September 15, 2017

Dear Senator:

The undersigned members of the Consortium for Citizens with Disabilities (CCD) write to express strong opposition to the Graham-Cassidy-Heller-Johnson (GCHJ) proposal. As we have commented on multiple proposals considered by the Senate, we cannot overstate the danger facing the millions of adults and children with disabilities if the proposal’s Medicaid provisions are adopted. The proposal’s imposition of a per capita cap and the elimination of the adult Medicaid expansion would decimate a program that has provided essential healthcare and long term services and supports to millions of adults and children with disabilities for decades. We are also extremely concerned about the changes proposed to the private individual health insurance market and the tax credits that currently assist low-income individuals, including individuals with disabilities, to purchase insurance.

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.

Like other proposals considered by the Senate, the GCHJ bill 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 GCHJ’s cap – like the structure in previous bills – makes cuts worse after it reduces the growth rate in 2025. Congressional Budget Office score on similar per capita cap proposals showed cuts to federal support by $756-834 billion by 2026, with steeper cuts the following years, amounting to a 35% cut by 2036, and that such caps would cause tens of millions of Americans to lose Medicaid coverage.

Limited carve outs and targeted funding pots included in GCHJ pale in comparison to the scope of these cuts. For example, GCHJ offers a four-year $8 billion dollar demonstration to expand Medicaid 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. All individuals on Medicaid will be impacted by cuts of this magnitude, despite any limited, temporary demonstration funding or restricted funding carve out for a fraction of the children with disabilities that Medicaid supports. Throwing billions in extra temporary funds cannot curb the inevitable, long-term loss of critical Medicaid services that people with disabilities will face as a result of per capita caps.

In addition, GCHJ ends the Medicaid Expansion and the current tax credits and cost sharing reductions that assist low income individuals purchase health insurance in 2020, replacing this assistance with a block grant that would reduce funding by $239 billion by 2026. After 2026, there would be no federal funding to help the millions of Americans, including millions with disabilities, who rely on Medicaid Expansion and Marketplace coverage to access health care. 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.

Likewise, Marketplace coverage ensures that people with disabilities can buy comprehensive and affordable health care and have equal access to much needed health care including examinations, therapies to regain abilities after an illness or injury, and affordable medications. We have serious concerns about GCHJ private market provisions, including the state waiver authority to eliminate protections for people with preexisting conditions (including people with disabilities), older adults, and people who need access to essential health benefits. The nondiscrimination provisions and health insurance reforms, the expanded access to long term supports and services, and the expanded availability of comprehensive and affordable health care have helped many more individuals with

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disabilities live in the community and be successful in school and the work place. No longer do individuals with disabilities and their families have to make very difficult choices about whether to pay their mortgage, declare bankruptcy, or choose between buying groceries and paying for needed medications.

In short, GCHJ makes health insurance less affordable for millions of people, particularly people with disabilities, older adults, and those with chronic health conditions. 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. The CBO estimated that ACA repeal without a replacement would cause 32 million people to lose insurance. GCHJ would be even worse, as it effectively repeals all the ACA coverage expansions after 2026, and also implements per capita caps on the rest of Medicaid that will lead to additional enrollment cuts.

Finally, we are extremely disappointed that the proposal has not been considered under regular order and in fact threatens to usurp an active bipartisan effort to bolster Marketplace coverage. The Senate has a longstanding history of deliberating policy proposals through transparent processes, including public hearings, open comment periods on discussion drafts, and multi-stakeholder meetings. We are particularly concerned that Senators are expressing support of this proposal without a Congressional Budget Office (CBO) score that thoroughly examines the short and long-term financial and coverage impacts. The complete restructuring proposed for the individual private insurance market is likely to have repercussions on coverage that prior CBO estimates do not take into account. The Senate Health Education Labor and Pensions Committee has begun a bipartisan process examining how to strengthen the Affordable Care Act. We ask all Senators to reject this proposal and instead engage in the process of regular order and work toward bipartisan 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 Association of People with Disabilities
American Association on Health and Disability
American Association on Intellectual and Developmental Disabilities
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
Division for Early Childhood of the Council for Exceptional Children
Easterseals
Epilepsy Foundation
Family Voices
Higher Education Consortium for Special Education
Institute for Educational Leadership
Jewish Federations of North America
Justice in Aging
Learning Disabilities Association of America
Lupus Foundation of America
Lutheran Services in America Disability Network
Mental Health America
National Academy of Elder Law Attorneys
National Alliance on Mental Illness
National Association for the Advancement of Orthotics and Prosthetics
National Association of Councils on Developmental Disabilities
National Association of School Psychologists
National Association of State Directors of Developmental Disabilities Services
National Association of State Directors of Special Education
National Association of State Head Injury Administrators
National Center for Learning Disabilities
National Committee to Preserve Social Security and Medicare
National Council for Behavioral Health
National Council on Aging
National Council on Independent Living
National Disability Institute
National Disability Rights Network
National Down Syndrome Congress
National Down Syndrome Society
National Health Law Program
National Multiple Sclerosis Society
National Organization of Social Security Claimants' Representatives
National Respite Coalition
Paralyzed Veterans of America
Parent to Parent USA
School Social Work Association of America
SourceAmerica
Special Needs Alliance
TASH
Teacher Education Division of the Council for Exceptional Children
The Advocacy Institute
The Arc of the United States
The Michael J Fox Foundation for Parkinson’s Research
United Cerebral Palsy
United Spinal Association