

January 17, 2012

The Honorable Dave Camp
Chairman
Ways and Means Committee
United States House of Representatives
Washington, DC 20515

The Honorable Sander Levin
Ranking Member
Ways and Means Committee
United States House of Representatives
Washington, DC 20515

Dear Chairman Camp and Ranking Member Levin:

The undersigned organizations write to oppose legislation, H.R. 1173, to repeal the Community Living Assistance Services and Supports (CLASS) program and respectfully urge members to reject such legislation.

In 2008, 21 million people had a condition that caused them to need help with their health and personal care. Medicare does not cover long-term services and supports (LTSS), yet about 70 percent of people over age 65 will require some type of LTSS at some point during their lifetime. As our population ages, the need for these services will only grow. In addition, about 40 percent of the individuals who need LTSS are under age 65 and LTSS can enable individuals to work and be productive citizens.

Regardless of when individuals may need these services, there is a lack of financing options to help them plan and pay for the services they need to help them live independently in their homes and communities where they want to be. Family caregivers are on the frontlines. They provided care valued at \$450 billion in 2009 – more than the total spending on Medicaid that year. Private long-term care insurance helps some people pay for the cost of services, but it is not affordable for most, and some people are not even able to qualify for it. Too often, the cost of services wipes out personal and retirement savings and assets that are often already insufficient – as a result, formerly middle class individuals are forced to rely on Medicaid to pay for the costs of LTSS. There are few options for individuals to help them pay for the services they need that could help them delay or prevent their need to rely on Medicaid, the largest payer of LTSS.

That's why we support the CLASS program – to give millions of working Americans a new option to take personal responsibility and help plan and pay for these essential services. CLASS could also take some financial pressure off Medicaid at the state and federal levels -- paid for by voluntary premiums, not taxpayer funds. For us, this is about the financially devastating impact that the need for LTSS has on families across this country every day and the essential, compelling and urgent need to address this issue. Every American family faces the reality that an accident or illness requiring long-term care could devastate them financially. This issue affects the constituents of every U.S. Representative. CLASS is an effort to be part of the solution. The CLASS actuarial report established that CLASS can still be designed to be a "value proposition," although development work was still needed. The actuarial report also noted that federal actuaries "...agreed that certain plans, designed to mitigate the adverse selection risk...can be actuarially sound and attractive to the consumers." Rather than repeal CLASS, we urge continued dialogue and development of a viable path forward. The need to address LTSS and how these services will be paid for in a way that is affordable to individuals and society as a whole will not go away.

Families will continue to need a workable LTSS option to protect themselves, and a path forward is essential because the need for these services will only continue to grow. We appreciate your consideration of our views that are based on the experiences of millions of families across this country. We urge you to reject proposals to repeal CLASS, and instead focus on a constructive path forward.

Sincerely,

AAPD

AARP

ACCSES

AFSCME

Alzheimer's Foundation of America

American Dance Therapy Association

American Network of Community Options and Resources

American Society on Aging

The Arc of the United States

Association of Assistive Technology Act Programs

Association of University Centers on Disabilities (AUCD)

Autism National Committee

Autistic Self Advocacy Network

Bazelon Center for Mental Health Law

Brain Injury Association of America (BIAA)

California Foundation for Independent Living Centers

Cape Organization for Rights of the Disabled (CORD)

Center for Independence of Individuals with Disabilities

Center for Independent Living of South Florida, Inc.

Council for Exceptional Children

Direct Care Alliance

Disability Rights Education & Defense Fund

Easter Seals

Epilepsy Foundation

Health & Disability Advocates

Inter-National Association of Business, Industry and Rehabilitation
LeadingAge
Lutheran Services in America
Mental Health America
The National Alliance for Caregiving
National Alliance on Mental Illness (NAMI)
National Association of Area Agencies on Aging (n4a)
National Association of County Behavioral Health and Developmental Disability Directors
(NACBHDD)
National Association of the Deaf
National Association for Home Care & Hospice
National Association of Nutrition and Aging Services Programs (NANASP)
National Association of Professional Geriatric Care Managers
National Association of Social Workers
National Association of State Head Injury Administrators
The National Center for Learning Disabilities
National Committee to Preserve Social Security and Medicare
The National Consumer Voice for Quality Long-Term Care (formerly NCCNHR)
National Council on Aging
National Council on Independent Living
National Disability Rights Network
National Down Syndrome Congress
National Multiple Sclerosis Society
NISH
Paralyzed Veterans of America
Physician-Parent Caregivers
SEIU
Self-Reliance, Inc.
Services and Advocacy for GLBT Elders (SAGE)
United Cerebral Palsy
United Spinal Association
Volunteers of America