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Center for Independence of the Disabled, NY

Preserve Medicaid and the ACA— These Programs Matter to 54 Million People with Disabilities

In New York State, the disability community strongly opposes the repeal of the Affordable Care Act (ACA). We are also unequivocally opposed to transforming the Medicaid program into a block grant or into per capita caps. We urge those who represent us to stand firm against efforts to gut coverage.

Destruction of these programs would devastate and impoverish people with disabilities and their families—and would be a massive cost shift to those who can least afford it. Loss of protections in the ACA and the destruction of Medicaid would be nothing less than catastrophic for people with disabilities. *In fact, these changes would turn back the clock on progress made in increasing independence and opportunity for people with disabilities over the last 26 years. Our progress deserves the strongest possible defense.*

Because of historic and still persistent discrimination in education and employment, people with disabilities are less likely to be working than people without disabilities. In New York State, the employment rate for people with disabilities is only 31.6 percent. For people without disabilities, the employment rate is 72.7 percent. When employed, people with disabilities are often concentrated in low paid positions that leave them in or near poverty. In fact, in New York State 32.5 percent of people with disabilities are living in poverty on a long-term basis.

It is also true that people with disabilities are less likely to be married and living with their spouse (25.2 percent) than people without disabilities (37.1 percent). People with disabilities live in smaller households than their nondisabled counterparts, thus they have fewer supports and less help to fall back on if coverage shrinks or becomes less affordable than those without disabilities.

In 2015, the American Community Survey showed that people with disabilities in New York State have a high coverage rate (89.19). They are more likely to be covered by Medicaid and/or Medicare than private insurance but nonetheless rely on provisions of the ACA to make that public coverage work.ⁱ The ACA and Medicaid are vital to people with disabilities.

What will people with disabilities lose if the ACA is repealed and if Medicaid is block granted or turned into a per capita cap?

- ***They will lose protection against being denied insurance based on their health status or disabilities.*** This protection is critical to maintaining independence and functioning. High risk pools are a failed experimentⁱⁱ. Such pools charge high premiums for scanty coverage and high out-of-pocket costs. They also deliver little in terms of coverage, leaving people with disabilities barely able to access the health care they need. They are expensive to administer and waste public resources.ⁱⁱⁱ



- ***People with disabilities will lose their protection against being charged more based on their health status.*** Insurance companies must continue to community rate all policies to avoid making health insurance unaffordable for people with disabilities.
- ***Comprehensive benefits will not be preserved.*** Essential health benefits are critical to ensure that prescription drugs, mental health, wheelchairs and other equipment, and rehabilitation therapies are available to people with disabilities and that people can afford coverage that includes these items. These benefits mean the difference between people with disabilities being able to live independently or having to rely on institutionalization – a more expensive option and, worse, a disintegration of their functioning and health.
- ***Life-time caps on coverage would mean that access to health care will run out for people with disabilities.*** It is critical that the prohibition against life-time monetary caps remain in law. The elimination of life-time caps has meant that people who need health care to stay alive are no longer threatened that time has run out for them to be alive.
- ***Non-discrimination provisions in the law that are a critical protection for people with disabilities would be lost.*** Section 1557 has helped to protect against discrimination in benefit design and could be used to ensure access to practitioners and removal of other barriers to care.
- ***The ability to be employed because of access to healthcare that works will be lost.*** States that have expanded Medicaid are reaping the reward of higher employment rates among people with disabilities^{iv}. The expansion of Medicaid took away the horrible choice between being well and able to function and employment for those who could not otherwise afford to give up Medicaid.
- ***The loss of access to medications - Medicare beneficiaries rely on ACA provisions that have lowered premiums, deductibles and cost sharing.*** People with disabilities who rely on Medicare have benefited as the donut hole in Part D of Medicare has closed and drug costs have lowered. Similarly, people with disabilities benefit from access to preventive services without cost barriers—encouraging them to seek care before their needs are more intensive and expensive.
- ***Productive life in the community can be lost: Medicaid is the only route to care in the community for people with disabilities, including those who rely on Medicare for coverage.*** Medicaid pays for nearly two-thirds of the nation’s long-term care. Imposition of a per capita cap or block grant approach will threaten such coverage for Medicaid and Medicare

Re:

beneficiaries—risking institutionalization on a great scale and turning the clock back on progress for people with disabilities.

Loss of premium supports and the individual mandate that cut premiums in half in New York State. When New York State instituted community rating and open enrollment in the early 1990s, it became possible for people with disabilities to buy coverage. Unfortunately, since there was no individual mandate the market became adversely selected and insurance premiums went into a classic “death spiral.” Coverage became unaffordable for low wage workers—many workers with disabilities fall into this category. Because of the premium supports and individual mandate, many more people with disabilities could afford to buy insurance coverage.

- ***Repealing the ACA would deny people the right to remain at home and in the community.*** Children and adults with disabilities have benefited enormously from ACA programs like the Balancing Incentive Program, Money Follows the Person and Community First Choice that allow people to receive services at home rather than in institutions. With these programs, people with disabilities can lead productive lives rather than being warehoused.

Families will not be able to bear the increased costs for long-term care that will follow block-granting Medicaid or initiating per capita caps. Medicaid long-term care is the safety-net for individuals and their families who need help with daily personal tasks that people without disabilities can perform on their own. If Medicaid long-term care is not available, it will mean that family members will have to forgo work to take care of their loved ones—endangering the financial status of the families. People with disabilities living on their own will have to forego work and participation in the community in order to enter institutions for care. Eliminating care in the community would reverse more than 25 years of progress.

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ⁱ The ADA at 25: Many Bridges to Cross, Susan M. Dooha, JD; Debra Brucker, Ph.D. and Nicholas Rollins, M.S. University of New Hampshire Institute on Disability, 2015.

ⁱⁱ Why High Risk Pools (Still) Won’t Work, Jean P. Hall, Commonwealth Fund, February 13, 2015.

ⁱⁱⁱ High Risk Pools for Uninsurable Individuals, Karen Pollitz, KKF, August 1, 2016.

^{iv} Effect of Medicaid Expansion on Workforce Participation for People with Disabilities, Jean P. Hall et. Al., American Journal of Public Health, October 20, 2016.