



Working Together for an Affordable Future

February 1, 2017

The Honorable Greg Walden
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Orrin Hatch
Chairman
Committee on Finance
U.S. Senate
Washington, DC 20510

The Honorable Frank Pallone
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Ron Wyden
Ranking Member
Committee on Finance
U.S. Senate
Washington, DC 20510

Dear Chairman Walden, Ranking Member Pallone, Chairman Hatch and Ranking Member Wyden:

The National Coalition on Health Care (NCHC) opposes the repeal or defunding of the state option to expand Medicaid eligibility to beneficiaries with incomes at or below 138% of poverty. The repeal or defunding of this option would undermine important reform initiatives at both the state and federal levels and make health care less affordable for millions of Americans.

NCHC is the nation's largest, most broadly representative nonpartisan alliance of organizations focused on health care. Our members and supporters include nearly 90 of America's leading associations of health care providers, businesses and unions, consumer and patient advocacy groups, pension and health funds, religious denominations, and health plans. They represent—as employees, members, congregants, and volunteers—more than 150 million Americans. The Coalition is committed to advancing—through research and analysis, education, outreach, and informed advocacy—an affordable, high-value health care system for patients and consumers, payers, employers and taxpayers.

In a letter dated January 5th, 2017, Governor Brian Sandoval (R-NV) urged leaders of the House of Representatives to “ensure that individuals, families, children, aged, blind, disabled and mentally ill are not suddenly left without access to the care they need to lead happy productive lives.” We agree.

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To date, thirty-one states and the District of Columbia have opted to expand Medicaid eligibility to more than 11 million Americans, making health care accessible to many who previously lacked affordable coverage options. Putting at risk these states' achievements or restricting the remaining nineteen states' flexibility to expand Medicaid would undercut state-level efforts to reform health care and protect the most vulnerable. This alone is sufficient reason to preserve the state option to expand Medicaid eligibility and the enhanced federal financial support which makes that option viable.

However, NCHC is also gravely concerned that repeal or defunding of Medicaid expansion would roll back the bipartisan achievements of the 114th Congress.

1. To support physicians and other clinicians who embrace new high-value models of care, the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) took crucial steps to support alignment of payment policies across all payers - including Medicaid. Grappling with a rollback of Medicaid eligibility would consume the attention of state officials and the health care providers who serve Medicaid beneficiaries. This would effectively sideline the nation's second-largest payer and many of the providers which rely on it- just as MACRA's historic value-based payment reforms are getting off the ground.
2. MACRA also reaffirmed the bipartisan consensus that has sustained two crucial parts of our safety net: community health centers and the Children's Health Insurance Program (CHIP). Unfortunately, disrupting Medicaid expansion coverage will have disastrous consequences for FQHCs, which rely on Medicaid for 44% of their revenue. Additionally, he added strain on state budgets occasioned by repeal or defunding of Medicaid expansion could limit states' investments in children's coverage, including CHIP.
3. Just last year, to improve and expand treatment for mental illness and substance abuse, Congress passed two landmark pieces of legislation, the Comprehensive Addiction and Recovery Act and the mental health provisions of the 21st Century Cures Act. Eliminating the Medicaid expansion coverage which makes treatment possible for adults earning at or below 138% of the federal poverty level would move federal policy in the opposite direction.

NCHC is committed to fixing what is broken in our health system. However, repealing or defunding the state option to expand Medicaid would put at risk recent state health reform initiatives, impair health care access for vulnerable populations and detract from recent, bipartisan federal legislative achievements. We call upon you to reject any repeal or defunding of the state option to expand Medicaid eligibility.

In the weeks and months ahead, we look forward to discussing this issue further and sharing our perspective on health policy issues not addressed in this letter. If you have questions about this or related issues, please contact me directly at jrother@nchc.org or 202-638-7151.

Yours truly,



John Rother
President and CEO

