



February 20, 2025

Stuart Portman  
Executive Director, Division of Medical Assistance Plans  
Georgia Department of Community Health  
2 Martin Luther King Jr. Drive, SE  
East Tower, 18th Floor  
Atlanta, Georgia 30303

Re: Comments on the Pathways to Coverage 1115 Demonstration Waiver Extension Notice

Dear Executive Director Portman,

Thank you for the opportunity to comment on Georgia's 1115 Demonstration Waiver extension application for the Pathways to Coverage program. I am writing on behalf of Georgia Budget and Policy Institute (GBPI), a non-profit, non-partisan research and advocacy organization. GBPI is focused on analyzing Georgia's state budget and advancing solutions that expand economic opportunity and well-being for all Georgians. GBPI supports most of the modifications proposed in the waiver extension application and is grateful to state agency leadership and staff for their openness to ongoing feedback and input. However, GBPI is concerned that these modifications do not go far enough, and we urge the Department of Community Health to consider a more inclusive, fiscally responsible approach that ensures all low-income adults have access to the life-saving health care that they deserve.

Georgia's Pathways to Coverage program is costly for Georgia taxpayers and does not fully close Georgia's health insurance coverage gap. From program approval through the end of December 2024, the Pathways to Coverage program has cost almost \$85 million in combined state and federal dollars.<sup>1</sup> Most of that total funding has been spent on upgrades to Georgia's online eligibility and enrollment system (known as Gateway) and other administrative expenses rather than actual health care benefits.<sup>2</sup> Currently, there are 240,485 low-income, uninsured adults who may be eligible for Pathways to Coverage if they meet the qualifying hours and activities requirement, but only about 6,541 of them have been able to gain and maintain coverage under this program as of January 31, 2025.<sup>3,4</sup> Despite Georgia having one of the highest rates of uninsurance in the nation, more than one third of Georgia's counties stretching from Rabun to Calhoun still have fewer than 10 active enrollees as of January 31, 2025.<sup>5</sup> Even with the adoption of the newly proposed waiver modifications, the state estimates in the waiver extension application that only 30,271 Georgians will be enrolled in the Pathways to Coverage



program by 2030, which is less than 13% of who is potentially eligible for the program.

A burdensome enrollment process and restrictive eligibility criteria appeared to contribute to the program's low enrollment in the first year. Potentially eligible Georgians face a steep 'paperwork' burden – from completing a lengthy online or paper application to compiling documents to verify qualifying activities and hours. In the first year alone, over 110,000 Georgians demonstrated initial interest in applying for the Pathways to Coverage program. These were Georgians who either applied for Medicaid, were up for Medicaid renewal or had a change in circumstance. They were presented in Gateway (the online eligibility and enrollment system) with information about Pathways to Coverage, and they elected to be considered for the program and signed the contract acknowledging that they had read the requirements of the program. Of those over 110,000 interested Georgians in the first year, only about 5% were able to navigate the full application process, be deemed eligible and ultimately enroll in the program.<sup>6</sup> According to the interim evaluation by Public Consulting Group, almost 6,000 more applicants would have been eligible for Pathways to Coverage in the first 13 months if the qualifying hours and activities requirement had been eliminated. Enrollment would have increased by 40% in that same time period if individuals who were determined ineligible due to the qualifying hours and activities requirement had been able to enroll.<sup>7</sup>

### **The Waiver Extension Application Proposes Modifications That Will Make It Easier for Eligible Georgians to Gain and Maintain Coverage**

GBPI supports the following program modifications that will make it easier for low-income Georgians to access life-saving health care coverage under the Pathways to Coverage program.

