July 24, 2017

Dear Senator:

The undersigned members of the Consortium for Citizens with Disabilities (CCD) strongly oppose the revised Better Care Reconciliation Act (BCRA). While we have serious concerns about many provisions of the BCRA, including a new provision that would dramatically increase costs for people with preexisting conditions, we cannot overstate the danger facing the millions of adults and children with disabilities if the bill’s Medicaid proposals are adopted by the Senate. The bill’s imposition of a per capita cap and the effective end of the adult Medicaid expansion would cut federal support by $756 billion by 2026, decimating a program that for decades has provided essential healthcare and long term services and supports to millions of adults and children with disabilities.

Some 10 million people with disabilities and, often, their families, depend on the critical services that Medicaid provides for their health, functioning, independence, and well-being. For decades, the disability community and bipartisan Congressional leaders have worked together to ensure that people with disabilities of all ages have access to home- and community-based services that allow them to live, work, go to school, and participate in their communities instead of passing their days in institutions. Medicaid has been a key driver of innovations in cost-effective community-based care, and is now the primary program covering home and community-based services (HCBS) in the United States. Older adults and people with disabilities rely on Medicaid for nursing and personal care services, specialized therapies, intensive mental health services, special education services, and other needed services that are unavailable through private insurance.

The BCRA upends those critical supports. Per capita caps – which have nothing to do with the Affordable Care Act – would radically restructure the financing of the traditional Medicaid program and divorce the federal contribution from the actual costs of meeting people’s health care needs. Caps are designed solely to cut federal Medicaid support to states, ending a decades-long state/federal partnership to improve opportunities and outcomes for our most vulnerable. Slashing federal funds will instigate state budget crises that stifle the planning and upfront investments required to create more efficient care systems. Caps will force states to cut services and eligibility that put the lives, health, and independence of people with disabilities at significant risk. In fact,
because HCBS (including waivers) are optional Medicaid services, they will likely be among the first targets when states are addressing budgetary shortfalls. The structure of BCRA’s cap – which remains unchanged in the revised bill – only makes cuts worse after it reduces the growth rate in 2025, which would cut federal Medicaid support by more than a third by 2036.¹

Limited carve outs and targeted funding pots included in recent BCRA revisions pale in comparison to the scope of these cuts. For example, the revised BCRA offers a four-year $8 billion dollar demonstration to expand home and community-based services – which is not even half of the $19 billion cut to the Community First Choice option that eight states have implemented to expand access to necessary in-home services for people with disabilities.² As noted above, the BCRA cuts $756 billion from Medicaid in just the first 10 years—a 26% reduction of federal funding by 2026. All individuals on Medicaid will be impacted by cuts of this magnitude, despite any limited, temporary demonstration funding or restricted carve out for a fraction of the children with disabilities that Medicaid supports. Throwing billions in extra temporary funds – even sums as high as $200 billion – cannot curb the inevitable, long-term loss of critical Medicaid services that people with disabilities will face as a result of per capita caps.

The inevitable phase out of the Medicaid Expansion, which covers additional millions with disabilities, including people with mental illnesses and substance use disorder, will only compound the massive funding shortages that states face. These are people who previously fell through the cracks in our system, such as individuals with disabilities in a mandatory waiting period before their Medicare coverage begins and millions of people with a behavioral health condition who previously had no pathway to steady coverage. Also, millions of family caregivers who work caring for a child or older adult with a disability and hundreds of thousands of low wage direct care workers who serve people with disabilities gained coverage through the Medicaid expansion. Medicaid expansion helps stabilize our long-term care support networks by keeping caregivers healthy and reducing turnover.

We also have serious concerns about the BCRA private market provisions,³ including the Cruz amendment, which would dramatically raise coverage costs for people with preexisting conditions (including people with disabilities), older adults, and people who need access to essential health benefits. Major insurers, actuaries, and health policy experts all agree that the Cruz amendment is unworkable and would destabilize the individual market by splitting the risk pool and dramatically increasing costs for people with higher care needs.⁴ In short, the BCRA makes health insurance less

¹ CONG. BUDGET OFF., Longer-Term Effects of the Better Care Reconciliation Act of 2017 on Medicaid Spending, 1 (June 2017).
³ Please see our letter to the House on March 17, 2017, detailing our additional concerns with the AHCA. Available at http://www.c-c-d.org/fichiers/Letter-on-AHCA_3-16-17.pdf.
affordable for millions of people, particularly older adults, those with chronic health conditions and people with disabilities, and recent revisions make it even worse.

The cumulative effect of the private insurance and Medicaid proposals will leave people with disabilities without care and without choices, caught between Medicaid cuts, unaffordable private insurance, and limited high-risk pools. We ask all Senators to reject this bill and instead work toward solutions that ensure that all adults and children with disabilities have access to the healthcare they need.

Sincerely,

ACCSES
Advance CLASS/Allies for Independence
American Academy of Physical Medicine and Rehabilitation
American Association of People with Disabilities
American Association on Health and Disability
American Civil Liberties Union
American Congress of Rehabilitation Medicine
American Dance Therapy Association
American Foundation for the Blind
American Music Therapy Association
American Network of Community Options and Resources
American Occupational Therapy Association
American Psychological Association
American Therapeutic Recreation Association
Association of Assistive Technology Act Programs
Association of People Supporting Employment First
Association of University Centers on Disabilities
Autism Society
Autism Speaks
Autistic Self Advocacy Network
Bazelon Center for Mental Health Law
Brain Injury Association of America
Center for Public Representation
Children and Adults with Attention-Deficit Hyperactivity Disorder
Christopher and Dana Reeve Foundation
Community Legal Services of Philadelphia
Conference of Educational Administrators of Schools and Programs for the Deaf
Council for Exceptional Children
Council of Administrators of Special Education
Disability Rights Education and Defense Fund
The Michael J Fox Foundation for Parkinson’s Research
United Cerebral Palsy
United Spinal Association