Catholic Charities USA

Office of Domestic Social Development

THE CATHOLIC HEALTH ASSOCIATION OF THE UNITED STATES

July 27, 2005

House Energy and Commerce Committee Members
United States House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of the United States Conference of Catholic Bishops, Catholic Charities USA, and the Catholic Health Association of the United States, we are writing to you about the budget reconciliation instructions to cut $14 billion over five years from programs within your jurisdiction. While we understand that you face a difficult task, we are deeply concerned that Medicaid cuts of that magnitude could unfairly jeopardize the health care of millions of vulnerable American children, seniors, and people with disabilities. We urge you to make no Medicaid program changes that could cause anyone who relies on Medicaid for his or her health care to lose coverage or lose access to vital services.

As organizations united by faith and committed to the principles of Catholic social justice teaching, we recognize and affirm the sanctity of human life from conception to natural death and the inherent dignity of every human being. We consider access to adequate health care to be a basic human right, necessary for the development and maintenance of life in accord with the dignity of human beings. A just society is one that protects and promotes the fundamental rights of its members – with special attention to meeting the basic needs, including the need for safe and affordable health care, of the poor and underserved. The Catholic community, the largest nongovernmental provider of health and human services to low-income families, is committed to providing services, including health care, to those who need it most. We also look to the federal government to continue to play its role in guaranteeing health care for the poor through Medicaid.

No sick person on Medicaid should be denied health care because of inability to afford co-pays or premiums. It is essential to maintain Medicaid's guarantee of health care for the most vulnerable among us, including low income children, pregnant women, the elderly, and people with disabilities.

One of the proposals being discussed would allow states to increase Medicaid beneficiary premiums, co-pays and deductibles. We are concerned that this could result in people losing access to needed health care. Studies by organizations such as the Urban Institute, RAND, and the Kaiser Family Foundation confirm that premiums and co-pays charged to low-income people can reduce Medicaid enrollment and the use of medical services, and can increase the numbers of uninsured and underinsured people – and decrease the health status of low-income families.

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We have also seen first-hand the negative results increased cost-sharing requirements can have on low-income people, for example, when Catholic Charities clients could not afford doctor-prescribed medicines or services because of higher co-pays, or when our hospitals in Oregon saw an increase in the number of uninsured people visiting emergency rooms after that state increased its Medicaid cost-sharing.

Another proposal would allow states wide latitude to choose which medical services it will offer to different groups of low-income people. But it is important to maintain a federal standard of core benefits, necessary for the maintenance of good health, to which all Medicaid beneficiaries are entitled.

Finally, the American community has long been committed to meeting the basic health care and long-term service needs of low-income Americans through a system of shared federal and state financial responsibility. We believe the structure of this shared responsibility should continue, without arbitrary limits on federal participation.

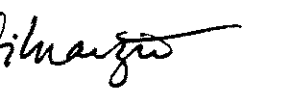
In addition to the negative impacts Medicaid program changes such as these could have on the health of beneficiaries, we fear that dramatic cuts to Medicaid could severely threaten the ability of many Catholic and other non-profit hospitals, mental health and substance abuse treatment programs, clinics, and long-term care facilities to serve their communities. When these facilities continue to serve the uninsured poor who have lost access to Medicaid, the result is an increase in the amount of uncompensated care borne by providers, further burdening an already fragile health care safety net.

No program is without flaws and we are willing to work with you to identify ways to strengthen and improve Medicaid for the 53 million vulnerable children, seniors, working families and people with disabilities who rely on the program for their health care needs. But all proposals for reform must be measured by a commitment to ensure health care for the poor and vulnerable.

You have our prayerful support at this important time.

Sincerely,

Most Reverend Nicholas DiMarzio, Ph.D., D.D
Bishop of Brooklyn
Chairman, Domestic Policy Committee
United States Conference of Catholic Bishops



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