#### Removal of monthly qualifying activity reporting as a requirement for participation

The proposed modification to require qualifying hours and activities reporting at only initial enrollment and yearly renewal will decrease burden on both enrollees and state agency staff. Despite it being a part of the original program design, the state did not implement monthly reporting audits and paused any suspensions or disenrollments related to monthly reporting of qualifying activities. Implementing this policy in the future would be an additional drain on Georgia's already overburdened frontline caseworkers who would have to support the monthly auditing process. Although most enrollees have still been reporting and submitting documentation monthly to verify their qualifying activities, the monthly audits could result in disenrollment of otherwise eligible Georgians for 'paperwork' issues and further decrease the already low enrollment numbers.

#### Addition of qualifying activity types for program eligibility

The proposed modification to add caregiving of a child under six years of age as a



qualifying activity will make it easier for parents and legal guardians of young children to access the Pathways to Coverage program. Similarly, making compliance with the Supplemental Nutrition Assistance Program (SNAP) Able-Bodied Adults Without Dependents (ABAWD) program a new qualifying activity will also streamline enrollment for dually eligible SNAP-Pathways to Coverage enrollees. This alignment will also decrease confusion among potentially eligible Georgians who may currently qualify for a work reporting exemption under the SNAP ABAWD program but not under the Pathways to Coverage program (e.g., a Veteran).

#### Addition of a retroactive coverage policy

The proposed modification to shift to retroactive coverage will allow enrollees to receive a coverage effective date on the first day of the month in which they apply. This is critical for both enrollees and their health care providers as it protects against uncompensated care costs for individuals who, for example, are admitted to the hospital for a medical emergency and apply for Pathways to Coverage upon admission. Although this modification represents a positive step forward, it still does not authorize presumptive eligibility, which would allow qualified entities like hospitals to screen for eligibility and would provide temporary coverage to Georgians who are likely to qualify for Pathways to Coverage.

#### Removal of premiums

The proposed modification will make permanent the paused implementation of premium collections. Prior research indicates that imposing premiums on populations with low incomes can reduce coverage and increase financial burden. Moreover, data from other 1115 waiver programs with premium requirements show that a high number of enrollees fail to pay premiums and report confusion over premium policies.<sup>8</sup>

### **Even With the Modifications, the Waiver Extension Application Still Leaves Out Hard-Working, Uninsured Georgians**

Additional modifications are needed to maximize enrollment among potentially eligible Georgians. More qualifying activity types are needed to cover Georgians who may face unique barriers to formal employment but are still meaningfully contributing to their communities. For example, the waiver extension should add family caregiving (e.g., up to 80 hours per month of regular caregiving for an adult relative who is sick, elderly, or has a disability) as a qualifying activity. Data show that over 1 million Georgians provide unpaid care to parents, spouses, and others and that care is valued at over \$16 billion.

The state should also explore a modification - whether it be a qualifying activity or



reporting exemption - that removes the barriers that older adults face in meeting the qualifying hours and activities requirement. According to the interim evaluation by Public Consulting Group, increasing age of an applicant was associated with a decreasing likelihood of eligibility, and older adults (aged 50-64) were more likely to be ineligible due to failure to meet the qualifying hours and activities requirements compared to younger applicants. Without the qualifying hours and activities requirement, enrollment for older adults would have increased by 65%.<sup>9</sup>

Other population groups who appear to be facing unique barriers to gaining and maintaining coverage under the Pathways to Coverage program should also be considered in the waiver extension application. According to the interim evaluation by Public Consulting Group, most eligible applicants are young (19-34 years old), female, and living in an urban area.<sup>10</sup> The Department of Community Health should explore additional solutions for engaging men and people of Hispanic/Latino ethnicity. Men comprise about 50% of Georgians in the health insurance coverage gap, but only 26% of Pathways-eligible applicants from July 2023- July 2024. Similarly, Georgians of Hispanic/Latino ethnicity make up about 14% of people in the health insurance coverage gap, but only about 3% of Pathways-eligible applicants during July 2023-July 2024.<sup>11,12</sup>

### **The Current Program Design Does Not Fully Leverage Existing Data and Automatic Enrollment and Puts Further Pressure on Georgia's Struggling Eligibility and Enrollment Infrastructure**

