

September 12, 2011

The Honorable Patty Murray
Co-chair
Joint Select Committee on Deficit Reduction
United States Senate
Washington, DC 20510

The Honorable Jeb Hensarling
Co-chair
Joint Select Committee on Deficit Reduction
U.S. House of Representatives
Washington, DC 20515

Dear Senator Murray, Congressman Hensarling, and Members of the Committee:

As you begin your work on the new deficit reduction committee, we urge you to protect health care coverage for America's most vulnerable families, especially those who depend on the Medicaid program for their lifeline. Medicaid allows people with disabilities to live independently at home and enables low-income children and their families to see a doctor. Medicaid is the largest source of nursing home and long-term care for seniors.

When considering how best to bring our budget in balance, we urge you to consider the following:

- Arbitrarily cutting federal Medicaid funding merely shifts costs to states and families. With less federal dollars, states will have to cut benefits or eligibility or reduce provider payments – all of which hurt beneficiaries' access to care and pass costs onto families. Shifting costs to families will do nothing to bring down costs in the health system overall.
- The current Medicaid program is already lean, with little fat to cut. Eligibility standards are very stringent; in 42 states, adults without dependent children are ineligible for coverage even if they are literally penniless. And the cost of providing Medicaid is lower than private coverage. The average per person cost of serving an adult on Medicaid is 20 percent less than under private insurance; for children in Medicaid or CHIP, costs are 27 percent less. In addition, Medicaid has done a better job than private insurance at controlling cost increases. From 2000 to 2009, average annual per person cost increases in Medicaid were 4.6 percent. In contrast, for the same period, annual increases in per person national health costs were 5.9 percent and the annual growth rate for employer sponsored insurance premiums was 7.7 percent.
- Cutting the Medicaid program would undermine the Affordable Care Act's historic health coverage expansion. If the Medicaid program were cut back, the crucial Medicaid eligibility expansion would be in jeopardy of being delayed or eviscerated. In turn, the tax credit subsidies for moderate-income families to purchase health coverage through the exchanges would be at risk. It would be difficult to provide subsidies for moderate-income families while people with much lower incomes experience delays or denials of Medicaid coverage.

The American people want deficit reduction solutions that are balanced. According to a poll conducted by Kaiser Family Foundation in May, fully 60 percent of Americans want to keep the Medicaid program and only 13 percent would support large cuts to Medicaid. We therefore urge you to protect the Medicaid program from harmful cutbacks.

Sincerely,

AARP
ACCSES

ADAP Advocacy Association
Advocates for Youth
AFL-CIO
AIDS Alliance for Children Youth & Families
AIDS Community Research Initiative of America
AIDS United
Alliance for a Just Society
Alliance for Children and Families
American Academy of Pediatrics
American Association of People with Disabilities
American Congress of Obstetricians and Gynecologists
American Counseling Association
American Diabetes Association
American Federation of State, County and Municipal Employees (AFSCME)
American Heart Association/American Stroke Association
American Lung Association
American Mental Health Counselors Association
American Network of Community Options and Resources
American Nurses Association
American Occupational Therapy Association
American Public Health Association
Anxiety Disorders Association of America
Asian American Justice Center
Asian & Pacific Islander American Health Forum
Association of Professional Chaplains
Association of University Centers on Disabilities
Autistic Self Advocacy Network
AVAC: Global Advocacy for HIV Prevention
B'nai B'rith International
Bazelon Center for Mental Health Law
Campaign for Community Change
Caring Across Generations
Catholic Health Association of the United States
Center for Medicare Advocacy, Inc.
Children's Defense Fund
Children's Health Fund
CLASP
Clinical Social Work Association
Coalition on Human Needs
Common Cause
Community Access National Network
Community Action Partnership
Community Catalyst
Community Transportation Association of America
Congressional Black Caucus Foundation Inc.
Consumer Action
Defeat Diabetes Foundation
Direct Care Alliance, Inc.
Disability Rights Education & Defense Fund
Easter Seals
Every Child Matters Education Fund
Families USA
FIRST FOCUS
Foster Family-based Treatment Association
Global Justice Institute
Grassroots Global Justice

Health & Disability Advocates
Health Care for All
Health Care for America Now
HealthHIV
Hearing Loss Association of America
Hemophilia Federation of America
HIV Medicine Association
Institute for Policy Studies' Cities for Progress
Inter Alliance Dialogue
Jewish Council for Public Affairs
Latino Commission on AIDS
LeadingAge
Lutheran Services in America
Medicare Rights Center
Mental Health America
Metropolitan Community Churches
MomsRising
National Academy of Elder Law Attorneys
National Alliance of State & Territorial AIDS Directors
National Alliance on Mental Illness
National Alliance to End Homelessness
National Association of Area Agencies on Aging
National Association of Councils on Developmental Disabilities
National Association of County Behavioral Health and Developmental Disability Directors
National Association of County Human Services Administrators
National Association of People with AIDS
National Association of Public Hospitals and Health Systems
National Association of Social Workers
National Association of State Head Injury Administrators
National Association of the Deaf
National Center for Law and Economic Justice
National Committee to Preserve Social Security and Medicare
National Council for Community Behavioral Healthcare
National Council of Jewish Women
National Council of La Raza
National Council of Women's Organizations
National Domestic Worker Alliance
National Education Association
National Family Planning & Reproductive Health
National Foundation for Mental Health
National Health Care for the Homeless Council
National Health Law Program
National Hispanic Medical Association
National Immigration Law Center
National Indian Health Board
National Jobs With Justice
National Latina Institute for Reproductive Health
National Latino AIDS Action Network
National Minority AIDS Council
National Multiple Sclerosis Society
National Organization of Nurses with Disabilities (NOND)
National Partnership for Women and Families
National Physicians Alliance
National Senior Citizens Law Center
National Urban League
National Women's Health Network

National Women's Law Center
NETWORK, A National Catholic Social Justice Lobby
9to5, National Association of Working Women
Not Dead Yet
PHI – Quality Care through Quality Jobs
Planned Parenthood Federation of America
Project Inform
Racial and Ethnic Health Disparities Coalition
Raising Women's Voices for the Health Care We Need
RESULTS
Right To the City Alliance
Ryan White Medical Providers Coalition
SEIU
Sisters of Mercy Institute Justice Team
State Associations of Addiction Services
The AIDS Institute
The Arc of the United States
The Child Welfare League of America
The National Black Women's HIV/AIDS Network
The National Consumer Voice for Quality Long-Term Care
Treatment Access Expansion Project
Union for Reform Judaism
United Neighborhood Centers of America
United Spinal Association
VillageCare
Voices for America's Children
Volunteers of America
Wider Opportunities for Women
Women of Reform Judaism
Young Invincibles
ZERO TO THREE