AMDT #5

Amendment to the Chairman's Mark

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

Protect Medicaid for Children, Seniors and Persons 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 Medicaid, thus ensuring that vulnerable children, seniors, and people with disabilities do not lose access to critical health care and long-term care services.

	2016	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*	*2025*
BA	0	45	66	76	87	97	113	129	140	161
Outlays	0	45	66	76	87	97	113	129	140	161

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 of unjustified corporate tax breaks, including tax subsidies for the major integrated oil companies, special depreciation for corporate jets, loopholes that 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, 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 access to critical health care and long-term care services for the 69 million Americans who rely on the health care safety net provided by Medicaid, including children from working families, young adults with mental health needs, senior citizens, and disabled individuals.

   Medicaid improves health, access to health services, and financial security. Medicaid coverage lowers infant, child, and adult mortality rates and increases the use of critical preventive services, such as prenatal care. Medicaid coverage also virtually eliminates catastrophic out-of-pocket medical expenditures, providing much-needed financial security and peace of mind.

Medicaid is particularly vital to seniors and persons with disabilities. Seniors and persons with disabilities make up almost one-quarter of the Medicaid population. Medicaid is the largest payer for long-term care services in the United States, which most Americans will need at some point in their lives. Medicaid pays for nearly half of all long-term care, including nursing home care and home- and community-based supports that seniors may choose as an alternative to expensive institutional care. Sixty percent of people living in nursing homes depend on Medicaid to help pay their bill.

The resolution further 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 working families, seniors, and persons with disabilities. Such policies do not represent reform, because they 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 Medicaid, imposing serious financial hardship on them and their families. It has been estimated that up to a third of Medicaid beneficiaries would lose their benefits under this type of plan. Seniors and persons with disabilities would be at particular risk of hardship under such proposals because they account for two-thirds 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 tax subsidies for the major integrated oil companies, special depreciation for corporate jets, loopholes that 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, or corporate deductions for CEO bonuses and other excessive executive compensation exceeding $1 million per year.