



Leadership Council of Aging Organizations

Barbara B. Kennelly, Chair

April 4, 2011

United States Senate
Washington, DC 20510

Dear Senator:

On behalf of the Leadership Council of Aging Organizations, a coalition of national organizations that represents nearly 60 million older Americans, we want to express our strong support for protecting Medicaid, a vital safety net that serves millions of seniors, people with disabilities and their families.

In order to reduce the budget deficit, some policy makers are looking to cut Medicaid. While the current budget climate demands that leaders make smart fiscal decisions, taking health care away from millions of America's seniors and people with disabilities is the wrong response. Medicaid provides essential long-term care and protections against growing Medicare premiums and cost sharing for older Americans in greatest need of help, generally those with incomes below \$15,000. Capping or block-granting Medicaid likely would shift costs onto those least able to afford them and jeopardize access to needed services for millions of seniors and people with disabilities.

Meanwhile, some of the nation's governors are seeking to eliminate the Medicaid maintenance of effort requirement included in the Affordable Care Act, a protection that ensures millions of Americans keep the health coverage and long-term care services they rely on. Any such cuts to Medicaid would deny needed care to many and shift costs and the burden to America's middle class families.

Medicaid is especially critical for seniors and people with disabilities who need long-term care.

- Few people have insurance that covers long-term care costs. Medicaid is the single largest source of long-term care coverage in the nation. For millions of seniors and people with disabilities, Medicaid is the *only* source of assistance for the long-term services and supports they need.
- Medicaid does not just pay for long-term care in nursing facilities; it also provides home- and community-based care to millions of America's seniors, providing critical relief to overburdened family caregivers.

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- Medicaid also establishes minimum standards and an enforcement system to protect the health and safety of all residents in Medicaid-certified nursing homes.
- A Medicaid block grant could significantly weaken nursing home quality standards and protections for poor seniors against unaffordable cost sharing. Many seniors and people with disabilities with incomes just above \$8,328 could lose coverage.

The consequences of cutting Medicaid extend beyond beneficiaries – their families, their communities, their states’ economies and even Medicare would also be harmed.

- The national median cost of private nursing facility care is \$75,000 a year. Slashing Medicaid, especially if done through a block grant, will force the spouses and other family members of people who currently rely on Medicaid for nursing facility care to exhaust their savings. Many will become impoverished as a result.
- Slashing Medicaid spending would also result in cuts to home- and community-based long-term care. The loss of services could make individuals more dependent on the unpaid support of family caregivers or it could force them unnecessarily into institutions – with care paid by Medicaid. This would cost federal and state governments more in the long run.
- A Medicaid block grant could significantly weaken current protections against impoverishment of spouses and prohibitions against forcing the children of nursing home residents to pay for their parents’ care.
- Medicaid cuts will result in fewer workers in nursing homes and other long-term care settings who can prevent avoidable conditions – such as pressure sores, dehydration, malnutrition, and broken bones – that require expensive hospitalization. The cost of treating these conditions will be shifted to Medicare.

By helping America’s families, Medicaid helps the nation’s economy.

- The Medicaid safety net provides needed relief to millions of spouses, children, parents, siblings and others who care for a relative or loved one who needs long-term care. The burdens of caregiving have an acute economic impact on caregivers. Family caregivers reduce work hours, cut back on household spending, and postpone personal medical care because of caregiving responsibilities. A recent survey found that 74% of caregivers have either had to change their job situation or are not working as a result of their caregiving responsibilities.
- Nationally, businesses lose an estimated \$33 billion annually due to absenteeism, reduced work hours and hiring replacement costs associated with employee caregiving responsibilities. Medicaid supports caregivers so that they can remain in the workforce.

The economic and health care security of millions of Americans is at substantial risk if the Medicaid program is weakened. We urge you to stand firm and vigorously oppose any efforts to undermine this vital program that serves and protects millions of America's seniors, people with disabilities and their families. We are eager to work with you to find smarter, more efficient ways to respond to budgetary problems.

Sincerely,

AFL-CIO
AFSCME Retirees
Alliance for Retired Americans
Alzheimer's Association
Alzheimer's Foundation of America
American Association for International Aging
Association for Gerontology & Human Development in Historically Black Colleges and Universities
Catholic Health Association of the United States
Center for Medicare Advocacy
Easter Seals
Families USA
International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW)
The Jewish Federations of North America
LeadingAge
Lutheran Services in America
Medicare Rights Center
Military Officers Association of America (MOAA)
National Alliance for Caregiving
National Association for Home Care and Hospice
National Association of Area Agencies on Aging
National Association of Nutrition and Aging Services Programs (NANASP)
National Association of Professional Geriatric Care Managers
National Association of Social Workers
National Association of State Long-Term Care Ombudsman Programs
National Caucus and Center on Black Aged, Inc.
National Committee to Preserve Social Security and Medicare
The National Consumer Voice for Quality Long-Term Care
National Council on Aging
National Hispanic Council on Aging (NHCOA)
National Osteoporosis Foundation
National Senior Citizen's Law Center
OWL - The Voice of Midlife and Older Women
PHI - Quality Care Through Quality Jobs
Wider Opportunities for Women
Women's Institute for a Secure Retirement (WISER)

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