

The Senate Must Protect Medicaid for Health Centers to Remain Strong

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The House-passed AHCA would end Medicaid expansion, reduce enrollment by 26 million by 2026 and cut Medicaid spending by \$834 billion over ten years. This would impact over 70 million people who rely on Medicaid, including 30 million children.¹ We are urging the Senate to stand up for Medicaid and oppose efforts to shift the costs to state budget. All children and families deserve effective and appropriate care regardless of where they live.

Medicaid keeps health centers, and our communities, strong.

- Health centers make up an essential community safety net, providing primary and preventive care services, reducing ER visits, and serving as a community hub. Health centers have historic bi-partisan support due to our ability to deliver effective care that is valued.
- Medicaid and Medicaid expansion are essential to health centers. Half of health center patients in Medicaid expansion states have Medicaid, as opposed to one-third in non-expansion states.² Health centers' largest source of revenue is from Medicaid payments.³ A recent AAPCHO study found that Asian American, Native Hawaiian and Pacific Islander serving health centers actually rely even more on Medicaid and Medicaid expansion than other health centers.⁴
- Medicaid benefits the community beyond health care. NHeLP states, "Medicaid Expansion has a deep and broad impact on the state economy. Medicaid Expansion increases economic activity in the state, improving employment, labor income, and capital income. Spending generated by Medicaid Expansion turns over multiple times in the state economy (for example, from physician to employee to grocer).⁵"
- Health centers reduce the use of emergency care, particularly for communities who are low-income, use Medicaid, are uninsured, and live in rural communities.⁶ Compared to non-health center patients, health center patients have fewer office visits and hospitalizations.⁷ Since 2014, the number of uninsured emergency room visits has fallen substantially in Medicaid Expansion states, reducing uncompensated care by \$5 billion.⁸
- Medicaid Expansion reduces adult death rates. In states that have already expanded Medicaid, mortality rates have been reduced significantly. Adults also experienced significant reductions in delays getting health care due to cost. Comparable states that did not expand Medicaid did not have similar results.⁹

¹ <http://www.cbpp.org/research/health/house-health-care-bill-ends-medicaid-as-we-know-it>

² <http://kff.org/medicaid/issue-brief/community-health-centers-recent-growth-and-the-role-of-the-aca/>

³ http://www.nachc.org/wp-content/uploads/2016/12/Medicaid-FS_12.16.pdf

⁴ AAPCHO research report

⁵ University of Arkansas Sam M. Walton College of Business, The Economic Impact of Medicaid Spending in Arkansas (May 2010); Christopher Dumas, PhD, et al., The Economic Impacts of Medicaid in North Carolina, 69 N.C. Med. J. 78 (Mar./Apr. 2008); Kaiser Family Foundation, The Role of Medicaid in State Economies: A Look at the Research (Jan. 2009).

⁶ http://www.nachc.org/wp-content/uploads/2015/06/ED_FS_20151.pdf

⁷ N. Laiteerapong et al., Health care utilization and receipt of preventive care for patients seen at federally funded health centers compared to other sites of primary care. *Health Serv Res.* 2014 Oct; 49(5) 1498-518.

⁸ Rachel Nuzum et al., The Commonwealth Fund, Why the U.S. Needs Medicaid (Sept. 23, 2016)

⁹ Benjamin D. Sommers, M.D., Ph.D. et al., Mortality and Access to Care Among Adults After Medicaid Expansions, *N. Eng. J. Med.* (published on line July 25, 2012).

Providers believe that funding Medicaid is good for our nation's health.

- “As the backbone of our nation’s health safety net, America’s hospitals and health systems — which include more than 270,000 affiliated physicians and 2 million nurses and other caregivers — believe it’s vital that Medicaid be protected.” – American Hospital Association¹⁰
- “The rollback of Medicaid mandated by this bill would jeopardize coverage for an estimated three million health center patients over the next several years. Longer-term, the bill’s cap on the federal share of Medicaid coverage would inevitably force a reduction of benefits such as critical substance use disorder treatment at a time when the nation faces an unprecedented opioid crisis, as well as reductions in eligibility criteria, and cuts to provider payments.” – National Association of Community Health Centers

Some governors understand the importance of Medicaid expansion.

- Governor Kasich of Ohio reported that, after expanding Medicaid, health status improved for most enrollees (48%) and worsened for very few (4%); many enrollees (27%) learned that they had previously unknown chronic health conditions; the percentage of Ohio enrollees with medical debt fell by nearly half (from 56% to 31%); workers covered through Ohio’s Medicaid expansion reported that it was easier for them to keep or find work; and Ohio’s Medicaid Expansion has made it easier for enrollees to buy food (59%) and pay rent (48%).¹¹

Proposals to limit federal Medicaid funding will shift the cost burden to the states and result in inadequate care.

- Limiting the amount of Medicaid funding to states will limit care. Proposals to convert Medicaid funding into state per-capita caps or block grants could limit the program’s ability to meet low-income health needs.¹²
- By limiting the program’s ability to meet patient needs, the proposed framework would shift costs to the states and result in a rationing of care. States would either have to dig deeper to fund the remaining costs or benefits, and patients and projects would suffer.
- The impact of these policies differs by state and impacts state coverage levels and state spending. It is important that Congressional leaders and state legislators recognize the impact on state budgets and state health coverage.

Legislators must stand up for their states’ healthcare needs.

- We must ensure our legislators are responding to our questions and making clear the intentions and results of their proposals.
 - Will everyone that is covered today through Medicaid continue to have coverage without paying more?
 - Can you ensure that eligibility for Medicaid and the current services will not change based on federal funding?
 - Can you guarantee that you will not shift the burden of Medicaid payment to the states, putting state budgets in jeopardy?

¹⁰ <http://www.aha.org/presscenter/pressrel/2017/050417-pr-ahca.shtml>

¹¹ Letter to Hon. Kevin McCarthy, House Majority Leader, from Gov. John Kasich (Jan. 18, 2017).

¹² <http://www.commonwealthfund.org/publications/issue-briefs/2017/jan/medicaids-future-aca-repeal>