

JEWISH DISABILITY ADVOCACY DAY

ON CAPITOL HILL, WASHINGTON DC SPONSORED BY THE JEWISH DISABILITY NETWORK



The Jewish Federations®
OF NORTH AMERICA

THE STRENGTH OF A PEOPLE.
THE POWER OF COMMUNITY.



PROTECTING MEDICAID

Please reach out to your senators and representatives and let them know that while Medicaid needs reform, transforming the program into a block grant or capping the program's funds would jeopardize access to needed services for millions of vulnerable Americans with disabilities.

Background

Medicaid is the joint federal/state program that pays for health care and long-term care services for 10 million Americans with disabilities, who account for 15% of the total Medicaid population. Medicaid funding also pays for services and supports that allow people with disabilities to live and work in their communities. Medicaid is a vital program for this vulnerable population, extending opportunity and healthy living to millions of Americans with disabilities across the country.

Under several prominent congressional budget proposals, Medicaid would no longer be an entitlement and would be restructured by capping funds flowing to states and/or creating a block grant formula. Block granting or capping Medicaid funds would result in the denial of health and long-term care to millions of vulnerable Americans with disabilities.

Consequences to Medicaid Recipients with Disabilities and their Families

- Under a block grant or per capita cap, states would have no choice but to sharply restrict enrollment, eligibility, and benefits for populations they currently serve, including people with disabilities.
- Under a block grant or per capita cap, people with disabilities currently covered by Medicaid could end up uninsured. People with disabilities who are unable to work could become disqualified for Medicaid if work requirements are imposed, and those who are employed in lower paying jobs could be unable to afford Medicaid if premiums, deductibles and co-payments are mandated.
- Under a block grant or per capita cap, crucial services for people with disabilities -- such as home and community-based services -- likely would be cut due to the sharp decrease in federal Medicaid spending. Home and community-based services include assistance with daily living, such as employment supports like job coaching, housing, nursing, and transportation; these services allow people with disabilities to live and work in their communities. Cutting these critical services would undermine years of progress in caring for individuals with disabilities in less expensive and less restrictive settings, and would undermine the longstanding bipartisan effort to expand employment opportunities for people with disabilities while growing the tax base.
- Similarly, people with disabilities depend greatly on Medicaid coverage for habilitation services, such as physical therapy, occupational therapy, personal care services, speech/language/hearing therapy, transportation, and targeted case management, all services which help people with disabilities lead healthier, more independent, and more productive lives. Because these services and many others are deemed optional services in traditional Medicaid, they likely would be among the first benefits to be cut due the severe economic impact of a block grant or per capita. This would greatly impair the ability of people with disabilities to live and work more independently and productively.

- The loss of these critical services would make individuals with disabilities more dependent on the unpaid support of already strained family caregivers, and could lead to increases in unnecessary and more expensive institutionalizations, with care still being paid by Medicaid.

Consequences to States and State Economies

- A block grant or per capita cap would eliminate the federal guarantee to states for matching funds. Costs and liabilities would shift to the states, which would force states either to make up the difference with their own funds or, more likely, to cut their programs.
- A block grant or per capita cap would result in an unfavorable reimbursement formula for states because inflationary adjustments for Medicaid would be far below the national level of health care inflation.
- The impact of the reduced federal Medicaid funding under a block grant or per capita cap would be even worse for states when per beneficiary health care costs rise faster than expected. People with disabilities benefit greatly from new and improved therapies, but these may be more expensive. Under a block grant or per capita cap, however, the federal funding provided to states would not fluctuate with unexpected increases in health care costs. If states exclude newer and more expensive therapies from coverage, this would further limit the healthy living, independence, and productivity of people with disabilities.
- Reduced federal Medicaid funding would result in significant job losses among health care, long-term care, and social service workers because non-profit providers would be unable to bridge the large gaps in coverage and funding under a block grant or per capita cap. Fewer providers would reduce access to health care services in general, but particularly for people with disabilities who may need services with greater frequency and over a longer time period than others.
- Medicaid currently plays a critical role in supporting the nation's health care sector, and helps to strengthen state and local economies. Health care providers, such as hospitals, physicians, nursing homes, and home care service providers are also employers, taxpayers, and consumers. Job losses in the health care industry due to cuts in Medicaid will mean that these members of the workforce will no longer be taxpayers, nor will they continue to be covered under their employers' health insurance policies. As jobs are lost, former employees will reach out for governmental support, including for Medicaid and other safety net services, thus increasing the strain on these important public programs and state economies.

For further information, please contact:

Aaron Kaufman, Senior Legislative Associate, JFNA
(202) 736-5865 or Aaron.Kaufman@jewishfederations.org

Elizabeth Cullen, Counsel for Health Policy, JFNA
(202) 736-5887 or Elizabeth.Cullen@jewishfederations.org

Jonathan Westin, Senior Director of Health Initiatives, JFNA
(202) 736-5860 or Jonathan.Westin@jewishfederations.org

The Jewish Federations of North America represents 148 Jewish Federations and 300 Network communities, which raise and distribute more than \$3 billion annually for social welfare, social services and educational needs. The Federation movement, collectively among the top 10 charities on the continent, protects and enhances the well-being of Jews worldwide through the values of tikkun olam (repairing the world), tzedakah (charity and social justice) and Torah (Jewish learning).