

October , 2019

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, DC 20515

The Honorable Charles Schumer
Minority Leader
U.S. Senate
Washington, DC 20515

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Dear Leaders McConnell, Schumer; Speaker Pelosi and Leader McCarthy:

The undersigned member organizations of the Consortium for Citizens (CCD), the Disability and Aging Collaborative (DAC), and other state and national organizations write to urge you to pass a long-term extension of the Money Follows the Person Program (MFP). While we have appreciated the short-term extensions passed this Congress, a long-term extension of five years, the length of time included in the bi-partisan EMPOWER Care Act (S. 548, H.R. 1342) is necessary to ensure that states continue to participate in the MFP program. MFP creates positive outcomes for individuals with disabilities and aging individuals, and has shown cost-savings since it began in 2005.

We know that a long-term extension is important because we have already seen several states stop transitions under MFP or even drop out of the program entirely while awaiting the assurance of long-term funding. We also urge a long-term extension of the Spousal Impoverishment Protections for Medicaid home and community-based services so that aging Americans can remain in their communities.

The MFP program provides enhanced funding to states to help transition individuals who want to move out of institutional care and back to the community. The enhanced funding states receive assists with the costs of transitioning people back to the community, including identifying and coordinating affordable and accessible housing and providing additional services and supports to make successful transitions.

The program has helped over 91,000 people with disabilities and aging individuals move from institutional settings back to their communities. It has also shown cost savings. The Centers for Medicare & Medicaid Services (CMS) found an average cost savings of \$22,080 in the first year per older adult participant, \$21,396 for people with physical disabilities, and \$48,156 for people with intellectual disabilities.¹

The program works, and without it, people with disabilities and aging individuals would be stuck in institutions and other segregated settings. "The most recent empirical analyses suggest that after five years of operating an MFP demonstration, approximately 25 percent of older adult MFP participants and 50 percent of MFP participants with intellectual disabilities in 17 grantee states would not have transitioned if MFP had not been implemented."² This progress requires sustained effort on the part of states--we need a long-term reauthorization so that they know they can rely on MFP funding.

Medicaid's "spousal impoverishment protections" make it possible for an individual who needs a nursing home level of care to qualify for Medicaid while allowing their spouse to retain a modest amount of income and resources. Since 1988, federal Medicaid law has required states to apply these protections to spouses of individuals receiving institutional LTSS. This has helped ensure that the spouse who is not receiving LTSS can continue to pay for rent, food, and medication while the other spouse receives their needed care in a facility. Congress extended this protection to eligibility for HCBS in all states beginning in 2014, so that married couples have the same financial protections whether care is provided in a facility or in the community.

This common-sense policy ensures that couples can continue to live together in their homes and communities as they age and families can stay together when caring for loved ones with disabilities and conditions such as dementia, multiple sclerosis, or traumatic brain injury. We understand passing a permanent fix may take time. However, allowing the policy to expire could force people whose needs warrant a nursing facility level of care but now receive such care in their homes, into more costly institutional care against their wishes. Further, not securing these protections could stall or even reverse progress states have made in helping older adults and people with disabilities remain at home and in the community.³

¹ <https://www.medicaid.gov/medicaid/ltss/downloads/money-follows-the-person/mfp-rtc.pdf> (Page 11)

² <https://www.medicaid.gov/medicaid/ltss/downloads/money-follows-the-person/mfp-rtc.pdf> (Page 11)

³ See Kaiser Family Foundation, *Potential Changes to Medicaid Long-Term Care Spousal Impoverishment Rules: States' Plans and Implications for Community Integration* (Feb. 22, 2019), available at www.kff.org/report-section/potential-changes-to-medicaid-long-term-care-spousal-impoverishment-rules-states-plans-and-implications-for-community-integration-issue-brief/.

On behalf of people with disabilities and aging Americans we request that Congress pass AT LEAST a five-year re-authorization of both Money Follows the Person and HCBS Spousal Impoverishment Protections. For additional information or questions, feel free to contact CCD LTSS and DAC co-chair Nicole Jorwic: jorwic@thearc.org.

Sincerely,

The Arc of the United States