March 6, 2017

The Honorable Tom Emmer
Congressman
United States House of Representatives
315 Cannon House Office Building
Washington, DC 20003

The Honorable Jason Lewis
Congressman
United States House of Representatives
418 Cannon House Office Building
Washington, DC 20515-2303

The Honorable Erik Paulsen
Congressman
United States House of Representatives
127 Cannon House Office Building
Washington, DC 20515-2303

Re: proposed Medicaid reductions

Dear Congressman Emmer, Congressman Lewis and Congressman Paulsen,

Minnesota has been a leader in providing access to care and containing costs, and now stands vulnerable to disproportionate cuts again, as happened when we trimmed our Medicare costs earlier than the rest of the country. A move to a per capita cap or block grant program will be workable if the reduction is modest, manageable and accompanied by extreme flexibility. Too deep of a cut is unmanageable in any instance.

Innovation is occurring in Minnesota within the current financing and waiver structure. We are moving people with disabilities into greater independence. Massive Medicaid reductions could punish Minnesota for being such a strong leader in greater efficiencies and better outcomes. It would devastate already lean areas of service we have been working to make more efficient for many years.

As Republican leaders in the legislative majority in Minnesota, we are responsible for designing a state Health and Human Services (HHS) budget that meets the needs of our great state. There has been talk of potential drastic reductions to our Medicaid funding as part of full or partial repeal of the ACA and proposed block grants or per capita cuts.

Just to emphasize what you already know, Medicaid includes services and care for the seniors and those with disabilities, not just health care for the poor. Additionally, nearly 50% of all Medicaid enrollees are children. Given some of the frightening numbers coming out of Washington, we are concerned that there is no practical way to accommodate such massive reductions and still provide the kind of care these vulnerable people require.

Any drastic reductions to Medicaid funding would decimate our state Health and Human Services and put incredible pressure on our overall state budget. There are no other sources to make up the lost federal
share beyond severely impacting the seniors and those with disabilities who we serve. This is contrary to how Republicans respect the aged and the vulnerable.

Deep reductions would also put a major strain on the state’s ability to support our county-based infrastructure. Counties already pay very significant shares of human services costs, including child protection, waiver management, chemical dependency, mental health, and state facility stays, and have no capacity to absorb any significant additional cost.

Counties would be forced to raise local property taxes drastically or close services.

Healthcare is a major employer in rural Minnesota. Reductions in already-too-low reimbursement rates would not only limit access but would also reduce pay and services, hugely impacting rural economies and the rapidly growing aging population in Greater Minnesota.

Please remind our good leaders in Washington that simply cutting the budget is not going to take away our responsibilities to the aged, those with disabilities and mental health needs, children, and the poor.

You can make a difference in this debate. Please, please do.

Respectfully,

[Signatures]

Senator Jim Abeler
Chair, Human Services Reform Finance and Policy

Senator Julie Rosen
Chair, Finance

Senator Michelle Benson
Deputy Majority Leader
Chair, Health and Human Services Finance and Policy

Senator Paul Hute
Vice Chair Human Services Reform Finance and Policy

Senator Scott Jensen
Vice-Chair, Health and Human Services Finance and Policy

Senator Carla Nelson
Chair, E-12 Finance

Senator Jerry Relph
Vice Chair, Aging and Long-Term Care