

# Survival Coalition: Statement on Graham-Cassidy

Posted on Monday, Sep 25, 2017

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The Survival Coalition of Wisconsin Disability Organizations is a cross-disability coalition of more than 30 state and local organizations and groups. For more than 20 years, Survival has been focused on changing and improving policies and practices that support people with disabilities of all ages to be full participants in community life.

Survival Coalition strongly opposes the Graham-Cassidy proposal due to its significant Medicaid funding cuts and rollback of key insurance protections for people with pre-existing conditions created by the Affordable Care Act (ACA).

We have become frustrated in recent months by continued assurances that the Medicaid cuts created by per capita caps and changes to the private insurance market won't impact people with disabilities. The ACA ended health care discrimination based on disability status and resulted in substantial gains in health care access and coverage for people with disabilities, including mental illness and other chronic conditions. Before the ACA, many Wisconsinites with disabilities were unable to obtain private insurance, and experienced limited access and dire financial problems due to healthcare costs. Allowing states to get waivers from the community rating provision and Essential Health Benefits means that people with disabilities are no longer guaranteed access to needed services on the private health insurance market. It also means that health insurance companies can go back to charging people with disabilities more for their health care. If this bill is passed, important coverage decisions will be left up to individual states, resulting in a patchwork system that offers inconsistent coverage of important therapies and medical devices.

In addition, every single Medicaid per capita cap proposal released this year has

capped funding for people with disabilities and includes a slowed growth rate that does not address long-term care needs. About two-thirds of Medicaid funding is spent on providing services to people with disabilities and older adults. Cuts to Medicaid mean cuts to the services that people with disabilities need. There is no question that proposed Medicaid per capita caps will be detrimental to the health, safety and independence of people with disabilities.

Wisconsin's strong Medicaid Program is essential to the health and independence of people with disabilities. Adults with a disability are more likely to: be low income, have less access to health care, and report higher health risk factors and chronic conditions. People with disabilities rely on specific supports only available to them through Medicaid, such as personal care and mental health and substance use disorder services.

Estimates from the non-partisan Congressional Budget Office (CBO) on Medicaid per capita caps created by the American Health Care Act (AHCA) and the Better Care Reconciliation Act (BCRA), showed a 25% cut to federal Medicaid funding over just 10 years as a result of per capita caps. Graham-Cassidy proposes a per capita cap model that is nearly identical to the AHCA and BCRA. Federal Medicaid funding cuts of this size jeopardize the progress Wisconsin has made over the past 20 years in transitioning people with disabilities out of institutional settings and into the community. It's not clear how Wisconsin can absorb this large a federal funding cut and continue providing the programs and services needed to support people in the community, which is ultimately more cost-effective for taxpayers.

While Graham-Cassidy provides funding to encourage the provision of home- and community-based services (HCBS), the criteria for these incentive payments are unclear and the funding would expire in 2023. While we agree that states should be rewarded for increasing access to HCBS services, we do not believe such a short-term investment would result in meaningful policy change nor would it be effective when coupled with Medicaid per capita caps.

Medicaid per capita caps will shift costs to Wisconsin taxpayers and require our state policymakers to make tough choices when it comes to funding its current Medicaid programs. In a letter released September 21, the bi-partisan National Association of State Medicaid Directors announced its opposition to the Graham-Cassidy proposal because it "would constitute the largest intergovernmental transfer of financial risk from the federal government to the states in our country's history."

In addition on September 23 a powerful group representing our nation's hospitals, physicians, health plans stated: "We agree that the bill will result in dramatic cuts to Medicaid and a funding cliff in the future, fundamentally changing the way that states provide coverage for some of our most vulnerable citizens."

Wisconsin is on track to end the waiting lists for its children and adult long-term care programs, but federal Medicaid cuts will make it difficult to keep that promise over time. We are also experiencing severe provider shortages in several key areas like personal care, dental care and mental health, and federal funding cuts could lead to rate cuts which will only make these issues worse. Survival has heard from countless families across the state that they cannot access needed services in the current system as a result of inadequate funding. Access issues will only increase under Graham-Cassidy.

The non-partisan CBO analysis of both the AHCA and BCRA clearly states that cuts to federal Medicaid funding will require states to decide whether to "commit more of their own resources to finance the program at current-law levels" or find ways to reduce spending by "cutting payments to health care providers and health plans, eliminating optional services, restricting eligibility for enrollment." Survival Coalition is concerned that cost-saving measures like this will restrict access to care for people with disabilities and low-income children and adults. We must again mention our concerns about the ability of people with disabilities to continue living and thriving in the community under a per capita cap system. Many of the services people with disabilities rely on are optional Medicaid benefits and, as CBO points out, at risk of being eliminated in a per capita cap system. Policymakers may think that "bending the Medicaid cost curve" means that people might need to wait a bit longer to see a doctor or change their prescription medication to a cheaper brand, people with disabilities and their families see a threat to their ability to continue living life on their own terms. Medicaid cuts mean cuts to transportation to get to work, not having a personal care worker and being forced to sleep in your wheelchair overnight, or even going back to the days when people waited decades—or even died waiting—for services.

In addition, we are deeply troubled by the serious procedural issues with this bill. We agree with Senator John McCain's call for Congress to work in a bi-partisan manner to enact meaningful health care reform using the full committee mark-up and public input process.

While Survival Coalition believes that CBO estimates of both the AHCA and BCRA

provide insight into the fiscal effect of Graham-Cassidy, we strongly object to the lack of full CBO score for this proposal. We believe it is irresponsible for Congress to rush a bill to the floor for a vote without understanding its potential impact on the millions of Americans who use Medicaid and the millions more who have gained access to private insurance coverage through the ACA. There is too much at risk to move forward without a full understanding of the bill.

We also object to including the biggest restructuring of Medicaid in the program's more than 50-year history in a bill meant to repeal and replace the ACA. Such a drastic change to Medicaid deserves separate consideration and debate. It must be vetted using the traditional committee process and include significant stakeholder input. The people who are touched by Medicaid every day have a right to weigh in on any changes to the program, and that cannot be achieved by holding only one public hearing and with extremely limited testimony just days before taking a final vote.

There is no doubt that there is room for improvement in both the private health care system and Medicaid. However, the process that has been used to draft and debate this legislation will not result in meaningful reform. It does nothing to address many of the significant health care cost drivers, including unchecked prescription drug and administrative costs. It will, however, result in millions of Americans losing health care access and devastating cuts to Medicaid. It also means the end of a landmark protection that prevented insurance discrimination against people with disabilities, allowing health insurance plans to once again deny coverage, terminate coverage or charge people higher premiums simply because they have a disability. We implore you to set aside this proposal and instead work with stakeholders to improve care coordination, address the social determinants of health and other member-centered programmatic reforms.

Survival Coalition asks that you oppose the Graham-Cassidy proposal.

To quote the many disability advocates that have come before us: Nothing about us without us.