

September 11, 2014

The Honorable Sylvia Matthews Burwell Secretary U.S. Department of Health and Human Services 200 Independence Avenue, SW Washington, D.C. 20201

Dear Secretary Burwell:

On behalf of Indiana University Health, Inc. (IU Health), I write in support of the State of Indiana's Healthy Indiana Plan 2.0 1115 demonstration waiver ("HIP 2.0 Waiver") application which seeks to extend and expand the current Healthy Indiana Plan ("HIP") for calendar years 2015 through 2019.

IU Health is the state's largest and most comprehensive academic health system and one of the busiest hospital systems in the United States. Based in Indianapolis, IU Health is comprised of more than 18 hospitals and health centers throughout the state of Indiana and maintains a strong partnership with the Indiana University School of Medicine, the nation's second largest medical school and a leader in medical education and research. IU Health is also among the state's largest safety net hospitals, providing nearly \$183 million in free or reduced-cost care, benefitting over 139,000 patients.

As a safety net provider, we are keenly aware of the challenges faced by disadvantaged Hoosiers in need of healthcare services. We also recognize that we must do our part to slow the growth of healthcare costs while still maintaining quality and enhancing patient outcomes. For these reasons, and consistent with its long-time support of the existing HIP program, IU Health strongly supports the new HIP 2.0 Waiver.

In its original design, HIP promoted personal responsibility for health and laid the foundation for greater individual engagement in healthcare decision making while also increasing access to health services for those Hoosiers who were not covered by traditional government entitlement programs. The HIP 2.0 Waiver builds upon the success of the HIP program by maintaining the same consumer-driven healthcare principles while also expanding coverage to as many as 350,000 low-income, working Hoosiers. HIP 2.0 encourages individuals to take responsibility

for their own health by providing incentives for them to use healthcare resources wisely and efficiently. Incentives such as the \$25 non-emergent copays and member POWER account contributions are both appropriate, as they affirm the ability of all Hoosiers to make responsible choices about their healthcare, and also critical to our collective efforts to slow the growth of healthcare costs and ensure that healthcare resources are used most effectively. Furthermore, the many components of the HIP 2.0 Waiver have the added benefit of preparing HIP enrollees for private market coverage and a transition to marketplace health plans.

HIP 2.0 is an innovative model that we believe best addresses the unique healthcare needs of disadvantaged Hoosiers. We urge CMS, in the spirit of giving eligible Hoosiers the power to make their own healthcare decisions, to approve the HIP 2.0 Waiver application. However, should CMS deny the state's HIP 2.0 Waiver, we encourage CMS to give favorable consideration to the renewal of the State's existing HIP Waiver.

Sincerely,

Daniel F. Evans, Jr.