Public benefits programs in Georgia, like Pathways to Coverage, will only ever be as successful as the foundation upon which they are built. The first year of the Pathways to Coverage program highlighted long-standing weaknesses in the overall public benefits eligibility and enrollment infrastructure, which includes 1) the online eligibility and enrollment system known as Gateway and 2) staff at the Division of Family and Children Services' Office of Family Independence, particularly the frontline caseworkers. The backlog of 14,000 unprocessed applications in Pathways to Coverage's first year underscores how strengthening this infrastructure is necessary for maximizing program success. Gateway, the online eligibility and enrollment system, is a costly, outdated technology system that creates challenges for both applicants/enrollees and frontline caseworkers.<sup>13,14,15</sup> Although the challenges with Gateway are pervasive across public benefits programs, it has created specific issues for the Pathways to Coverage program. For example, because of a defect in the backend of the Gateway system, the 12-month re-determinations required of all Medicaid programs was stalled for the Pathways to Coverage program. This forced the state to extend the renewal end dates in the system.<sup>16</sup> Addressing defects like these is time-consuming and creates more work for state agency staff and contractors. Along with faulty technology, the heavy workloads and low pay of the frontline workforce also contributes to the flawed eligibility and enrollment



infrastructure.<sup>17,18,19</sup> The difficult circumstances in which the frontlines caseworkers must do their work contribute to applicants and enrollees not being able to get the support they need. While improving this infrastructure will take strategic investment and long-term, intentional planning, it is crucial that the state transition to a more user-friendly online eligibility and enrollment system and build up a workforce that is equitably paid, well-trained and co-located in the communities they serve.

To circumvent some of the challenges presented by the enrollment and eligibility infrastructure in the short-term, the waiver should incorporate additional modifications that expand automated verification of qualifying hours and activities at initial application and yearly renewal using electronic data sources. Before requiring an applicant or enrollee to submit documentation like a pay stub, the state should attempt to automatically verify self-reported qualifying hours and activities. The state can use existing state data sources and expand data-sharing with federal and other electronic data sources. For example, the state could increase automatic verification of reported work hours using a state wage database or federal data from the Internal Revenue Service. The state could also increase automatic verification of higher education course hours through data sharing agreements with University System of Georgia and the Technical College System of Georgia as well as automatic verification of job readiness and vocational rehabilitation hours through data-sharing with organizations like Georgia Department of Labor Career Center, Workforce Development Board, Georgia Vocational Rehabilitation Agency, Goodwill, and others. Prior research shows that increasing the use of electronic data sources to verify eligibility can reduce the burden on applicants/enrollees and on the frontline caseworkers processing their applications as well as potentially reducing overall costs to the state.<sup>20</sup> Automatic enrollment could be particularly impactful for Georgians who are transitioning out of traditional Medicaid – such as women who are past their one year of postpartum coverage and very low-income caregivers whose income has risen above the traditional Medicaid limit. Automatic enrollment could also be beneficial for Georgians who are SNAP-ABAWD compliant. Similar to express lane eligibility for children, the state could preemptively process Pathways to Coverage program eligibility for the aforementioned groups, and then allow the individuals determined eligible to ‘opt out’ as needed once their eligibility has been confirmed.

### **The Qualifying Hours and Activities Requirements Do Not Support The Program’s Stated Goals**

Two of the Pathways to Coverage program’s stated aims are to increase access to affordable health care and support enrollees’ financial independence. Prior research indicates that work and other qualifying activities requirements stand in the way of achieving those two goals. Rather than promoting self-sufficiency, work requirements make it more challenging to access health care and move people further into poverty.<sup>21</sup> Prior research also demonstrates that work requirements have minimal impact on long-term employment gains; contrastingly, expanding health care coverage without a work



