



Nothing about us, without us.

The Honorable Representative Mike Coffman
Rayburn House Office Building
Room 2443
Washington, DC 20515

March 22, 2017

Dear Representative Coffman:

The undersigned organizations represent disability service organizations, civil rights organizations, and seniors. Collectively, we represent hundreds of thousands of Colorado's most vulnerable people – people who depend on you to ensure we can get healthcare and services. We urge you to **oppose the American Health Care Act, and to protect Medicaid funding and the federal / state partnership currently in place.**

The AHCA's proposed per capita caps would dramatically reduce our state's resources for its Medicaid programs, threatening our state budget, our freedom, and our lives.

We know that the AHCA would harm Coloradans who need health insurance. On average, Colorado residents will have to pay more to get health insurance by 2020.¹

But, we are most concerned by the draconian cuts to Medicaid. According to the non-partisan Congressional Budget Office, AHCA would impose \$880 billion in Medicaid cuts over the next ten years. This is close to a 25% cut in federal dollars.²

Here is what Medicaid looks like in Colorado:

- Colorado Medicaid covers 137,000 people with disabilities of all ages and 65,000 seniors.³
- More than 60,000 people with disabilities require long-term services and supports, meaning that they need assistance every day with activities of daily living like bathing, eating, etc.
- More than 30 percent (\$1.9 billion) of our state's Medicaid budget goes to long-term services and supports for seniors and people with disabilities – and more than 60% of that goes to home and community-based services.⁴

¹ Aviva Aron-Dine and Tara Straw, "House Tax Credits Would Make Health Insurance Far Less Affordable in High-Cost States: In 11 States, Tax Credits Would Be Cut More Than in Half Center on Budget and Policy Priorities" (CBPP, Mar. 16, 2017), at <http://www.cbpp.org/research/health/house-tax-credits-would-make-health-insurance-far-less-affordable-in-high-cost>, Table 1.

² Congressional Budget Office, Cost Estimate, American Health Care Act (Mar. 13, 2017), at <https://www.cbo.gov/system/files/115th-congress-2017-2018/costestimate/americanhealthcareact.pdf>, p. 6.

³ MACStats: Medicaid and CHIP Data Book (Dec. 2016), Exhibit 14, at <https://www.macpac.gov/publication/medicaid-enrollment-by-state-eligibility-group-and-dually-eligible-status/>.

⁴ Steve Eiken, *et al.*, "Medicaid Expenditures for Long-Term Services and Supports (LTSS) in FY 2014" (Truven, Apr. 15,

- In Fiscal Year 2015, **Colorado received \$4.45 billion from the federal government program, almost two-thirds of our total Medicaid budget.**

How will Colorado fill the gap when we lose tens of millions in federal dollars? We CANNOT raise taxes without a vote of the people due to our Taxpayer Bill of Rights. Do we cut services? Do we reduce eligibility?

Coloradans have worked hard to ensure that, whenever possible, people with disabilities receive services in the community rather than in institutions. But this humane and cost-effective approach would be at risk under the AHCA. Because federal law requires our state to cover certain services – including important but costly nursing home care – necessary cuts would inevitably target home and community-based services, which are optional. People with disabilities would be forced back into nursing homes and institutions, triggering spiraling costs and unnecessary suffering.

Finally, please don't believe the rhetoric that the ACHA's state-based funding system of per capita caps provides states more flexibility. It is simply not true – especially in Colorado. For people with disabilities, our baseline per capita spending is \$11,090. This is significantly less than other states (we currently rank 37th in spending).⁵ A cap so low would NOT meet the needs of people with the most severe disabilities. \$11,090 does not even buy a specialized power wheelchair! But, under the present system, if we decided that we needed additional funds – for example to address a health crisis or address the known needs of baby boomers aging into the system– we could augment our services, with the federal government continuing to pay 60% of the cost. In Colorado we have been able to help people with disabilities to become employed and pay for their Medicaid. This program is funded by a provider fee that relies on the existing financing structure. With a per capita cap the state would have no incentive to support people with disabilities to obtain or maintain employment.

If the ACHA goes into effect, we would have no such flexibility. The ACHA's goal is to reduce federal spending on Medicaid. It freezes current disparities between states. Colorado would be locked into the low spending baseline we have. We would lose the flexibility to enhance our Medicaid program in the future. If we have a new need, or a new service we feel it is important to offer – or simply if the cost of living increases relative to other states – we will have to address any new costs by cutting existing options or finding the additional money in the already tight state budget. The AHCA's approach would prevent us from accessing our fair share of federal resources in the future, as our population ages and our public health needs change. In sum, the ACHA's Medicaid proposal will result in fewer options for Colorado, and *less* flexibility, not more.

We urge you to vote against the American Health Care Act and to oppose any effort that implements per capita caps on the Medicaid program. **Colorado's seniors and people with disabilities need Medicaid to stay in their homes and to be independent.** This kind of radical restructuring of the Medicaid program is a betrayal of our fundamental rights.

Sincerely,

2016), Table 49, at <https://www.medicaid.gov/medicaid/ltss/downloads/ltss-expenditures-2014.pdf>.

⁵ John Holahan and Matthew Buettgens, "Block Grants and Per Capita Caps: The Problem of Funding Disparities among States" (Urban Institute, Sept. 2016), at <http://www.urban.org/sites/default/files/publication/83921/2000912-Block-Grants-and-Per-Capita-Caps-the-Problem-of-Funding-Disparities-among-States.pdf>, Table 2.

Accent on Independence Home Health Provider
The Alliance
The American Civil Liberties Union
The Arc of Adams County
The Arc of Arapahoe -Douglas
The Arc of Aurora
The Arc of Colorado
The Arc of Pueblo
Atlantis Community Independent Living Center
Bayaud
The Center for People with Disabilities
CHARG Resource Center Mental Health Clinic
Colorado ADAPT
Colorado Center for Law and Policy
Colorado Consumer Health Care Initiative
Colorado Cross-Disability Coalition
Colorado Developmental Disability Council
Colorado Mental Wellness Network
CREEC (Civil Rights Education and Enforcement Center)
Disability Law Colorado
Disabled Resource Services – Independent Living Center for Fort Collins area
Front Range Homecare Services
Mental Health America of Colorado
MS Society of Colorado and Wyoming
National Federation of the Blind -Colorado Chapter
National Multiple Sclerosis Society
Northwest Colorado Center for Independence
Numotion (National DME company)
PASCO Personal Assistance Services of Colorado
Resource Exchange Community Centered Board
Southwest Center for Independence
Stahlman Disability Consulting
Tenderhearts - Home Health Provider