



National Council on Disability

An independent federal agency making recommendations to the President and Congress to enhance the quality of life for all Americans with disabilities and their families.

June 17, 2014

Cindy Mann
7500 Security Blvd.
Baltimore, MD 21244-1850

Dear Cindy:

The National Council on Disability (NCD) fully supports the goals of the Affordable Care Act (ACA). We particularly support the elimination of the barriers to coverage for pre-existing conditions and lifting the lifetime caps. These measures will improve the employment and overall quality of life for persons with disabilities across the country.

We are, however, concerned about an unintended consequence of the legislation which has been brought to our attention during the public comment period at our last two quarterly meetings.

The problem is the imposition of the employer mandate on nonprofit providers of Medicaid services to persons with disabilities and seniors. Many of these providers/employers are overly Medicaid dependent with over 75% of their revenue from Medicaid - most of which have not seen a rate increase since before the recession. Many of these community providers support people with significant disabilities to live in their own homes, who are employed and not in institutions. The consequences of the imposition of the employer mandate, under ACA, without an increase in rates will force many out of business and more importantly leave persons with disabilities without critical support in the community and force them to return to institutional care.

We are asking for you to arrange a meeting to discuss this issue and consider a few possible solutions. These include:

- A premium adjustment to all community providers whose Medicaid revenue exceeds 70% of their total revenue.
- An automatic inclusion of direct care workers into state Medicaid expansion.
- A further extension of the employers mandate on these employers until a permanent fix can be developed.

These are a few ideas but we would like to meet with the appropriate staff to facilitate a discussion. Time is of the essence as many agencies are beginning their budgeting process for next year and have to enter into contracts with insurance companies in the near future.

Looking forward to further conversation, please contact me at your earliest convenience.

Regards,

Clyde Terry
Chair, Policy Development and Program Evaluation Committee