TIME SENSITIVE ACTION ALERT REGARDING FEDERAL MEDICAID CHANGES--ACT NOW TO STOP HARM TO COLORADO!

Dear CCDC Members

We have been talking for months now about the threats to Medicaid coming in Congress. After delays due to the great advocacy of you and your fellow Americans, the bill is finally here and moving at lightning speed. YOUR ACTION IS NEEDED NOW. THE SURVIVAL AND FREEDOM OF MANY IN OUR COMMUNITY DEPEND ON OUR ACTION.

Last night, the <u>draft of the markup</u> for the Medicaid part of the budget reconciliation bill was released for the <u>Energy and Commerce Committee</u>. This is part of the attempt to save \$880 billion in ten years in programs under this committee's jurisdiction. The overall savings goals for the whole government are much larger.

There is a LOT in this bill, and most of it is bad. These talking points are the top four we believe will hurt people with disabilities in Colorado. If you have time, we encourage you to review the bill, but if not, Families USA has put together a good section-by-section analysis. Our focus here is brief because things are moving fast, and we cannot address everything. Lack of mention in this alert does not mean we agree with the other parts of this bill.

WE NEED PEOPLE TO SPEAK OUT NOW, ESPECIALLY TO CONGRESSPEOPLE <u>EVANS</u> (CD8) AND <u>DEGETTE</u> (CD1), because they both serve on this vital committee. We encourage everyone to reach out to their representative (see links below), because they all need to hear how important this is.

Here is the schedule that we know as of mid-afternoon on Monday

- Tuesday, 5/13, Energy and Commerce markup starts at 2:00 PM EST. This hearing may last up to 24 hours, with the Medicaid portion not heard until toward the end or potentially in the middle of the night. The hearing will be live on C-SPAN.
- They either accept or reject each section of this bill to give to the budget writers for review by Wednesday, 5/14 by 11:59 PM EST.
- Friday, 5/16, this budget will go to the budget committee
- On Monday, 5/19, this budget goes to the rules committee

A process this fast is **irresponsible policymaking**. Congresspeople are human, as are their staff. **Mistakes will be made**, **and these mistakes will cost lives**. These are complicated policy matters that deserve thoughtful deliberation. If there is any interest in common-sense

policy solutions, as opposed to slashing programs that keep people alive, **this process must slow down.**

ANY significant cut in federal money will have a disproportionate effect on people with disabilities. We cost more. If the state loses federal dollars, it will be forced to cut from long-term services and supports like Home and Community-Based Services Waivers. This is not a fear; it is based on research and past experiences.

The following are the most significant concerns in the bill related to services for people with disabilities in Colorado.

- 1) STRIKE SECTION 44132: The bill does allow states with a provider fee or tax (like Colorado) to keep using them. We use a provider tax in Colorado to fund programs like the Medicaid Buy-In for Working Adults with Disabilities. (WAwD). However, it will stop our ability to do new provider taxes. Provider fees or taxes are essential in Colorado because it is a way to get revenue and comply with the Taxpayer Bill of Rights (TABOR), which is in our constitution. The Hospital Provider Fee is the ONLY reason we got the Medicaid Buy-In for Working Adults with Disabilities. (WAwD). That fee covers the state's 50% match. When the law was passed outlining how the hospital fee would be used, they listed priorities, so if there is not enough money, the decision about who gets cut is already in the law. WAwD is 2nd from the bottom. WAwD has been growing. This is good news because it means more disabled people are working. Other medical costs are also going up. This means that the Hospital Provider Fee/Tax may run out of money to cover the costs. The only way to avoid cutting WAwD would be to find a new provider tax. Other provider fees/taxes, such as the one for Nursing Facilities to address quality issues. The federal government should NOT stop states from using this financing mechanism. This could cause Coloradans with Disabilities to either lose health care that we need to function or lose our jobs and go back into poverty. This provision needs to be stricken.
- 2) STRIKE SECTION 44111: This would reduce our federal match for the Expansion population by 10% (ver \$300 million in Colorado) because we have another state program that costs more than \$50 million to provide health care to some immigrants. Our state has already made this commitment. To take care of and undo an infrastructure that was built with state money is wasteful and cruel. While Covering All Coloradans was not geared towards disabled people, there are disabled people, including children, in this program. Any reduction in federal funds will hurt all people with disabilities.
- 3) STRIKE SECTION 44102: Year pause on regulations to improve eligibility and enrollment processes. This does a lot of bad things. One is to hurt low-income people on Medicare. It makes getting on the Medicare cost-sharing benefits (like QMB, where the state pays your premiums, deductibles, and copays for Medicare) more difficult. This saves money because people who cannot access the system do not get services. When elders and the disabled cannot get care, we die sooner.

- 4) The requirements will require at least a doubling of administrative funding in Colorado to comply. Below are some requirements that will add an unimaginable amount of bureaucracy.
 - a) Double how often some people will have to do eligibility redetermination. Section 44108
 - b) Requires increased provider revalidation and monitoring. Sections 44105 and 44106
 - c) Work requirements Section 44111 will require funding for more monitoring, oversight, and infrastructure to educate, document, and process exceptions.
 - d) Proposed cost sharing in Section 44412 will require significant infrastructure and monitoring to collect. In fact, Colorado recently eliminated copayments because collecting these nominal payments was more of a burden for providers and the state than a benefit to the state.

A word about work requirements and cost sharing. We are the organization that has championed WAwD. This allows people with disabilities to work, get out of poverty, save money, and in exchange, we pay a premium to be on Medicaid. So, we are NOT against working OR against paying towards our health care. We also have experience with the challenges of implementation. Our concern is that these provisions will be impossible to implement responsibly, at least without a LOT of extra technological and human resources.

Again, there are many other bad things in this bill, including areas that affect Medicare and The Exchange for those who are not on Medicaid. These talking points are simply what we believe to be the biggest threats to people with disabilities.

- → If you have two minutes, please click here to reach your representative:
 - If you don't know who your members of Congress are, you can find out who represents you <u>HERE</u>
 - Once you find out who represents you, research how to contact them (they usually have contact information and/or email submission forms on their official websites). Colorado's delegation can be found at:
 - ◆ Senator Michael Bennet
 - ◆ Senator John Hickenlooper
 - ◆ Representative Diana DeGette CD 1
 - ◆ Representative Joe Neguse CD 2
 - ◆ Representative Jeff Hurd CD 3
 - Representative Lauren Boebert CD 4
 - ◆ Representative Jeff Crank CD 5
 - ◆ Representative Jason Crow CD 6
 - Representative Brittaney Petterson CD 7
 - ◆ Representative Gabe Evans CD 8
- → If you have five minutes, share this alert with your thoughts on your social media. (Link to share this document HERE)

- → If you have 10 minutes, share this alert with 5 people you know and personally request that they act.
- → If you have more time, read the linked materials and reach out to more people.

This is the fight of our lives. The pressure is working, but we need to use our voices now like never before.

We will share more information as we get it.