July 24, 2020

The Honorable Mitch McConnell Majority Leader United States Senate Washington, DC 20515 The Honorable Charles Schumer Minority Leader United States Senate Washington, DC 20515

Dear Majority Leader McConnell and Leader Schumer:

On behalf of the Interfaith Disability Advocacy Coalition (IDAC), we write today to thank you for your leadership in guiding our nation through the extraordinary COVID-19 health and economic crisis. IDAC is comprised of organizations in the faith community who join together to advocate for legislative and regulatory policies that ensure the rights and dignity of people with disabilities. Although we greatly appreciate Congress' recent efforts to bolster Medicaid and other critical safety net programs that serve and protect low-income individuals with disabilities and the care providers who support them in the face of the COVID-19 pandemic, more federal aid is desperately needed to ensure robust continuation of state Medicaid Home- and Community-Based Services to support this vulnerable population during this crisis. As the elements of another relief package are being considered, we urge the Senate to continue the existing 6.2 percent Federal Medical Assistance Percentage (FMAP) increase and augment it with the additional 7.8 percent increase. We further ask the Senate to extend this total 14 percent FMAP expansion through June of 2021 and retain a strong maintenance of effort provision. Medicaid's role in supporting services and supports for people with disabilities cannot be overstated.

The initial, temporary 6.2 percent increase in the Federal Medical Assistance Percentage (FMAP) enacted as part of the Families First Coronavirus Response Act helped reinforce state Medicaid programs at the outset of the COVID-19 pandemic. However, we now know that this initial increase is not enough to counter the severity of the economic downturn, widespread unemployment, rapidly rising new Medicaid enrollment, and still spreading infection and COVID-19 treatment and testing costs. Moreover, some people with disabilities have underlying chronic conditions, while others rely on assistance for activities of daily living, making them particularly vulnerable to the effects of COVID-19. For these reasons, as the National Governors Association and the National Association of Medicaid Directors have detailed in their letters to Congress, more federal assistance is urgently needed.<sup>1</sup>

Medicaid is the nation's major health care safety net program, a lifeline for more than 90 million – one in five Americans – and has seen an increase in participation of 20 million since the first quarter of this year due to the COVID-19 pandemic. As people of faith, we adhere to a moral call to support those in need, including advocating for a person's right to health care regardless of income or ability. Historically, Medicaid has proved to be one of the most effective tools available to the federal government to help the most vulnerable in our communities survive times of crisis and economic hardship.<sup>2</sup> Moreover, raising the FMAP is widely recognized as an effective way to deliver rapid economic relief to states while helping them continue to meet the needs of low-income

<sup>&</sup>lt;sup>1</sup>NGA Letter to Congress, July 10 2020, <u>https://www.nga.org/policy-communications/organizations-letter-advocating-for-enhanced-federal-medicaid-match/</u>; NAMD Letter to Congress, April 13, 2020, <u>https://medicaiddirectors.org/publications/namd-requests-congress-provide-additional-covid-19-resources-to-states-and-providers/</u>.

<sup>&</sup>lt;sup>2</sup> MACPAC, Medicaid's Role in Disasters and Public Health Emergencies (2018).

individuals with disabilities and older adults for vital services and supports. The current crisis we face is not just economic; it is an unprecedented nationwide health care emergency with a far more severe impact than the Recession and, therefore, we strongly urge you to adjust the FMAP expansion to 14 percentage points.

Medicaid's import as a safety net for people with disabilities is substantial. Ten million people with disabilities are covered by Medicaid, accounting for 15% of all Medicaid enrollees. According to the Kaiser Family Foundation, over 2.5 million individuals receive Home- and Community-Based Services (HCBS) through an optional Section 1915 (c) or Section 1115 waiver, and nearly 1.2 million receive optional personal care services. Despite the fact that HCBS is an optional benefit in Medicaid, coverage for HCBS is essential for people with disabilities, allowing them to work, attend school, and otherwise participate in their communities. HCBS include assistance with personal care such as showering and dressing, transportation, job coaching, and obtaining assistive technology. Without HCBS, many people would be unable to function. Further, HCBS helps reduce the spread of infection from COVID-19 by allowing people to remain in their own homes or smaller residential settings, which is now more important than ever. According to Kaiser Family Foundation as of June 25<sup>th</sup>, there have been 52,428 COVID-related deaths in long-term care facilities.

As the economic crisis accompanying the health care emergency deepens, many states are already implementing cuts to their Medicaid programs or are contemplating doing so.<sup>3</sup> These cuts can be prevented with the additional federal support from an expansion of the FMAP to 14 percentage points. However, without this support, states will be forced to make devastating cuts to their state Medicaid programs and optional HCBS programs are particularly at risk. During the Great Recession, states made significant cuts to HCBS and 11 states have already done so during the current pandemic.<sup>4</sup> As the current crisis persists and the economic impact to states deepens, more states can be expected to take similar action.

HCBS providers are already under tremendous financial strain and cannot accommodate provider rate cuts, also a common consequence of state budget shortfalls. The challenges of COVID-19 for HCBS providers from increased costs for staffing and personal protective equipment and more have been extensive. A recent survey of 689 disability provider organizations conducted for the American Network of Community Options and Resources (ANCOR) found that 68% have been forced to close at least one of their services, while more than half paid overtime at an average cost of \$77,000 per month.

The state HCBS cuts underscore that an FMAP bump is imperative to preserving states' ability to continue providing critical HCBS supports and services for individuals with disabilities while ensuring that HCBS providers remain open for business.

For these reasons, the Interfaith Disability Advocacy Coalition urges Congress to provide the needed additional federal support and swiftly pass this additional FMAP increase into law.

<sup>&</sup>lt;sup>3</sup> Rachel Roubein and Dan Goldberg, States Cut Medicaid Programs, Politico (May 5, 2020), retrieved at <u>https://www.politico.com/news/2020/05/05/states-cut-medicaid-programs-239208</u>; see also Michael Ollove, Pew Trusts, Medicaid Rolls Surge Adding to Budget Woes, (June 16, 2020),

https://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2020/06/16/medicaid-rolls-surge-adding-to-budget-woes.

<sup>&</sup>lt;sup>4</sup> States with over 10% HCBS rate cuts: CA, GA, IN, NV, WA; states with smaller HCBS rate cuts: CO, ID, NY, OR, VT, and UT (ANCOR, 2020).

## Sincerely,

The Interfaith Disability Advocacy Coalition: Contact: Aaron Kaufman, Aaron.Kaufman@JewishFederations.org Lindsey Warburton, lwarburton@episcopalchurch.org The Jewish Federations of North America American Baptist Home Mission Societies Christian Reformed Church in America Disability Concerns Office Christian Church (Disciples of Christ) Capital Area The Episcopal Church Faith Inclusion Network of Hampton Roads Inclusion Innovations, Minneapolis, MN L'Arche USA National Council of Churches Presbyterian Church (USA) Reformed Church in America Disability Concerns Office Union for Reform Judaism United Church of Christ The United Methodist Church – General Board of Church and Society