



August 21, 2012

President Barack Obama
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Re: The Affordable Care Act's Medicaid Expansion

Dear Mr. President:

On behalf of The Leadership Conference on Civil and Human Rights and as organizations profoundly interested in the success of the Affordable Care Act (ACA), the undersigned are writing to express our thoughts following the Supreme Court's decision upholding the constitutionality of the ACA. The Leadership Conference is a coalition charged by its diverse membership of more than 200 national organizations to promote and protect the civil and human rights of all persons in the United States. The Leadership Conference's Health Care Task Force is committed to eliminating health disparities and ensuring that all people in the United States can access quality, affordable health care, without discrimination.

We urge the administration to continue on its path of full implementation of all provisions in the ACA, in particular full implementation of the Medicaid expansion in 50 states and the District of Columbia. The Medicaid expansion is the foundation upon which the ACA's coverage expansion builds and is critical to reducing healthcare disparities experienced by people of color; women; lesbian, gay, bisexual and transgender (LGBT) individuals; individuals who are limited English proficient; and individuals with disabilities. We recognize the administration's deep commitment to ensuring that the expansion moves forward and seek to work with you to ensure complete take-up across all states.

Without full implementation of the Medicaid expansion, the Congressional Budget Office estimates that three million eligible individuals will not receive Medicaid coverage. Yet the Medicaid expansion is essential to addressing health disparities that plague many low-income and underserved communities. For example, according to the Joint Center for Political and Economic Studies, between 2003 and 2006, more than \$200 billion could have been saved in direct medical care expenditures if racial and ethnic health disparities did not exist.

The Medicaid expansion directly benefits many of the low-income and underserved populations that The Leadership Conference's member organizations represent:

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- Hispanics and African Americans make up significant percentages of current Medicaid enrollees as well as those who become eligible in 2014. Medicaid currently covers 45 percent of poor Hispanic Americans and 49 percent of poor African Americans. And Medicaid covers nearly half of all Hispanic children in the United States (and 63 percent of low-income Hispanic children) and half of all African-American children (and nearly 64 percent of low-income black children). Further, 11 percent of Asian Americans and 14 percent of Native Hawaiians and Pacific Islanders receive medical services through the Medicaid program, including 59 percent of the Pacific Islander women population in the U.S. Half of the 32 million individuals who will come into the health care system will do so through Medicaid, and three out of four of those individuals are people of color.
- For the LGBT community, unemployment and poverty are higher than for the general U.S. population, particularly among LGBT communities of color (an estimated 14 percent of LGBT individuals earn less than \$10,000 per year, compared to six percent of the general population). As a result, and since Medicaid traditionally does not cover childless adults, a significant proportion of LGBT adults would likely benefit from the Medicaid expansion.
- Women comprise more than two-thirds of adults who currently hold Medicaid coverage. With full implementation of the Medicaid expansion, approximately 10.5 million additional low-income women would have access to comprehensive health coverage. Access to comprehensive health care is particularly important for low-income women who are more likely to report poor health than their higher-income peers and who are more likely to suffer from multiple chronic conditions. In addition, the Medicaid expansion ensures that these women will have access to comprehensive pre-conception, maternity and family planning services.
- The Medicaid expansion also assists individuals with disabilities. States have the option to open Medicaid eligibility to all individuals and families with income up to 138 percent of the federal poverty level. In 2010, as many as 3.5 million adults with disabilities living in the community have household incomes between 100 and 133 percent of poverty, and therefore may qualify for Medicaid under the expansion.

Given the positive impact of Medicaid and its expansion on low-income and underserved communities, we greatly appreciate the HHS Secretary's July 10 letter. The letter clearly confirmed that the Court's ruling did not affect any aspect of the ACA or Medicaid except for HHS' ability to apply the penalty in 42 U.S.C. sec 1396(c) by withholding existing Medicaid funds if a state rejects the expansion. We greatly appreciate the guidance the Secretary's letter provides, particularly the clear statement that "the Court's decision did not affect other provisions of the law."

