Sebelius:

I understand that you will be meeting with Governor Rick Scott today to discuss a number of critical health policy issues. The year ahead is going to be very important to Florida families and small businesses when it comes to health care policy. In addition to the expansion of Medicaid and consideration of an accessible, consumer-driven, online “exchange” for health insurance for Floridians, there are serious concerns over Governor Rick Scott’s push to privatize Medicaid for seniors, children, the disabled and others pursuant to his request to the U.S. Department of Health and Human Services (“HHS”) for a Medicaid waiver. In advance of a decision on the “waiver” from HHS, Governor Scott has been moving aggressively to shift older and disabled Floridians currently in community-based care and long-term care into capitated managed care with little oversight or assurances that our neighbors will not lose access to the nutrition, therapy and care they need. Many of these Floridians include those with dementia, Alzheimer’s, spinal cord injuries and other chronic physical and mental disabilities.

In particular, the state has requested a “waiver” (Section 1915(b) and (c) combined waiver) to turn the state’s long-term care services provided through Medicaid over to private managed care companies. Since the state plans to implement this portion of its Medicaid managed care strategy as soon as possible, I want to express my serious concerns over what appears will be a diminution of care and vital services that older neighbors rely on if this portion of the waiver is approved without significant safeguards. Based upon everything I hear from experts and providers in the field, I encourage you to take more time to listen to stakeholders on the worrisome affects long-term care privatization may have on Florida seniors and disabled and, if possible, craft conditions that ensure that Florida seniors are not taken advantage of. It may not be possible to craft such conditions, and if that is the case, Governor Scott’s waiver request

should be denied.

Florida seniors and the disabled depend on quality nursing home and community-based services to allow them to live in comfort and dignity. Having a middleman or gatekeeper determine which services fit under an arbitrary capitated payment rate raises serious red flags for quality health care for the most vulnerable among us. Many stakeholders who work directly with Florida seniors have expressed serious reservations that access to community-based assistance – help with dressing, eating or bathing – will be limited or eliminated under this proposal. According to a report authored by the Health Policy Institute at Georgetown University, almost 27,000 Floridians are currently on waitlists for community-based services and Florida's waiver application does not provide for additional dollars or create more slots for home and community-based services. Those individuals on existing waitlists will not be eligible for the Long-Term Care Managed Care program until funds are budgeted by the state legislature. Additionally, Florida has the lowest supply of home care aides and assisted living units in relation to our population over the age of 65. We must ensure that our parents and grandparents retain the assistance they have come to count on to perform basic daily functions.

If the long-term care proposal is implemented, the Florida Health Care Association estimates that almost 65,000 Florida seniors will be moved into a private managed care plan. Many of these individuals are some of the most vulnerable in our communities. Delays or denials in services will be detrimental to their wellbeing. The Georgetown report states that Florida will see a 127 percent increase in the 65 and older population between 2010 and 2030. Florida's aging population will continue to boom. How can we be sure that these private companies will have the infrastructure in place for the onslaught of new patients?

Another point the report discusses is how important consumer involvement is to successfully execute a managed long-term care program, but that "consumer involvement has not been a prominent feature of the planning process for Florida's Long-Term Care Managed Care program." It appears many consumer groups and providers were never given the opportunity to work with the legislature or the Agency for Health Care Administration (AHCA) to develop a proposal with robust and stringent consumer protections. My fear is that since these stakeholders were not included in initial discussions, AHCA will not consult with them to fully implement any managed care strategy approved by CMS. AHCA has proven throughout the five year managed care demonstration project and the waiver extension negotiations that they are not capable of providing rigorous comprehensive oversight of these private managed care companies and our senior and disabled neighbors deserve a guarantee that they have someone looking out for their best interests – not the best interests of the HMOs. Based upon a number of studies, it is not clear that the state will achieve the cost-savings that it hopes through assigning this vulnerable population to private, managed care insurance companies. It also is plain to many that the state lacks effective enforcement mechanisms and staff to ensure that our neighbors are not put at risk.

Many in Florida have great unease with Governor Scott's plan to privatize long-term care services. I appreciate very much that HHS professionals are willing to hear from Floridians who care for our older and disabled neighbors and their concerns over Governor Scott's push for managed care. I have encouraged many local senior advocates and experts to share their

expertise with your agency professionals over the coming weeks. Many in the Florida Congressional delegation also intend to share their concerns with you as well.

I encourage you to address the matter with Governor Scott during your meeting and subsequently. The Florida Medicaid Reform experiment has had numerous problems that have not been addressed, as identified by identified by CMS, researchers, Florida's Office of Program Policy Analysis and Government Accountability and others. Dramatically expanding the experiment to vulnerable Floridians in long-term care is not a wise course without accountability, oversight, continuity of care (or just plain access to care) or any proof that care could improve or the state could save one dime. It is appropriate for HHS to take all necessary time to fully understand the implications of the Governor's waiver request and ensure extensive conditions are devised or if it is clear that the Governor's plan is unworkable, a denial is necessary on that portion of the waiver. Oftentimes our older neighbors and those that take care of them do not have the highly-paid lobbyists that special interests have, so we have a special responsibility to ensure that public policy changes work for our vulnerable neighbors. You have demonstrated your understanding of this special responsibility throughout your career and I trust it will be no different here.

If you have any questions or comments, please do not hesitate to contact me at or my Legislative Director, Elizabeth Brown, at 202-225-3376.

Sincerely,



Kathy Castor  
U.S. House of Representatives  
Florida – District 14

cc: Cindy Mann, CMS Deputy Administrator/Director for the Center for Medicaid and CHIP Services