



CONSORTIUM FOR CITIZENS
WITH DISABILITIES

Medicaid Provides a Vital Lifeline for People with Disabilities

Medicaid services and supports are critical to the health, independence, and well-being of people with disabilities and chronic conditions. Medicaid provides comprehensive, affordable coverage to 68 million Americans, including 10 million Americans with disabilities.¹

CCD Strongly Opposes Medicaid Cuts That Would Harm People with Disabilities

Medicaid services and supports are critical to the health, independence, and wellbeing of people with disabilities and chronic conditions. **CCD strongly opposes block grants, per-capita-caps, or other cost shifts that will put the health and safety of individuals with disabilities at risk.**

Facts about Medicaid For People with Disabilities

The Medicaid program is a lifeline and particularly vital to 10 million enrollees living with disabilities, providing important services and supports such as:

- Long-term supports and services, including home and community-based settings that support people with disabilities and seniors to stay in their homes and communities;
- Early intervention services that put young children on a trajectory for lifelong success;
- Acute, primary and long-term health care services that would otherwise be out of reach of this vulnerable population;
- Durable medical equipment like wheelchairs, prosthetics, orthotics and communication devices which may not be covered by other forms of insurance; and
- Accessible transportation to medical care.

Medicaid beneficiaries with disabilities:

- Are very low income – most access Medicaid through the Supplemental Security Income program which is only available to those with very low incomes and assets valued below \$2,000
- Make up about 15% of enrollment in Medicaid;²
- Often wait for services – over 536,000 are on waiting lists for home and community-based services with an average wait time of over two years;³ and
- Many are dually eligible – over 9 million Medicaid Beneficiaries also covered by Medicare⁴

The Medicaid program operates efficiently:

¹ <http://kff.org/medicaid/state-indicator/distribution-of-medicaid-enrollees-by-enrollment-group/>

² <http://kff.org/medicaid/fact-sheet/the-medicaid-program-at-a-glance-update/>

³ <http://kff.org/medicaid/report/medicaid-home-and-community-based-services-programs-2011-data-update/>

⁴ <http://kff.org/health-reform/issue-brief/medicaid-moving-forward/>

- Federally funded administrative costs accounted for only 3.8 percent of federal Medicaid spending in FY 2010; the other 96.2 percent went for health care and long-term care for beneficiaries.⁵
- Medicaid already provides low reimbursement rates and operates significantly more efficiently than most private insurance plans.⁶

In such a lean program, proposals like block grants and per capita caps will shift costs to states and beneficiaries and lead to cuts in services. Many of the Medicaid services that people with disabilities rely on – such as home and community-based services – are optional for states, so such cost shifts and budget constraints would force states to cut services in ways that specifically harm people with disabilities. Caps or block grants:

- Would not adequately account for the complex service needs of people with disabilities;
- Would not adequately adjust for America’s aging population or typical yearly increases in healthcare costs;
- Could be scaled down in times of fiscal challenge, resulting in further cost shifts to states; and
- Create disparities between states with relatively low Medicaid spending per beneficiary and those that spend more on beneficiaries.

We urge you to reject the following damaging proposals:

1. Converting Medicaid from an entitlement program to a fixed federal payment such as a block grant that will diminish or end services for people with disabilities
2. Applying arbitrary, global, per-person, or other spending caps, which would inhibit the ability of the Medicaid program to serve people with disabilities.
3. Adopting any proposal that directly or indirectly negatively impacts or harms people with disabilities under Medicaid.

Instead, CCD urges Congress to focus on proposals that can save the program money while improving outcomes for individuals with disabilities, such as rebalancing away from institutional and toward community supports and services.

CCD Supports Shifting Medicaid’s Long-Term Services and Supports to less costly, more highly preferred Home and Community-Based Services

Long-term services and supports account for only about 30% of Medicaid costs. However, if Congress seeks Medicaid reform, CCD supports the following ideas:

- Move away from the bias of Medicaid to place people in institutions and rebalance Medicaid to favor home and community-based long term supports and services
- Extend the state Balancing Incentives Program and promote state participation
- Support strong home and community-based services such as the Community First Choice Option, Section 1915(i) state plan option, and the popular “Money Follows the Person” demonstration grants that assist beneficiaries to return to the community
- Expand programs that promote person-centered healthcare services and service and support coordination
- Promote self-direction and choice of paid caregivers
- Pursue reforms that would make it easier for Medicaid beneficiaries with disabilities to work while retaining access to services

⁵ <http://www.cbpp.org/cms/?fa=view&id=3655>

⁶ <http://www.cbpp.org/cms/index.cfm?fa=view&id=4023>