

Amendment to the Chairman’s Mark

Offered by Representatives Pascrell, Van Hollen, Yarmuth, McDermott, Lee, Pocan, Lujan Grisham, and Dingell

**Protect Medicaid for Children, Seniors, and People with Disabilities**

1. Increase mandatory budget authority and outlays for Function 550 by the following amounts in billions of dollars to reject the resolution’s cuts to the Medicaid program, thus ensuring that children, seniors, and people with disabilities do not lose access to critical health care and long-term care services.

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
BA	7	67	82	88	97	109	121	135	151	169
Outlays	7	67	82	88	97	109	121	135	151	169

2. Adjust the aggregate levels of revenue by amounts equal to the foregoing outlay changes in paragraph 1, reflecting the reduction of tax expenditures for the top one percent of income earners, or unjustified corporate tax breaks, including loopholes that allow inversions and encourage firms to ship jobs and capital overseas and shelter their profits in foreign tax havens, the “carried interest” loophole that allows hedge fund managers to disguise their compensation as capital gains, tax subsidies for the major integrated oil companies, or corporate deductions for CEO bonuses and other excessive executive compensation exceeding \$1 million per year.
3. Make all necessary and conforming changes to the Chairman’s mark.
4. Amend the committee report to reflect the following policy assumptions:

The resolution rejects policies favoring tax cuts for the wealthiest members of our society at the expense of protecting the health care safety net provided by Medicaid. Currently, Medicaid provides coverage to about 70 million Americans including children, seniors, and people with disabilities. More than one in three children in the U.S. receives health care through Medicaid. Since the passage of the Affordable Care Act, 31 states and the District of Columbia have taken up the option to expand Medicaid eligibility to low-income adults.

Medicaid is a vital source of coverage for seniors and people with disabilities. Seniors and people with disabilities made up one-quarter of Medicaid beneficiaries in 2014 and accounted for 60 percent of all spending. Medicaid is the primary payer for long-term services in the U.S., covering the costs of nursing home and home and community-based care for beneficiaries who are elderly, chronically ill, and disabled.

The resolution rejects any policy – including converting Medicaid into a block grant or imposing a federal cap on Medicaid funding – that would sever the connection between Medicaid funding and the actual costs of necessary services used by beneficiaries. Such policies do not represent reform because they would do nothing to reduce health costs. Rather, such policies would inevitably lead to a dramatic cut in health care support for people who depend on the Medicaid, imposing serious financial hardship on them and their families. Seniors and people with disabilities would be at particular risk of hardship as they account for 60 percent of Medicaid spending, and would therefore be a likely focus of service cuts to comply with a capped funding level.

The resolution accommodates this necessary level of Medicaid funding by reducing tax expenditures for the top one percent of income earners, or by reducing unjustified corporate tax breaks, including loopholes that allow inversions and encourage firms to ship jobs and capital overseas and shelter their profits in foreign tax havens, the “carried interest” loophole that allows hedge fund managers to disguise their compensation as capital gains, tax subsidies for the major integrated oil companies, or corporate deductions for CEO bonuses and other excessive executive compensation exceeding \$1 million per year.