

June 2, 2011

Slashing Medicaid Will Shift Costs to Cash Strapped States

The House of Representatives recently adopted a budget introduced by Budget Chairman Paul Ryan that would cut \$1 trillion from Medicaid over ten years and fundamentally shift the nature of the program by funding it through federal block grants. This plan is ill-advised and would place some of our most vulnerable citizens at risk by eliminating or reducing programs they rely on to meet their most basic health care needs.

As the nation's largest health care program, Medicaid serves nearly 60 million low-income Americans, including almost 10 million people with disabilities. While capping Medicaid through the use of block grants may seem like a cost-saving mechanism, this approach is far more likely to shift the cost of services to the states. This, in turn, will leave the states with three unpleasant choices - sharply restricting enrollment, eliminating benefits, or raising taxes to pay for the program. As a result, more individuals are likely to be uninsured, which will lead to reduced access to routine care, overuse of emergency rooms, and increased healthcare costs to those who are most vulnerable and least able to afford it.

Alternative proposals that seek to establish fixed caps on future health care spending at a percentage of the nation's Gross Domestic Product are also likely to result in millions of people losing access to care. Although such proposals seem like a simple and logical fix, they fail to account for commitments already made to the increasing number of aging Americans, support for Medicare prescription drug benefit, and to provide health care to veterans. These costs are predicted to continue to rise – which will result fewer and fewer services for people who are poor or have disabilities.

Our nation's current economic situation demands leadership and thoughtful action. Taking health care away from millions of America's children, seniors, and people with disabilities is neither. For decades, Congress has taken important steps to secure the rights of citizens to live the American dream - to fulfill their academic potential, engage in productive employment, participate in civic life and enjoy full inclusion in society. All of these are premised on good health. Any changes to Medicaid must recognize the unique populations enrolled in the program and the essential role it plays in providing health care and long-term services for millions of Americans.

Sincerely,



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