## **BACKGROUND**

- The Trump Administration's Fiscal Year 2019 budget, which was released on February 12, 2018, <u>proposes to repeal</u> the Affordable Care Act (ACA) and to replace it with the Graham-Cassidy-Heller-Johnson bill.
- The <u>Graham-Cassidy-Heller-Johnson bill</u> would end the ACA's marketplace premium and cost sharing subsidies and Medicaid expansion and replace them with a Market-based Health Care Block Grant Program for states to determine how to provide health care to its residents.
- The Graham-Cassidy-Heller-Johnson bill would also end Medicaid-as-we-know it
  by removing the federal matching guarantee to states and replacing it with either a
  capped federal payment based on the number of Medicaid enrollees in the state
  or a set amount through a block grant option.
- The <u>Congressional Budget Office (CBO)</u> concluded that the <u>Medicaid per capita</u> cap proposal endorsed in the President's FY 2019 budget "would result in less total reimbursement than would occur under current law." To make up for the Medicaid funding shortfall caused by a capped federal payment, CBO said states would have to commit more state resources or reduce spending by:
  - Cutting payments to health care providers and health plans,
  - Eliminating <u>optional services</u> (such as home and community-based services),
  - Restricting eligibility for enrollment through work requirements and other changes, or
  - Finding more efficient methods for delivering services.
- Easterseals does not support proposals like the Graham-Cassidy-Heller-Johnson bill that would cut and cap funding for essential community services and long-term supports that children and adults with disabilities rely on for their health and independence.
- Based on a 2018 Easterseals network-wide survey, future Medicaid funding or reimbursement cuts would force Easterseals affiliates to lay off staff, reduce staff hours and compensation, and shut down program locations or entire service lines—all of which would make it more difficult for children and adults with disabilities to access local services.