requirement makes it easier to job hunt and perform well at work.<sup>22</sup> Most people who are in the health insurance coverage gap are already in a family with at least one worker or are working themselves.<sup>23</sup> However, many are working low-wage job sectors, such as construction, food service, or retail, that often do not offer employer-sponsored health care coverage.<sup>24</sup> Rather than supporting employment, qualifying activities and work requirements create an administrative burden.<sup>25</sup> Systemic barriers faced by many people with low incomes, such as the unpredictable and unstable nature of low-wage job schedules and the lack of access to high-speed internet, can make documenting and reporting their eligibility overly burdensome.<sup>26,27</sup> Moreover, Pathways to Coverage applicants have essentially no ability to claim an exemption from the qualifying activities requirement (other than the short-term ‘Good Cause Exception’). That leaves low-income Georgians who are meaningfully contributing to their communities and who are otherwise eligible but do not meet the qualifying hours and activities requirement, such family caregivers of adults, cannot access this program. It also leaves out Georgians who need health care first in order to enter the workforce, such as those in full-time treatment for addiction or those with functional disabilities. Lastly, work and other qualifying activities requirements are costly for taxpayers as evidenced by the over almost \$85 million in total state and federal spending as of December 2024 – most of which covered administrative expenses like designing and installing upgrades to Georgia’s online eligibility and enrollment system. By removing the qualifying activities requirement, the state could be more responsive to the needs and realities of uninsured Georgians with low incomes rather than imposing arbitrary and harmful eligibility criteria. Georgia could also explore alternative policies. For example, programs with work supports, like subsidized childcare for single parents and intensive job-search assistance, see increased employment among participants.<sup>28</sup>

### **Fully Closing the Health Insurance Coverage Gap Would Expand Health Care To More Georgians At a Lower Cost**

The waiver extension application estimates that only 30,271 Georgians would be enrolled in the Pathways to Coverage program by year 7 of implementation (demonstration year 10). Contrastingly, the Georgia state auditor estimated that between 881,199 – 1,236,500 people would be enrolled under a full Medicaid expansion by year 3 of implementation.<sup>29</sup> Because it only offers coverage to Georgians earning up to 100% of the federal poverty level, Pathways to Coverage fails to draw down federal financial incentives offered under the Affordable Care Act and the American Rescue Plan. Currently, the federal government pays about 66% of health care costs for Georgians covered under both traditional Medicaid and the Pathways to Coverage program. If the state expands access to health care for Georgians up to 138% of the federal poverty level (about \$43,000 or less in annual household income for a family of 4), the federal government would cover 90% of the health care coverage costs for those who are newly eligible. For the first two years, the federal government would also pay 71% of health care costs for Georgia’s over 2 million traditional Medicaid enrollees. That translates into more than \$1 billion in additional





federal funds to the state over two years.<sup>30</sup> This ‘signing bonus’ more than covers the state cost of expanding coverage, which makes the net state cost \$0 for the first two years.<sup>31</sup> This infusion of federal funds and increased demand for health care services would positively impact our state economy in other ways. Economic modeling found that expanding eligibility would create over 51,000 jobs and increase the state’s GDP by \$5.5 billion.<sup>32</sup> The economic benefits extend beyond just the state economy; increased access to affordable health care for Georgians with low incomes could help stabilize finances for hospital and providers, particularly in rural areas, and increase families’ financial security. Whether the state decides to offer Medicaid coverage (traditional Medicaid expansion) or buy a qualified health plan on the health insurance marketplace (‘private option’ expansion) for Georgians earning up to 138% of the federal poverty level, raising the income limit and activating those federal funds for Georgia’s benefit is better for Georgia’s bottom line.

### **Conclusion**

The proposed modifications in the Pathways to Coverage waiver extension application would remove some barriers to gaining and maintaining health care coverage under this program. However, even with the proposed modifications, the program falls short of what Georgians need. We urge the Department of Community Health to pursue additional solutions that reflect the real wants, needs and experiences of low-income Georgians and deliver a stronger return on investment for Georgia’s taxpayers.

