

United States Senate

WASHINGTON, DC 20510

March 6, 2017

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, DC 20510

Dear Majority Leader McConnell,

As you know, Medicaid covers more than 72 million Americans and is the core of the health care safety net for individuals across the country. The Affordable Care Act destabilized the private insurance market and created an unsustainable path for both the states and the federal government in Medicaid. While we support efforts to repeal and replace the Affordable Care Act and make structural reforms to the Medicaid program, we are concerned that the February 10th draft proposal from the House of Representatives does not provide stability and certainty for individuals and families in Medicaid expansion programs or the necessary flexibility for states.

We are concerned that any poorly implemented or poorly timed change in the current funding structure in Medicaid could result in a reduction in access to life-saving health care services. The Medicaid population includes a wide range of beneficiaries, many of which cycle on and off Medicaid due to frequent changes in income, family situations, and living environments. The Department of Health and Human Services reports that nearly one-third of individuals covered under the Medicaid expansion have a mental health or substance use disorder¹. As the largest payer of mental health and substance use services in the United States, it is critical that any health care replacement provide states with a stable transition period and the opportunity to gradually phase-in their populations to any new Medicaid financing structure.

We believe Medicaid needs to be reformed, but reform should not come at the cost of disruption in access to health care for our country's most vulnerable and sickest individuals. Any changes made to how Medicaid is financed through the state and federal governments should be coupled with significant new flexibility so they can efficiently and effectively manage their Medicaid programs to best meet their own needs. We also believe a gradual transition is needed to ensure states have the time to successfully implement these new changes. The Affordable Care Act is not working for states or the federal government and must be repealed and replaced with a plan that reforms Medicaid and protects individuals and their families over the long term. However, the February 10th draft proposal from the House does not meet the test of stability for individuals currently enrolled in the program and we will not support a plan that does not include stability for Medicaid expansion populations or flexibility for states.

Sincerely,



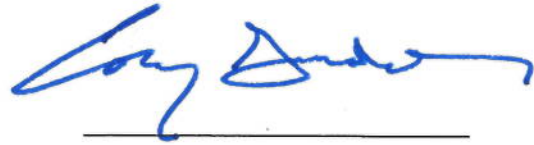
Rob Portman
U.S. Senator



Shelley Moore Capito
U.S. Senator



Lisa Murkowski
U.S. Senator



Cory Gardner
U.S. Senator

¹ U.S. Department of Health & Human Services. Compilation of State Data on the Affordable Care Act. HHS.gov. Dec 2016.