



February 24, 2025

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
Washington, DC

The Honorable Hakeem Jeffries
Minority Leader
U.S. House of Representatives
Washington, DC

RE: *Reject Medicaid Cuts*

Dear Speaker Johnson and Leader Jeffries:

The American Network of Community Options and Resources (ANCOR) writes in opposition to the Medicaid reductions contemplated by the proposed FY 2025 budget resolution, which recently passed out of the House Budget Committee. This resolution would direct the House Energy and Commerce Committee to make cuts of at least \$880 billion—which would predominantly target the federal Medicaid program. Such drastic cuts to Medicaid would harm people with disabilities and the provider network that supports them. We urge you to oppose any legislation that would lead to these harmful Medicaid cuts.

Founded more than 50 years ago, ANCOR is a national, nonprofit association representing more than 2,500 private community providers of long-term supports and services to people with intellectual and developmental disabilities (I/DD), as well as more than 60 state provider associations. Combined, our members support more than one million individuals with I/DD in all 50 states across their lifespan and are funded almost exclusively by Medicaid. Our mission is to advance the ability of our members to support people with I/DD to fully participate in their communities.

ANCOR's provider members offer a broad range of supports to help people with I/DD live full and independent lives in their homes and communities. These services vary widely, from assistance with activities of daily living, to skill-building supports and increasing self-determination, to community integration and employment opportunities. Medicaid is the funding source that makes these supports possible, ensuring community providers can help people with disabilities to live, work, and thrive in their communities.

Reforms to Medicaid financing, such as those that will be required if this budget resolution passes, will have the impact of cutting I/DD programs. Even if not specifically targeted to disability services, reductions to Medicaid funding will have a negative impact on state budgets. State budgets unable to absorb these drastic budgetary shortfalls will likely look to cutting optional services first, such as community-based services for people with I/DD.

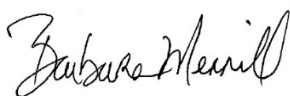
Proposals to reduce Medicaid funding such as per capita caps, which limit funding based on the number of individuals enrolled, and other spending cuts like block grants or reductions to the federal match rate will all negatively impact state budgets on a massive scale. Any type of funding restructuring that requires a fixed amount of funding for states, rather than ensuring states receive a matching share of the total expense, will leave states exclusively responsible for funding all remaining costs. When federal Medicaid funding is reduced, states must find new funding to balance the shortfall in state budgets. If new funding cannot be found, states will be forced to cut services, placing optional services like community-based services for people with I/DD in jeopardy.

If community-based services are cut, people with disabilities will remain on waiting lists without access to these services. Across the country, more than 500,000 people with I/DD are already on states' waiting lists for home- and community-based services (HCBS). Wait times are often several years to decades long, forcing people with disabilities to either go without the support they need or forced into hospital emergency rooms, high-cost nursing facilities, and state-run institutions. Service reductions will only grow these years-long waiting lists, putting community supports for people with disabilities out of reach for thousands of families.

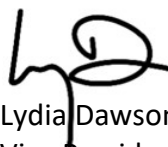
Medicaid I/DD services are already in a fragile state. Long-term underinvestment in community-based services, together with stagnant and insufficient reimbursement rates, have hampered the ability of community providers to offer direct support professionals competitive wages and benefits. This has led to an exodus of qualified workers from the field. In fact, ANCOR's *State of America's Direct Support Workforce Crisis 2024* survey reveals that 90% of providers experienced moderate or severe staffing challenges in the past year, resulting in 69% of providers turning away new referrals. This degree of turnover and vacancy has had a profound impact on the ability of people with I/DD to find and access services. Cuts to Medicaid will exacerbate the current workforce shortages, putting critical community-based services further out of reach of those who need them. To keep the promise of community living for people with I/DD a reality, we must invest in—not divest from—the Medicaid program.

Our communities are at their best when all people, including people with disabilities, have the opportunity to develop skills, achieve greater independence, and successfully reach their goals. Medicaid enables community providers to support individuals with disabilities and helps contribute to a stronger America for everyone. Please reject harmful cuts to Medicaid funding. For questions or more information, please reach out to Elise Aguilar, Senior Director of Federal Relations, at eaguilar@ancor.org.

Sincerely,



Barbara Merrill
Chief Executive Officer



Lydia Dawson
Vice President of Government Relations