Sincerely,

Leah Chan, MPH  
Director of Health Justice  
Georgia Budget & Policy Institute



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<sup>1</sup> GBPI analysis of Pathways to Coverage program costs based on Georgia’s quarterly Medicaid expenditure reports. (Obtained through multiple Open Records Requests to Department of Community Health; requested CMS-64 forms that cover January 2021 – December 2024; received at multiple timepoints between December 2023 – February 2025).

<sup>2</sup> Ibid.

<sup>3</sup> Thomas, G. (2024, September 5). Georgia Pathways to Coverage [PowerPoint slides]. Georgia Department of Community Health. <https://dch.georgia.gov/document/document/comprehensive-health-coverage-meeting-slidedeckdch-presentation-002/download>

<sup>4</sup> GBPI analysis of Pathways to Coverage active enrollment data. (Obtained through an Open Records Request; requested active enrollment in Pathways to Coverage program as of January 31, 2025; received February 2025).

<sup>5</sup> GBPI analysis of Pathways to Coverage active enrollment data. (Obtained through an Open Records Request; requested Pathways to Coverage active county-level enrollment as of January 31, 2025; received February 2025).

<sup>6</sup> Chan, L. (2024). Georgia’s Pathways to Coverage Program: The First Year in Review. Georgia Budget and Policy Institute. <https://gbpi.org/georgias-pathways-to-coverage-program-the-first-year-in-review/>

<sup>7</sup> Public Consulting Group. (2024, December 16). Georgia Pathways demonstration program interim evaluation report. (Obtained through an Open Records Request; requested interim evaluation report prepared by Public Consulting Group; received January 2025).

<sup>8</sup> Guth, M., Ammula, M., & Hinton, E. (2021). Understanding the impact of Medicaid premium and cost-sharing: Updated evidence from the literature and Section 1115 waivers. KFF. <https://www.kff.org/medicaid/issue-brief/understanding-the-impact-of-medicaid-premiums-cost-sharing-updated-evidence-from-the-literature-and-section-1115-waivers/>

<sup>9</sup> Public Consulting Group. (2024, December 16). Georgia Pathways demonstration program interim evaluation report. (Obtained through an Open Records Request; requested interim evaluation report prepared by Public Consulting Group; received January 2025).

<sup>10</sup> Ibid.





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<sup>11</sup> Ibid.

<sup>12</sup> The Center on Budget and Policy Priorities. (2024). The Medicaid coverage gap: State fact sheets. <https://www.cbpp.org/research/health/the-medicaid-coverage-gap>

<sup>13</sup> Chan, L. (2024). Understanding the Pathways to Coverage program: An initial review of the enrollment process. Georgia Budget and Policy Institute. <https://gbpi.org/wp-content/uploads/2024/04/C4ABrief-202404.pdf>

<sup>14</sup> Liss, S., & Pradhan, R. (2024, September 5). Errors in Deloitte-run Medicaid systems can cost millions and take years to fix. KFF Health News. <https://kffhealthnews.org/news/article/deloitte-run-medicaid-systems-errors-cost-millions-take-years-to-fix/>

<sup>15</sup> Pradhan, R., & Liss, S. (2024, June 24). Medicaid for millions in America hinges on Deloitte run systems plagued by errors. KFF Health News. <https://kffhealthnews.org/news/article/medicaid-deloitte-run-eligibility-systems-plagued-by-errors/>

<sup>16</sup> Georgia Department of Human Services (2024, September 19). Gateway defects. (Obtained through an Open Records Request; requested Gateway defects from July 2023 – August 2024; received September 2024).

