

September 25 2017

The Honorable Maria Cantwell
511 Hart Senate Office Building
Washington, DC 20510

The Honorable Patty Murray
United States Senate
154 Russell Senate Office Building
Washington, DC 20510

Dear Senator Murray and Senator Cantwell:

As community leaders, government administrators, labor leaders and business partners in health care, we want to **thank you for your continued support of a reformed health system that works for all**. The citizens of Washington State, and King County in particular, have benefitted from your leadership to expand access to affordable, high quality health care.

As the Senate prepares to vote on the Cassidy-Graham plan of 2017, we would like to express our strong opposition to this bill. This bill offers no improvements over the BCRA proposal that the Senate rightly rejected in July. We hope you can share our voices with your colleagues in the Senate.

The Cassidy-Graham plan would make devastating changes to Medicaid, including:

Inadequate, Short-Lived Block Grants

This bill eliminates Medicaid Expansion under the Affordable Care Act (ACA) and imposes block grants. These lump sum payments do not adjust to the changing needs of state populations and will result in:

- Harm to working-class families. Funding for block grants will be spread among all 50 states, and the total amount will be over \$200 billion less than funding for Medicaid Expansion under the ACA. Washington State is estimated to lose at least \$10 billion in federal health care funding for Medicaid and tax credits.¹ Fewer resources will hurt hard-working families in the 32 states that expanded Medicaid, including Washington. Eliminating Medicaid Expansion would also negatively impact state and local economies—up to 1.5 million job losses potentially in 2019, according to one national study.² Washington could lose 41,000 jobs in 2019.³
- Significant reduction in life saving treatment for substance use disorder and mental health. The block grant would disappear altogether in 2027, leaving millions uninsured. Medicaid Expansion is the source of health care insurance for over 14 million people nationwide, including more than 150,000 people in King County. Over 16,000 King County residents with serious behavioral health conditions or substance use disorders have received services as a result of Medicaid Expansion. The King County behavioral health system alone will see an average annual reduction of \$55 million, far surpassing the county or state's ability to backfill these critical services.

¹ <http://avalere.com/expertise/life-sciences/insights/graham-cassidy-heller-johnson-bill-would-reduce-federal-funding-to-sta>

² <http://www.commonwealthfund.org/publications/issue-briefs/2017/jan/repealing-federal-health-reform>

³ https://publichealth.gwu.edu/sites/default/files/downloads/HPM/Repealing_Federal_Health_Reform.pdf

- Weakened protections for vulnerable children and adults. The federal government would no longer guarantee that people with pre-existing conditions, and older people, would have access to affordable insurance. Instead, each state could choose to loosen rules on insurers, creating a national patchwork that would leave thousands of people vulnerable to restrictions, long waiting periods, and discriminatory rates. Further, limits to women's health services will unnecessarily restrict basic health care access for 26,000 low-income King County women.

Draconian Caps on Spending

The Cassidy-Graham plan also places a cap on per capita Medicaid spending, which means:

- The opioid epidemic will continue to spiral out of control. A per capita cap on Medicaid means reduced resources for states, with cuts to Medicaid (outside the expansion) totaling \$175 billion by 2026. In 2027, Washington State would lose \$7.5 billion alone. States may be forced to eliminate or cap critical services like prescription drug coverage, maternity care, and behavioral health care that help keep people healthy and lower costs for all of us. Major public health crises—like the opioid epidemic—will worsen under this provision, as access to treatment disappears. More than 12,000 King County residents could lose the behavioral health and substance use disorder treatment they are receiving, including more than 3,500 individuals who are on life-saving medications to treat opiate use disorder and decrease overdoses. This directly undermines efforts to improve access to coverage and reduce the costs of care.
- Families will be at risk. The current state-federal partnership gives states the foundation and flexibility they need to implement local solutions to local problems. Changing this structure would force states to make painful cuts in services for vulnerable residents. Hard-working families and seniors will be forced to make painful choices between health care, housing, food, or transportation on a limited budget.

People will lose coverage and pay more for health insurance under this plan.

After 2027, the total Medicaid cuts are even more severe. Federal funding for health coverage would be cut by \$299 billion in 2028 alone, relative to projected spending on Medicaid and Medicaid Expansion. Washington would lose \$110 billion between 2020 and 2036.

Recent studies estimates that **657,000 Washingtonians will lose their healthcare coverage if this bill is enacted,⁴ including the 150,000 King County residents who gained coverage through Medicaid Expansion.⁵** Our current health care system and economy cannot be improved by eliminating federal supports such as Medicaid Expansion and protections for our most vulnerable adults and children. **The Cassidy-Graham bill would greatly harm the health and economy of King County and the nation.**

We thank you again for your leadership in protecting the health of King County residents, and for sharing our concerns with your Senate colleagues. Please let us know if you have questions or would like more information on changes that would actually improve the healthcare system and access to it. We look forward to working with you to maintain and advance the health of our region.

Sincerely,

Members of the King County Health Enrollment Leadership Circle

⁴ <https://www.americanprogress.org/issues/healthcare/news/2017/09/20/439277/coverage-losses-state-graham-cassidy-bill-repeal-aca/>

⁵ https://docs.wixstatic.com/ugd/39a85e_99abf8d1c2284fd18584f1b3f3398bf4.pdf

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