



September 19, 2017

The Honorable Mitch McConnell
Leader, U.S. Senate
Washington, DC 20510

The Honorable Charles Schumer
Minority Leader, U.S. Senate
Washington, DC 20510

Dear Leader McConnell and Minority Leader Schumer:

On behalf of the Medicare Rights Center and the Center for Medicare Advocacy, we are writing to express our staunch opposition to the recently unveiled substitute to H.R. 1628, commonly referred to as the “Graham-Cassidy” bill. Our organizations share a commitment to promoting access to affordable, high-quality health care for older adults, people with disabilities, and their families.

We are deeply concerned that the latest amendment to H.R. 1628, like its predecessors, puts the availability of affordable health coverage and care for older Americans and people with disabilities at risk. As with previous versions of H.R. 1628—the American Health Care Act and the Better Care Reconciliation Act—the Graham-Cassidy bill would dramatically diminish the benefits that near retirees and people with disabilities receive from the coverage expansions and consumer protections advanced through the Affordable Care Act (ACA).

The Graham-Cassidy bill would replace both expansion Medicaid and subsidies that support ACA Marketplace enrollees with a block grant to states. Analyses find that these changes would result in a significant cost shift to states, cutting federal funding by hundreds of billions of dollars over the next decade.¹ The proposed block grants also redistribute funds between states—providing more funding for those states that did not expand Medicaid under the ACA and making deeper cuts to those states that did expand coverage. Further, because a block grant provides a fixed amount of funding for states each year, the proposal leaves states vulnerable to unexpected costs from recessions, natural disasters, public health emergencies, or prescription drug price spikes.

Near retirees and people with disabilities gained needed health coverage from the ACA, including through expansion Medicaid and the Marketplaces. Nearly 3.3 million people between ages 55 and 64 have coverage through the Marketplaces, representing the largest share of enrollees nationwide—26%.² Over 1.5 million people with disabilities are in the Medicare two-year waiting period at any time and frequently turn to

¹ Edwin Park & Matt Broaddus, “Cassidy-Graham Plan’s Damaging Cuts to Health Care Funding Would Grow Dramatically in 2027,” Center on Budget and Policy Priorities (September 15, 2017), available at <https://www.cbpp.org/research/health/cassidy-graham-plans-damaging-cuts-to-health-care-funding-would-grow-dramatically-in>.

² ASPE Issue Brief, “Health Insurance Marketplaces 2016 Open Enrollment Period: Final Enrollment Report For the period: November 1, 2015—February 1, 2016” (March 11, 2016), available at <https://aspe.hhs.gov/system/files/pdf/187866/Finalenrollment2016.pdf>.

expansion Medicaid or the Marketplaces for coverage before their Medicare takes effect.³ We are deeply concerned the combined effect of the Graham-Cassidy bill's changes to the Medicaid expansion and individual market coverage will cause older Americans and people with disabilities to pay significantly more for health insurance or force them to go without coverage altogether.

We also strongly oppose the Medicaid per-capita caps included in the Graham-Cassidy bill. Eleven million people with Medicare rely on Medicaid to cover vital long-term home health care and nursing home services, to help afford their Medicare premiums and cost-sharing, and more.⁴ Federal cuts to Medicaid brought about by per-capita caps would drive states to make hard choices, likely leading states to scale back benefits, impose waiting lists, implement unaffordable financial obligations, or otherwise restrict access to needed care for older adults and people with disabilities.

In addition to the content of these bills, we are dismayed with the secretive and rushed manner in which each iteration of H.R.1628 has been written and advanced. It is especially concerning that a preliminary Congressional Budget Office score on the Graham-Cassidy legislation will not include analyses on potential coverage and premium impacts.⁵ This vital information is needed to allow members of Congress and the public to evaluate the bill and its effects on families' access to coverage and care well in advance of a vote in the Senate.

Historically, the Senate has developed health care proposals through transparent means, including public hearings, open comment periods on discussion drafts, multi-stakeholder meetings, and more. Proposals to fundamentally restructure the ACA and Medicaid should be treated no differently. We strongly urge the Senate leadership to focus instead on the dialogue arising in the Committee on Health, Education, Labor & Pensions that aims to stabilize the individual insurance market through bipartisan solutions.

Our organizations stand ready to work with you to identify bipartisan opportunities to strengthen the ACA, Medicaid, and Medicare and ensure access to affordable health care for older adults and people with disabilities. If you have questions, please contact Stacy Sanders, Federal Policy Director, at ssanders@medicarerights.org or 202-637-0961 and David Lipschutz, Senior Policy Attorney, at dlipschutz@medicareadvocacy.org or 202-293-5760. Thank you.

Sincerely,



Joe Baker
President
Medicare Rights Center



Judith Stein
Executive Director
Center for Medicare Advocacy

³ See Social Security Administration, "Selected Data from Social Security's Disability Program" (last accessed March 7, 2017), available at <https://www.ssa.gov/oact/STATS/dibStat.html>.

⁴ Centers for Medicare & Medicaid Services, "Analytic Reports and Data Resources" (last accessed March 7, 2017), available at <https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/Analytics.html>.

⁵ Statement by Deborah Kilroe and Leigh Angres, "CBO aims to provide preliminary assessment of Graham-Cassidy bill by early next week," (September 18, 2017), available at: <https://www.cbo.gov/publication/53116>

CC: The Honorable Orrin Hatch, Chairman, Committee on Finance
The Honorable Ron Wyden, Ranking Member, Committee on Finance
The Honorable Lamar Alexander, Chairman, Committee on Health, Education, Labor & Pensions
The Honorable Patty Murray, Ranking Member, Committee on Health, Education, Labor & Pensions
The Honorable Susan Collins, Chairman, Senate Special Committee on Aging
The Honorable Bob Casey, Ranking Member, Senate Special Committee on Aging