

September 12, 2011

The Honorable Patty Murray  
Co-chair  
Joint Select Committee on Deficit Reduction  
United States Senate  
Washington, DC 20510

The Honorable Jeb Hensarling  
Co-chair  
Joint Select Committee on Deficit Reduction  
U.S. House of Representatives  
Washington, DC 20515

Dear Senator Murray, Congressman Hensarling, and Members of the Committee:

As you begin your work on the new deficit reduction committee, we urge you to protect health care coverage for America's most vulnerable families, especially those who depend on the Medicaid program for their lifeline. Medicaid allows people with disabilities to live independently at home and enables low-income children and their families to see a doctor. Medicaid is the largest source of nursing home and long-term care for seniors.

When considering how best to bring our budget in balance, we urge you to consider the following:

- Arbitrarily cutting federal Medicaid funding merely shifts costs to states and families. With less federal dollars, states will have to cut benefits or eligibility or reduce provider payments – all of which hurt beneficiaries' access to care and pass costs onto families. Shifting costs to families will do nothing to bring down costs in the health system overall.
- The current Medicaid program is already lean, with little fat to cut. Eligibility standards are very stringent; in 42 states, adults without dependent children are ineligible for coverage even if they are literally penniless. And the cost of providing Medicaid is lower than private coverage. The average per person cost of serving an adult on Medicaid is 20 percent less than under private insurance; for children in Medicaid or CHIP, costs are 27 percent less. In addition, Medicaid has done a better job than private insurance at controlling cost increases. From 2000 to 2009, average annual per person cost increases in Medicaid were 4.6 percent. In contrast, for the same period, annual increases in per person national health costs were 5.9 percent and the annual growth rate for employer sponsored insurance premiums was 7.7 percent.
- Cutting the Medicaid program would undermine the Affordable Care Act's historic health coverage expansion. If the Medicaid program were cut back, the crucial Medicaid eligibility expansion would be in jeopardy of being delayed or eviscerated. In turn, the tax credit subsidies for moderate-income families to purchase health coverage through the exchanges would be at risk. It would be difficult to provide subsidies for moderate-income families while people with much lower incomes experience delays or denials of Medicaid coverage.

The American people want deficit reduction solutions that are balanced. According to a poll conducted by Kaiser Family Foundation in May, fully 60 percent of Americans want to keep the Medicaid program and only 13 percent would support large cuts to Medicaid. We therefore urge you to protect the Medicaid program from harmful cutbacks.

Sincerely,

AARP  
ACCSES

ADAP Advocacy Association  
Advocates for Youth  
AFL-CIO  
AIDS Alliance for Children Youth & Families  
AIDS Community Research Initiative of America  
AIDS United  
Alliance for a Just Society  
Alliance for Children and Families  
American Academy of Pediatrics  
American Association of People with Disabilities  
American Congress of Obstetricians and Gynecologists  
American Counseling Association  
American Diabetes Association  
American Federation of State, County and Municipal Employees (AFSCME)  
American Heart Association/American Stroke Association  
American Lung Association  
American Mental Health Counselors Association  
American Network of Community Options and Resources  
American Nurses Association  
American Occupational Therapy Association  
American Public Health Association  
Anxiety Disorders Association of America  
Asian American Justice Center  
Asian & Pacific Islander American Health Forum  
Association of Professional Chaplains  
Association of University Centers on Disabilities  
Autistic Self Advocacy Network  
AVAC: Global Advocacy for HIV Prevention  
B'nai B'rith International  
Bazelon Center for Mental Health Law  
Campaign for Community Change  
Caring Across Generations  
Catholic Health Association of the United States  
Center for Medicare Advocacy, Inc.  
Children's Defense Fund  
Children's Health Fund  
CLASP  
Clinical Social Work Association  
Coalition on Human Needs  
Common Cause  
Community Access National Network  
Community Action Partnership  
Community Catalyst  
Community Transportation Association of America  
Congressional Black Caucus Foundation Inc.  
Consumer Action  
Defeat Diabetes Foundation  
Direct Care Alliance, Inc.  
Disability Rights Education & Defense Fund  
Easter Seals  
Every Child Matters Education Fund  
Families USA  
FIRST FOCUS  
Foster Family-based Treatment Association  
Global Justice Institute  
Grassroots Global Justice

Health & Disability Advocates  
Health Care for All  
Health Care for America Now  
HealthHIV  
Hearing Loss Association of America  
Hemophilia Federation of America  
HIV Medicine Association  
Institute for Policy Studies' Cities for Progress  
Inter Alliance Dialogue  
Jewish Council for Public Affairs  
Latino Commission on AIDS  
LeadingAge  
Lutheran Services in America  
Medicare Rights Center  
Mental Health America  
Metropolitan Community Churches  
MomsRising  
National Academy of Elder Law Attorneys  
National Alliance of State & Territorial AIDS Directors  
National Alliance on Mental Illness  
National Alliance to End Homelessness  
National Association of Area Agencies on Aging  
National Association of Councils on Developmental Disabilities  
National Association of County Behavioral Health and Developmental Disability Directors  
National Association of County Human Services Administrators  
National Association of People with AIDS  
National Association of Public Hospitals and Health Systems  
National Association of Social Workers  
National Association of State Head Injury Administrators  
National Association of the Deaf  
National Center for Law and Economic Justice  
National Committee to Preserve Social Security and Medicare  
National Council for Community Behavioral Healthcare  
National Council of Jewish Women  
National Council of La Raza  
National Council of Women's Organizations  
National Domestic Worker Alliance  
National Education Association  
National Family Planning & Reproductive Health  
National Foundation for Mental Health  
National Health Care for the Homeless Council  
National Health Law Program  
National Hispanic Medical Association  
National Immigration Law Center  
National Indian Health Board  
National Jobs With Justice  
National Latina Institute for Reproductive Health  
National Latino AIDS Action Network  
National Minority AIDS Council  
National Multiple Sclerosis Society  
National Organization of Nurses with Disabilities (NOND)  
National Partnership for Women and Families  
National Physicians Alliance  
National Senior Citizens Law Center  
National Urban League  
National Women's Health Network

National Women's Law Center  
NETWORK, A National Catholic Social Justice Lobby  
9to5, National Association of Working Women  
Not Dead Yet  
PHI – Quality Care through Quality Jobs  
Planned Parenthood Federation of America  
Project Inform  
Racial and Ethnic Health Disparities Coalition  
Raising Women's Voices for the Health Care We Need  
RESULTS  
Right To the City Alliance  
Ryan White Medical Providers Coalition  
SEIU  
Sisters of Mercy Institute Justice Team  
State Associations of Addiction Services  
The AIDS Institute  
The Arc of the United States  
The Child Welfare League of America  
The National Black Women's HIV/AIDS Network  
The National Consumer Voice for Quality Long-Term Care  
Treatment Access Expansion Project  
Union for Reform Judaism  
United Neighborhood Centers of America  
United Spinal Association  
VillageCare  
Voices for America's Children  
Volunteers of America  
Wider Opportunities for Women  
Women of Reform Judaism  
Young Invincibles  
ZERO TO THREE