<sup>17</sup> Landergan, K. (2023, February 3). DFCS caseworkers in Georgia: 'It's like being in an emergency room'. Atlanta Journal-Constitution. <https://www.ajc.com/news/atlanta-news/dfcs-caseworkers-in-georgia-confront-chaos-its-like-being-in-an-emergency-room/M6VEWIPZZFGJ5BAX2F264UVKAA/>

<sup>18</sup> Finch Floyd, I. (2024). Georgia Human Services budget primer for state fiscal year 2025. Georgia Budget and Policy Institute. <https://gbpi.org/georgia-human-services-budget-primer-for-state-fiscal-year-2025/>

<sup>19</sup> Finch Floyd, I. (2026). Overview: 2026 fiscal year budget for Department of Human Services. Georgia Budget and Policy Institute. <https://gbpi.org/overview-2026-fiscal-year-budget-for-the-georgia-department-of-human-services/>

<sup>20</sup> Medicaid and CHIP Payment and Access Commission. (2023). Increasing the rate of ex parte renewals. <https://www.macpac.gov/wp-content/uploads/2023/09/Increasing-the-Rate-of-Ex-Parte-Renewals-Brief.pdf>

<sup>21</sup> Robert Wood Johnson Foundation. (2023). *Work requirements: What are they? Do they work?* <https://www.rwjf.org/en/insights/our-research/2023/05/work-requirements-what-are-they-do-they-work.html>



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<sup>22</sup> Pavetti, L., Bolen, E., Harker, L., Orris, A., & Mazzara, A. (2023). *Expanding work requirements would make it harder for people to meet basic needs*. Center on Budget and Policy Priorities. <https://www.cbpp.org/research/poverty-and-inequality/expanding-work-requirements-would-make-it-harder-for-people-to-meet>

<sup>23</sup> Drake, P., Tolbert, J. Rudowitz, R., & Damico, A. *How many uninsured are in the coverage gap and how many could be eligible if all state adopted Medicaid expansion?* KFF. <https://www.kff.org/medicaid/issue-brief/how-many-uninsured-are-in-the-coverage-gap-and-how-many-could-be-eligible-if-all-states-adopted-the-medicaid-expansion/>

<sup>24</sup> U.S. Department of Labor. (2020, March) Lower-wage workers less likely than other workers to have medical care benefits in 2019. *The Economics Daily*. <https://www.bls.gov/opub/ted/2020/lower-wage-workers-less-likely-than-other-workers-to-have-medical-care-benefits-in-2019.htm>

<sup>25</sup> Pavetti, L., Bolen, E., Harker, L., Orris, A., & Mazzara, A. (2023). *Expanding work requirements would make it harder for people to meet basic needs*. Center on Budget and Policy Priorities. <https://www.cbpp.org/research/poverty-and-inequality/expanding-work-requirements-would-make-it-harder-for-people-to-meet>

<sup>26</sup> Schneider, D. & Harknett, K. (2019). *It's about time: How work schedule instability matters for workers, families, and racial inequality*. Harvard Kennedy School. <https://shift.hks.harvard.edu/its-about-time-how-work-schedule-instability-matters-for-workers-families-and-racial-inequality/>

<sup>27</sup> Atske, S., & Perrin, A. (2021). *Home broadband adoption, computer ownership vary by race, ethnicity in the U.S*. Pew Research Center. <https://www.pewresearch.org/short-reads/2021/07/16/home-broadband-adoption-computer-ownership-vary-by-race-ethnicity-in-the-u-s/>

<sup>28</sup> Congressional Budget Office. (2022). *Work requirements and work supports for recipients of means-tested benefits*. <https://www.cbo.gov/publication/58199>

<sup>29</sup> Griffin, G. (2024, February 22). *Fiscal note on House Bill 62 (LC 33 9274)*. Georgia Department of Audits & Accounts. <https://opb.georgia.gov/document/fiscal-notes-2024/lc-33-9274/download>

<sup>30</sup> Ibid.

<sup>31</sup> Ibid.

<sup>32</sup> Evangelakis, P., & Paulhus, L. (2024). *Economic impacts of Medicaid expansion in Georgia*. Regional Economic Models, Inc. <https://www.remi.com/wp->



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