



**Protect Medicaid
and Individuals with Disabilities;
Reject Proposals
that Would Drastically Undermine Medicaid Coverage**

The **American Network of Community Options and Resources** (ANCOR) and its national private provider community recognize that the nation must take steps to address its deficit and debt. There have been significant reforms recently to the Medicaid program; however, there are still better ways to realize efficiencies, improve care quality and management and achieve significant savings in Medicaid than current proposals, which would either directly or indirectly jeopardize the nation's healthcare safety net for children, adults and the elderly with disabilities.

Congress *must* take a balanced approach to by including revenues in any solution to deficit reduction and protect Medicaid to the fullest extent possible.

We urge Congress to reject the following proposals:

1. **Repealing of the “Maintenance of Effort” requirements** would allow states to reduce Medicaid enrollment and eligibility.
2. **Converting Medicaid from an entitlement program to a fixed federal payment block grant program** would scale back federal payments and would not account for inflation and merely shift costs to states, beneficiaries, and providers.
3. **Applying arbitrary, across-the-board spending caps** that would be based on whether overall government expenditures exceed a percentage of the GDP would set so low that it matches spending levels last seen in the 1950s before Medicaid even existed. **Medicaid should be exempt, as it has in the past, from any enforcement mechanism that would impose across-the-board cuts.**

The proposed changes Congress is considering would:

- Dramatically reduce enrollment, eligibility and benefits to those most in need of service;
- Shift care costs to beneficiaries, providers and states ill-prepared to assume the additional financial burden;
- Restrict expenditures artificially, causing job loss in the health and social services sector at a time when we need to create jobs, and dissuade more providers from participating in Medicaid;
- Place greater burdens on informal family caregivers, risking greater jeopardy to their health and their ability to remain in the workforce; and
- Add significantly to the number of uninsured Americans, as affordable options are beyond their reach.

What Is at Stake?

Medicaid is the joint federal and state partnership that provides the principal source of health and long-term services for more than 58 million vulnerable children, individuals with disabilities and the elderly.

Medicaid is vital to 8.8 million enrollees living with disabilities:

- Among people with disabilities, **44.6% depend on Medicaid**, and 15.4% of the elderly depend on Medicaid.
- More than **2.8 million individuals with disabilities and the elderly receive Medicaid services that allow them to live in their home or in the community**—avoiding more costly institutional services.
- **Medicaid pays for things Medicare does not cover**—like the costs of long-term supports and services—and helps pay the costs for 9 million individuals who are both dually-eligible for Medicare and Medicaid.

Medicaid was established to provide health and long-term supports to people with nowhere else to turn. Employer coverage is not available because many individuals with significant disabilities do not work full time and private insurance is unaffordable to **individuals with disabilities dependent solely upon Supplemental Security Income (SSI) who survive on a maximum monthly SSI benefit of \$674—more than 25% below the federal poverty level.**

Here are some other **important Medicaid facts you should know:**

- **Administered by states, Medicaid already provides significant flexibility to states to design their own programs.**
- **Medicaid is a job creator and helps build the long-term services workforce.**
- **Medicaid helps drive state and local economies.**
- **Medicaid costs are much lower than Medicare and private coverage.**
- **Beneficiary costs are rising more slowly than private per capita health spending.**
- **Medicaid is doing the job it was designed to do.**

Medicaid is responding to the difficult economic times, as the program was intended to do. The growth in spending is largely attributable to the addition of seven million beneficiaries since the start of the most recent recession and the overall rising cost of health care.

We urge Congress to protect Medicaid in federal deficit reduction efforts!