



A Passionate Voice for Compassionate Care

September 19, 2017

United States Senate
Washington, DC 20510

Dear Senator,

On behalf of the Catholic Health Association of the United States (CHA), the national leadership organization of more than 2,000 Catholic health care systems, hospitals, long-term care facilities, sponsors, and related organizations, **I strongly urge you to reject the Graham-Cassidy-Heller-Johnson legislation and instead support bipartisan efforts to improve our health care system** focusing on insurance market stabilization, affordability, and coverage access and expansion.

The Graham-Cassidy legislation would eliminate the ACA Medicaid expansion coverage, premium tax credits and cost-sharing subsidies after 2019 and replace them with a seven-year block grant to states. **This new block grant is estimated to provide \$95 billion less to states from 2020 to 2026 than under current law, after which the grants end.** The loss of funding to states in 2027 alone is over \$231 billion. **The result will be unbearable cost shifting to patients, health providers and states, causing loss of coverage for tens of millions of individuals and families.** States that have expanded Medicaid or have high Marketplace costs or enrollment will face the deepest cuts under the state block grant, as funding would no longer be tied to actual coverage costs or the number of individuals enrolled in coverage.

Among other provisions, we are opposed to the broad waiver authority given to states, which could undermine key consumer protections such as restrictions on premium variation; essential health benefit requirements; minimum medical loss ratios; caps on annual and lifetime out-of-pocket charges; and protections keeping those with pre-existing conditions from being charged higher premiums. **We also are strongly opposed to this legislation's complete restructuring and deep funding reductions—estimated to be \$164 billion in cuts through 2027—to the traditional Medicaid program. Capping federal Medicaid funding, either with per capita caps or block grants, fundamentally undermines the health care safety net and our ability to serve beneficiaries.** As several of our nation's governors have stated, such proposals simply shift the cost burden onto local and state governments, individual beneficiaries and health providers. None of these could possibly make up for the huge losses in federal funding, in turn causing millions of vulnerable, low-income individuals and families to lose coverage. Medicaid is already a lean program, with spending per beneficiary considerably lower than private insurance and growth in spending per beneficiary slower than private insurance.

As you know, Medicaid is the foundation of our nation's safety net and provides necessary health care services to low-income children, pregnant women, individuals, seniors, disabled and medically complex individuals in our country. Medicaid provides essential support



A Passionate Voice for Compassionate Care

through a wide variety of services affecting a large segment of the population, including acute care, long-term care and home health, mental health, and substance abuse services, as well as neo-natal programs and maternity care. The program covers nearly 50 percent of all U.S. births and helps reduce unemployment and homelessness by stabilizing individuals' health. Additionally, Medicaid provides states the ability to design the program to fit their state's needs, enables innovation and also holds states financially accountable for their proportional share of the costs of the program.

Again, we urge you to oppose the Graham-Cassidy-Heller-Johnson legislation and instead to focus on bipartisan reform efforts to strengthen and expand the health insurance coverage gains already achieved, and improve the stability and affordability of the insurance market.

While the ACA is not a perfect law, and should be improved where necessary, no attempt to do so should leave behind millions of people who have obtained meaningful, affordable insurance that was not possible before the ACA. We stand ready to work with all members of Congress to improve the availability, affordability, coverage and quality of our health care system. But above all, we urge you always to keep in mind the many millions of vulnerable individuals and families who will be affected by such changes to our health care system.

Sincerely,

A handwritten signature in black ink that reads "Sr. Carol Keehan". The signature is written in a cursive, flowing style.

Sr. Carol Keehan, DC
President and CEO