



Background

Medicaid and Medicare: The federal/state Medicaid program is the major - sometimes the *only* - source of funding for long term services and supports that many people with intellectual and developmental disabilities (I/DD) need to live in the community. Over 700,000 people under 65 with intellectual disability also are covered by the federal Medicare program which provides their health insurance. Combined, these two programs are a lifeline for people with I/DD.

In many states, there are long waiting lists for Medicaid-funded community-based services and supports. People with I/DD are living much longer and their parents are aging, which will increase the need for long-term services and supports.

Housing: Medicaid and Medicare provide essential services and supports, but by law typically cannot pay for a person's rent or mortgage payment. Programs operated by the Department of Housing and Urban Development (HUD) help make housing affordable (through rent subsidies) and help create new affordable, accessible housing. These include HUD's Section 811 Supportive Housing for Persons with Disabilities program and Housing Choice Voucher program. Despite these programs, the need for affordable, accessible housing for people with disabilities is far greater than the availability. Housing is one of the top barriers as states seek to implement *Olmstead* plans, Money Follows the Person grants, and other initiatives to help people with disabilities live in the community.

Key Issues

Deficit Reduction: There are proposals to put global caps on federal spending for Medicare and Medicaid. If such caps were imposed, they would likely put pressure on these programs to cut services.

These proposals, as well as the House Budget Resolution plan to turn Medicaid into a block grant, could cause substantial conflict as groups with diverse needs have to compete for scarce dollars. A Medicaid block grant would not control the cost of health care which continues to rise as people get older and use more health care services and as the general cost of all health care increases. It would shift costs to the states and likely the individual.

There also are proposals to replace Medicare with health care vouchers, and increase cost-sharing for Medicare beneficiaries. Some proposals would require people who are eligible for Medicaid and Medicare to go into managed care, even though there is little to no evidence that it would work for people with I/DD.

All of these proposals are a fundamental shift in our health and long term services and supports system from services mostly based on what a person needs to services based on a reduced and fixed budget.

Additionally, many deficit reduction proposals would significantly cut the budgets of important discretionary programs including HUD's affordable housing programs. Major cuts could halt production of much-needed new affordable housing and put existing affordable housing at risk.

Key Message to Congress

New budget plans must include increased revenues and preserve Medicaid, Medicare, Social Security, SSI and other vital programs for people with disabilities.

Finally, more needs to be done to address long term services and supports (LTSS) outside of the Medicaid program so that people do not have to become impoverished in order to receive the only available long term services and supports through Medicaid. With the repeal of the CLASS program (originally enacted as part of the Affordable Care Act to provide premium-based LTSS insurance to working people), the nation has taken a step backward in meeting this need. The recently appointed Long Term Care Commission has an opportunity to study alternatives and propose recommendations to address this crucial issue.

Recommendations

- Congress should protect our lifeline!
- Congress should protect the individual entitlement to Medicaid and Medicare.
- Congress should allow people who are dually eligible for Medicare and Medicaid to choose whether or not to go into managed care.
- Congress should reject reductions or caps to the Medicaid program.
- Congress should ensure that spending cuts and raising Medicare cost-sharing do not have a disproportionate impact on low income people with disabilities.
- Congress should provide at least level funding of \$165 million for HUD's Section 811 program in FY 2014.
- Congress should provide full funding for the Housing Choice Voucher program in FY 2014 to ensure that all Housing Choice Vouchers can be renewed and that no tenants are displaced.

Relevant Committees

House & Senate Appropriations Committees

House and Senate Budget Committees

House Ways and Means Committee

House Energy and Commerce Committee

House Financial Services Committee

Senate Finance Committee

Senate Banking Committee

For more information, please contact The Arc at (202) 783-2229, United Cerebral Palsy at (202)776-0406, Association of University Centers on Disability at (301) 588-8252, American Association on Intellectual and Developmental Disabilities at (202) 387-1968, National Association of Councils on Developmental Disabilities at (202) 506-5813, or Self-Advocates Becoming Empowered at SABEnation@gmail.com.

4/1/13