

Amendment to the Chairman's Mark

Offered by Representatives Pascrell, Van Hollen, Yarmuth, Ryan (OH), Moore, Castor, McDermott, Pocan, Lujan Grisham, Cárdenas, and Doggett

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

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------|------|------|------|------|------|------|------|------|------|------|
| BA | | 31 | 47 | 62 | 71 | 80 | 93 | 106 | 118 | 124 |
| Outlays | | 31 | 47 | 62 | 71 | 80 | 93 | 106 | 118 | 124 |

2. At the end of Title III, add the following:

“Sense of the House on Protecting the Expansion of Medicaid under the Affordable Care Act

(a) The House finds that---

- (1) The Affordable Care Act expands Medicaid eligibility to include people who have incomes up to 138 percent of the federal poverty level, and 51 percent of today's uninsured have incomes below this limit; millions of Americans have already gained health insurance under this provision,
- (2) The expansion of Medicaid under the Affordable Care Act has vast benefits, including improving health, reducing mortality and strengthening state economies,
- (3) State decisions to reject the Medicaid expansion are leaving millions of Americans who make too little to qualify for Advanced Premium Tax Credits in the Exchanges without health insurance coverage options, including nearly four million Americans with mental illness,
- (4) The majority of states have already decided to expand their Medicaid programs.

(b) It is the sense of the House that the Medicaid expansion under the Affordable Care Act must be maintained.

3. Adjust the aggregate levels of revenue by amounts equal to the foregoing outlay changes in paragraph 1, reflecting the reduction or elimination of: 1) tax subsidies for the major integrated oil companies; 2) egregious tax breaks such as special depreciation for corporate jets; 3) loopholes in our international corporate tax system that encourage firms to ship jobs and capital overseas and shelter their profits in foreign tax havens, resulting in fewer American jobs to support the middle class; 4) tax breaks for those with adjusted gross incomes above \$1 million annually; or adoption of 5) selected business tax reform proposals from Title III of the Tax Reform Act of 2014 such as repealing the existing exemptions to the \$1 million limit on compensation for CEOs and other specified corporate employees that a publicly traded corporation can deduct as a business expense.
4. Make all necessary and conforming changes to the Chairman's mark.
5. 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 60 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. One in five Medicare beneficiaries depends on Medicaid for help paying for health care. 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 rejects any policy that would cut long-term care benefits for seniors and persons with disabilities, and it affirms that state governments should not reduce long-term care for seniors or the disabled as a way to control Medicaid spending. 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 a proposal, 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 health care funding to protect critical health services by reducing or eliminating some of the following: tax subsidies for the major integrated oil companies; egregious tax breaks such as special depreciation for corporate jets; loopholes in our international corporate tax system that encourage firms to ship jobs and capital overseas and shelter their profits in foreign tax havens; tax breaks for those with adjusted gross incomes above \$1 million annually; or adopting selected business tax reform proposals from the Tax Reform Act of 2014 such as repealing the existing exemptions to the \$1 million limit on compensation for CEOs and other specified corporate employees that a publicly traded corporation can deduct as a business expense.

The resolution also rejects the Chairman's mark where it had repealed the Affordable Care Act's expansion of Medicaid, and expresses the sense of the House that the Medicaid expansion under the Affordable Care Act must be maintained. Expanding Medicaid reduces the incidence of depression, ensures that more women are able to receive important preventive services, such as cancer screenings, and decreases mortality rates. Studies have estimated that the number of deaths attributable to the lack of Medicaid expansion in opt-out states is between 7,115 and 17,104 per year.

Expanding Medicaid is also good for state budgets. The Medicaid expansion is already driving up personal incomes and state and local governments will also realize health savings in reductions on spending for the uninsured. This resolution assumes that obstructionist Republican Governors will realize the health and fiscal benefits of expanding their Medicaid programs and that the federal government will maintain its commitment to states and Medicaid beneficiaries newly eligible under the expansion by continuing to fund the vast majority of Medicaid expansion costs, as promised in the Affordable Care Act.