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United States Senate  
Washington, D.C. 20510

Dear Senator:

On behalf of our three million members and the 50 million students they serve, NEA strongly urges you to **VOTE NO** on the Graham-Cassidy “replacement” for the Affordable Care Act (ACA). Developed in secret to circumvent regular order, this bill will deprive millions of children of the health care they need to learn, thrive, and grow into productive citizens; it also threatens to undermine the ongoing bipartisan effort to reauthorize funding for the Children’s Health Insurance Program (CHIP), which expires September 30, and threatens to destabilize the individual health care marketplace. Votes on this issue may be included in NEA’s Report Card for the 115th Congress.

Specifically, we are concerned that this legislation would:

- **Radically restructure and deeply cut Medicaid.** Federal support for Medicaid — the source of health coverage for 40 percent of all children and 60 percent of children with disabilities — would decline dramatically. Instead of basing that support on actual Medicaid costs, states would get a limited amount for each beneficiary (also called a per capita cap). To compensate for the loss of federal support, states are likely to divert money from education to health care as well as limit the number of Medicaid beneficiaries, the scope of Medicaid benefits, or both.
- **Hit the students most in need the hardest.** Slashing federal support for Medicaid would threaten services essential for students to learn and thrive, especially those with disabilities and special needs. Medicaid reimburses schools for mental health care, vision and hearing screenings, diabetes and asthma management, wheelchairs, hearing aids, and more. That support is substantial — \$4 billion a year, according to the Centers for Medicare and Medicaid.
- **Create severe financial hardship for low-income people.** Federal funding for the ACA subsidies that help make health coverage affordable would be limited and folded into block grants. After a decade, the subsidies would vanish, leaving many low-income people unable to afford health coverage or treatment for chronic diseases like diabetes. Premature deaths could rise.
- **Punish states that expanded Medicaid.** States that participated in the ACA’s Medicaid expansion would lose funding while those that did not participate gain funding. By 2026,

20 states — including Alaska, Kentucky, Louisiana, Montana, New Hampshire, and North Dakota — would face funding cuts ranging from 35 percent to nearly 60 percent, according to the Center on Budget and Policy Priorities.

- **Jeopardize coverage for people with pre-existing conditions.** States would be allowed to waive the ACA’s essential health benefit requirements, so insurance companies could charge people with pre-existing conditions many times more than they charge healthy people. They could also exclude essential benefits — like mental health care, prescription drugs, and treatment for substance abuse — and impose annual or lifetime dollar-based limits, shifting tremendous financial and health risks to working families.
- **Raise taxes on working families while providing tax breaks for corporations and wealthy people.** Tax breaks included in the bill benefit corporations and allow wealthy people to shelter even more money in tax-free health savings accounts. Yet a 40 percent excise tax on “high-cost” employer-sponsored coverage would take effect in 2020 — a back-door pay cut for millions of working families.
- **Weaken both the individual insurance market and employment-based coverage.** The bill eliminates financial penalties for individuals not buying — and large employers not providing — health coverage. Some employers may gut their health plans or stop offering coverage altogether, since they would no longer be penalized for doing so.

Like the “replacements” for the ACA previously rejected by the Senate, the Graham-Cassidy bill reneges on the promise to deliver better, less costly health coverage for all Americans. **We strongly urge you to VOTE NO.**

Sincerely,



Marc Egan  
Director of Government Relations  
National Education Association