May 18, 2023

The Honorable Charles Schumer Majority Leader United States Senate Washington, D.C. 20510

The Honorable Kevin McCarthy Speaker United States House of Representatives Washington, D.C. 20515 The Honorable Mitch McConnell Minority Leader United States Senate Washington, D.C. 20510

The Honorable Hakeem Jeffries Minority Leader United States House of Representatives Washington, D.C. 20515

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker McCarthy, and Minority Leader Jeffries,

The undersigned organizations urge you to exclude Medicaid work reporting requirements from ongoing debt ceiling and federal budget negotiations. Medicaid provides security and stability to millions of beneficiaries who rely on the program for health care coverage. Cuts or restrictions that would reduce or eliminate coverage of health care services would impose untenable financial burdens on beneficiaries and states. As states are conducting Medicaid redeterminations for the first time since early 2020, implementing work reporting requirements would overwhelm their already burdened workforce. It is the view of the undersigned organizations that requiring reporting of work for Medicaid - as well as funding cuts or the expansion of existing work requirements for other key benefits for people with low incomes such as SNAP and TANF - will harm the people these programs are designed to help.

Medicaid work reporting requirements have proven to be an ineffective tool to increase employment. The brief experience of Medicaid work reporting requirements in Arkansas caused a drastic decrease in health care coverage, with no significant change in employment. Further, a 2022 analysis from the Congressional Budget Office (CBO) predicted that a national Medicaid work reporting requirement on able-bodied beneficiaries without dependents would cause 2.2 million individuals to lose Medicaid, with only a slight increase in employment, plus the CBO suggests the Limit Save Grow Act would lead to loss of federal Medicaid funding for 1.5 million individuals with negligible impact on employment.

Having stable Medicaid coverage has been found to help individuals seek and maintain employment, according to a <u>survey of people on Medicaid in Michigan</u>. In fact, <u>most Medicaid beneficiaries are already working</u> and rely on their Medicaid coverage for access to essential health care. In Arkansas, a quarter of those who were subject to the requirement lost coverage not because they were unemployed, but because they failed to comply with the new, burdensome administrative requirements.

We are grateful for the remarkable steps that Congress has taken over the last several years and especially in late 2022 to improve Medicaid for the millions of families it serves. The undersigned organizations believe that the Consolidated Appropriations Act, 2023 (CAA) - which ensures that 44 million children on Medicaid and CHIP will no longer experience dangerous gaps in coverage and care, that postpartum individuals across the nation have access to a full year of Medicaid and CHIP coverage, and that juvenile

inmates have access to key Medicaid services before transitioning out of institutions - represents a significant and equitable step forward for our health care system. We urge Congress not to retreat from these gains.

Thank you for your consideration and we look forward to working with you on this important issue.

Sincerely,

American Academy of Pediatrics Association for Community Affiliated Plans Community Catalyst Families USA First Focus Campaign for Children National Alliance on Mental Illness