



Eastern Regional Conference

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Senator Terry Gerratana
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Representative Kevin Ryan
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The Honorable Mitch McConnell
Leader, U.S. Senate
Washington, DC 20510

The Honorable Paul Ryan
Speaker, U.S. House of Representatives
Washington, DC 20515

The Honorable Chuck Schumer
Democratic Leader, U.S. Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Democratic Leader, U.S. House of
Representatives
Washington, DC 20510

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Ryan, and
Minority Leader Pelosi:

As Co-Chairs of the Council of State Governments' Eastern Regional Conference (CSG/ERC) we are writing to affirm our commitment as expressed in a CSG/ERC resolution passed in December 2016 to urge your support of continuing the successful Medicaid State/Federal partnership. As state legislators, we share your commitment to serving the best interests of constituents and careful stewardship of public funds. CSG/ERC is comprised of state policymaker members from eleven Northeastern states from Maine to Maryland as well as the U.S. Virgin Islands, Puerto Rico and five eastern Canadian provincesⁱ.

For over fifty years, Medicaid has been a beacon of effective state and federal collaboration. The program delivers critical preventive and acute care services to one in five residents of our region. Medicaid serves the needs of the most fragile Americans, provides financial security for families, and is a cornerstone of state health systems and economies.

States are full partners in the Medicaid program, devoting 29% of budgets on average to the programⁱⁱ. Within a broad federal framework, states design and test innovative models that work for their unique circumstances. In partnership with federal policymakers, states have succeeded in controlling Medicaid costs, covering more for less. Continuing past trends, last year per member costs of private insurance increased over four times faster than Medicaidⁱⁱⁱ. Those savings benefit the budgets of both states and the federal government.

- In response to the opioid epidemic, state Medicaid programs have implemented and expanded pharmacy management strategies targeting opioids^{iv}. Medicaid is the largest source of behavioral health care, covering 23% of Americans with substance use disorders^v.

- Last year, Medicaid was a critical support for families and households affected by the water crisis in Flint, Michigan limiting long-term harm to children and pregnant women^{vi}.
- After Hurricane Katrina, Medicaid registered over 1.7 million people providing immediate health care in states both hit by the storm and those sheltering evacuees.
- Medicaid lowers the uncompensated care burden on the rest of the system^{vii} lowering the cost of care for everyone.
- Despite generally paying providers less, quality performance in Medicaid rivals private coverage.

State Medicaid programs are leading health innovation across the nation benefitting all payers. CSG/ERC region states are national leaders in integrating mental health and substance use disorder treatment with medical care, linking effective care and cost reduction for high-cost/high-need patients, engaging all payers to enhance the value of scarce health care resources, and testing new payment and delivery models to identify best practices for the entire health system. Medicaid programs led the nation in development of patient-centered medical homes, one of the most successful tools proven to improve health outcomes while lowering costs. States are making good use of Medicaid health home options to expand on that success^{viii}.

Medicaid is working effectively to serve low-income Americans' health needs, fostering innovations that build value for the entire health system, and maximizing scarce government resources. States are in the best position to design Medicaid programs that will work in our unique environments and a strong federal partnership is key to supporting and guiding that work. Any reductions in the federal share of Medicaid funding would be devastating to states' ability to protect the health of our region. We urge you to preserve the vital Medicaid partnership with states and help us build on our successes.

Sincerely,



Senator Terry Gerratana, CT
Co-Chair, CSG | ERC 2017
Chair, ERC Health Policy Committee



Dep. Spkr. Kevin Ryan, CT
Co-Chair, CSG | ERC 2017

ⁱ www.csg-erc.org

ⁱⁱ Fall 2016 Fiscal Survey of States, NASBO

ⁱⁱⁱ S. Kehan, et. al., National Health Expenditure Projections 2016-2025, Health Affairs, 2/15/17

^{iv} V Smith et. al., Implementing Coverage and Payment Initiatives: Results from a 50-state Medicaid Budget Survey for State Fiscal Years 2016 and 2017, Kaiser Family Foundation, October 13, 2016

^v Network for Public Health Law, March 2, 2017; Medicaid: States Most Powerful Tool to Combat the Opioid Crisis, RWJ, July 2016

^{vi} Health Care Coverage for People Impacted by Flint Water, Michigan Department of Human Services, accessed March 21, 2017

^{vii} Support for Medicaid Expansion Under the ACA: Updated Findings from a Literature Review, RWJ, February 2017

^{viii} V Smith et. al., Implementing Coverage and Payment Initiatives: Results from a 50-state Medicaid Budget Survey for State Fiscal Years 2016 and 2017, Kaiser Family Foundation, October 13, 2016