As the administration moves forward, we believe it could best support state implementation of the Medicaid expansion by taking a strong position in the following areas:

- *Strong support for Medicaid during the budget negotiation process.* Some governors are questioning how much states can rely on the enhanced federal match, or FMAP, for the expansion population. They are concerned that, given federal budget pressures, the rate set out in the law will erode. Governors point to past proposals, including some from this administration related to a single, blended FMAP and curbing states' use of provider taxes as a Medicaid funding mechanism, as a basis for their concerns. Budget proposals that would have the effect of shifting Medicaid costs to the states or diminish the expansion of FMAP in any way will undermine full adoption of the expansion. During upcoming budget negotiations, we urge the administration to send a clear message to the states that it is committed to avoiding any budget proposals that would have the effect of diminishing federal matching funds including (but not limited to) proposals related to a blended rate or changes in the use of provider taxes, as well as the federal match rate outlined in ACA section 2001(a)(3)(B).
- *The Medicaid coverage for adults is a single coverage category and cannot be adopted in part or phased in.* We also urge the administration to confirm that only full expansions will receive enhanced federal match. The law extended Medicaid for all individuals up to 138 percent of the federal poverty line at an enhanced federal matching rate. Under longstanding Medicaid law, states cannot simply pick and choose which eligible individuals they feel like covering when Congress clearly has said that everyone within a category must be covered. The new Medicaid coverage is not simply another Medicaid option with a substantially higher match and should not be treated as such. It is a distinct coverage group that is indivisible. Nothing in the Court's opinion changes that. To allow partial expansions would erode the broad-based coverage for low-income people that the expansion was designed to provide. Furthermore, allowing states to adopt the expansion at different, lower levels would be contrary to the ACA's goal of ensuring that all individuals have access to affordable health insurance and could shift costs to the federal government, contrary to Congressional intent.

Full implementation of the Medicaid expansion is critical to the ultimate success of the ACA and its ability to reduce health disparities. If states fail to adopt the expansion, we cannot achieve the goal of true access to affordable health care for low-income and underserved populations who have historically been left behind and without access to care.

We thank you and the Secretary for your leadership on this issue and look forward to working with you as we move closer towards full implementation of the ACA, including the Medicaid expansion. If you have any questions about this letter, please contact Leadership Conference Health Care Task Force Co-chairs Kirsten Sloan at the National Partnership for Women & Families (ksloan@nationalpartnership.org) and Mara Youdelman at the National Health Law Program (yodelman@healthlaw.org), or Leadership Conference Managing Policy Director Corrine Yu (yu@civilrights.org).

Sincerely,

9to5, National Association of Working Women
Alliance for a Just Society
American Association of University Women (AAUW)
Asian American Justice Center, member of Asian American Center for Advancing Justice
AIDS United
American Federation of State, County and Municipal Employees (AFSCME)
American Federation of Teachers
Asian & Pacific Islander American Health Forum
Asian Pacific American Labor Alliance, AFL-CIO
Asian Pacific Community Health Organizations (AAPCHO)
Bazelon Center for Mental Health Law
Center for Community Change
Community Action Partnership
Community Catalyst
Congressional Black Caucus Foundation, Inc.
Courage Campaign
Disability Rights Education & Defense Fund
Families USA
Gay & Lesbian Advocates & Defenders
Gay and Lesbian Medical Association
Health Care for America Now
Healthy Kinder
Human Rights Campaign
The Leadership Conference on Civil and Human Rights
League of United Latin American Citizens
MALDEF
NAACP
National Advocacy Center of the Sisters of the Good Shepherd
National Association of Councils on Developmental Disabilities
National Association of Human Rights Workers (NAHRW)
National Association of Social Workers
National Black Justice Coalition
National Coalition for Asian Pacific American Community Development
The National Coalition for LGBT Health
National Center for Transgender Equality
National Council of Jewish Women
National Council of La Raza
National Disability Rights Network
National Education Association
National Gay & Lesbian Task Force
National Health Law Program
National Hispanic Medical Association
National Immigration Law Center

National Law Center on Homelessness & Poverty
National Low Income Housing Coalition
National Minority AIDS Council
National Organization for Women
National Partnership for Women & Families
National Senior Citizens Law Center
National Urban League
National Women's Law Center
Raising Women's Voices for the Health Care We Need
RESULTS
Senior Moments
SEIU
Southeast Asia Resource Action Center
Summit Health Institute for Research and Education, Inc.
Transgender Law Center
The Trevor Project
UAW, International United Automobile, Aerospace and Agricultural Implement Workers of America
Union for Reform Judaism
USAction
Voices for America's Children

CC: The Honorable Kathleen Sebelius, Secretary of the Department of Health and Human Services
Jack Lew, Chief of Staff
Valerie Jarrett, Senior Advisor to the President
Nancy-Ann DeParle, Assistant to the President and Deputy Chief of Staff
Mark Childress, Deputy Chief of Staff
Jeffrey Zients, Acting Director, Office of Management and Budget
Gene Sperling, Director of the National Economic Council
Jon Carson, Director of the Office of Public Engagement
Jeanne Lambrew, Deputy Assistant to the President for Health Policy
Keith Fontenot, Associate Director, Health Program, OMB
Cindy Mann, Director, Center for Medicaid and CHIP Services, CMS