



**JOHN CHIANG**  
TREASURER  
STATE OF CALIFORNIA

August 13, 2018

The Honorable Alex Azar II  
Secretary  
U.S. Department of Health & Human Services  
Hubert H. Humphrey Building  
200 Independence Avenue SW  
Washington, DC 20201

Re: "Medicaid Program; Reassignment of Medicaid Provider Claims," file code CMS-2413-P

Dear Secretary Azar:

I am writing in opposition to the proposed rule regarding the reassignment of Medicaid provider claims. The proposed rule would not only directly infringe upon states' rights by impairing the ability of each state to design and operate their own Medicaid services, but would also harm providers of homecare workers by limiting their access to vital workplace benefits customary for most working Americans, including access to retirement savings programs offered through payroll deduction.

Centers for Medicare & Medicaid Services (CMS) make no effort to show how the rule would benefit Medicaid beneficiaries or those who provide them care. Despite acknowledging it has significant uncertainty regarding practices employed by states, CMS has strangely decided to limit public comment to just 30 days rather than the usual 60 day comment period. If CMS has no intention to withdraw the rule, it should at least extend the rulemaking period to better understand its impacts.

Homecare workers perform essential services to those most in need of help. The economic security of these workers is already limited, as most earn minimum wage and many do not earn Social Security benefits. And while it serves as the bedrock of retirement security for most working Americans, Social Security benefits alone are not enough for most workers to avoid an impoverished retirement.

States like California are addressing the problem of retirement insecurity through bold public initiatives like the CalSavers Retirement Savings Program. By ensuring all workers, including homecare workers, have the ability to save for their future through the ease and simplicity of automatic payroll deductions, we are empowering workers to secure their financial

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future. That is why I fought so hard to ensure that legislation authorizing the CalSavers Program included provisions that would allow homecare workers to participate in the state-offered retirement savings program if certain conditions are met. The rule being proposed by CMS would make it much more difficult for these workers to effectively save for their future retirement by hindering their ability to rely on payroll deduction to set funds aside for this purpose.

Instead of proceeding with this rulemaking, I encourage CMS to use its resources to evaluate how it can improve the lives of its beneficiaries and those who serve them.

Sincerely,



JOHN CHIANG  
California State Treasurer

cc: The Honorable Seema Verma, Administrator, Centers for Medicare & Medicaid Services