

Calendar No. 283

109TH CONGRESS
1ST SESSION

S. 1969

To express the sense of the Senate regarding Medicaid reconciliation legislation to be reported by a conference committee during the 109th Congress.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 7, 2005

Mr. BAUCUS introduced the following bill; which was read the first time

NOVEMBER 8, 2005

Read the second time and placed on the calendar

A BILL

To express the sense of the Senate regarding Medicaid reconciliation legislation to be reported by a conference committee during the 109th Congress.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. TO EXPRESS THE SENSE OF THE SENATE RE-**
2 **GARDING MEDICAID RECONCILIATION LEGIS-**
3 **LATION TO BE REPORTED BY A CONFERENCE**
4 **COMMITTEE.**

5 (a) FINDINGS.—The Senate makes the following
6 findings:

7 (1) The Medicaid program provides essential
8 health care and long-term care services to more than
9 50,000,000 low-income children, pregnant women,
10 parents, individuals with disabilities, and senior citi-
11 zens. It is a Federal guarantee that ensures that the
12 most vulnerable will have access to needed medical
13 services.

14 (2) The Medicaid program provides critical ac-
15 cess to long-term care and other services for the el-
16 derly and individuals living with disabilities, and is
17 the single largest provider of long-term care services.
18 The Medicaid program also pays for personal care
19 and other supportive services that are typically not
20 provided by private health insurance or under the
21 Medicare program, but are necessary to enable indi-
22 viduals with spinal cord injuries, developmental dis-
23 abilities, neurological degenerative diseases, serious
24 and persistent mental illnesses, HIV/AIDS, and
25 other chronic conditions to remain in the commu-
26 nity, to work, and to maintain independence.

1 (3) The Medicaid program supplements the
2 Medicare program for more than 6,000,000 low-in-
3 come elderly or disabled Medicare beneficiaries, as-
4 sisting those beneficiaries with their Medicare pre-
5 miums and co-insurance, wrap-around benefits, and
6 the costs of nursing home care that the Medicare
7 program does not cover. The Medicaid program
8 spent nearly \$40,000,000,000 in 2002 on services
9 not covered under the Medicare program.

10 (4) The Medicaid program provides health in-
11 surance for more than $\frac{1}{4}$ of America's children and
12 is the largest purchaser of maternity care, paying
13 for more than $\frac{1}{3}$ of all the births in the United
14 States each year. The Medicaid program also pro-
15 vides vital access to care for children with disabil-
16 ities, covering more than 70 percent of the poor chil-
17 dren with disabilities in the United States.

18 (5) Medicaid's benefits for children are com-
19 prehensive, including mandatory coverage for Early
20 and Periodic Screening Diagnosis and Treatment
21 benefits covering all medically necessary care. Med-
22 icaid ensures that children have the benefits, health
23 services and health care support they need to be
24 fully immunized and that children can secure eye-
25 glasses, dental care, and hearing aids when nec-

1 essary, and that children have access to comprehen-
2 sive, regularly scheduled, and as-needed health ex-
3 aminations, as well as preventive interventions, to
4 correct physical and mental conditions that threaten
5 to delay proper growth and development.

6 (6) More than 16,000,000 American women de-
7 pend on the Medicaid program for their health care.
8 Women comprise the majority of seniors (71 per-
9 cent) on Medicaid. Half of nonelderly women with
10 permanent mental or physical disabilities have health
11 care coverage under the Medicaid program. The
12 Medicaid program also provides critical access to
13 treatment for low-income women diagnosed with
14 breast or cervical cancer.

15 (7) The Medicaid program is the Nation's larg-
16 est source of payment for mental health services,
17 HIV/AIDS care, and care for children with special
18 needs. Much of this care is either not covered by pri-
19 vate insurance or is limited in scope or duration.
20 The Medicaid program is also a critical source of
21 funding for health care for children in foster care
22 and for health care services provided in schools.

23 (8) Funds under the Medicaid program help to
24 ensure access to care for all Americans. The Med-
25 icaid program is the single largest source of revenue

1 for the Nation's safety net hospitals, health centers,
2 and nursing homes, and is critical to the ability of
3 these providers to adequately serve all Americans.

4 (9) The Medicaid program serves a major role
5 in ensuring that the number of Americans without
6 health insurance, approximately 45,000,000 in 2003,
7 is not substantially higher. The system of Federal
8 matching for State Medicaid expenditures ensures
9 that Federal funds will grow as State spending in-
10 creases in response to unmet needs, enabling the
11 Medicaid program to help buffer the drop in private
12 coverage during recessions. More than 4,800,000
13 Americans lost employer-sponsored health care cov-
14 erage between 2000 and 2003, during which time
15 the Medicaid program enrolled an additional
16 8,400,000 Americans.

17 (10) Many individuals living below the Federal
18 poverty level are ineligible for Medicaid because of
19 stringent income eligibility rules. For parents, eligi-
20 bility levels are often very far below the Federal pov-
21 erty level. On average, a working parent in a family
22 of three would have to make less than \$224 per
23 week and a non-working parent in a family of three
24 would have to make less than \$150 per week to
25 qualify. Single individuals with disabilities would be

1 ineligible if they have more than \$147 per week in
2 income.

3 (11) Eligibility levels for pregnant women and
4 children are generally at or just above the Federal
5 poverty level, but a family with income just over
6 minimum wage can be disqualified for Medicaid. At
7 the minimum eligibility levels for pregnant women,
8 earning as little as \$8.80 per hour at a full-time job
9 could disqualify a pregnant woman from Medicaid
10 eligibility. A working parent in a family of three
11 earning less than \$8.40 per hour at a full-time job
12 could make their child 6 years-old or older ineligible
13 for Medicaid.

14 (12) Title III of the budget reconciliation bill of
15 the House of Representatives, as reported out by the
16 Committee on Energy and Commerce, would ad-
17 versely affect these low-income beneficiaries, many of
18 whom are children or have special health care needs,
19 by increasing beneficiary cost-sharing, limiting ac-
20 cess to benefits, and restricting eligibility for long-
21 term care services that the Medicaid program covers.
22 These new limits make up $\frac{2}{3}$ of the House of Rep-
23 resentative's projected Medicaid spending reductions,
24 accounting for \$30,100,000,000 of the total

1 \$45,300,000,000 in Medicaid reductions over 10
2 years.

3 (13) Making beneficiaries pay more for more
4 limited benefits under Medicaid may put a signifi-
5 cant financial burden on these very low-income indi-
6 viduals. Research also demonstrates that increasing
7 beneficiary cost-sharing can make prescription drugs
8 and other essential health services unaffordable for
9 beneficiaries, can cause the health of children and
10 adults to deteriorate, and can lead to higher emer-
11 gency room and hospital costs.

12 (14) By contrast, while S. 1932, as passed by
13 the Senate on November 3, 2005, includes substan-
14 tial cuts to the Medicaid program, it does not in-
15 clude direct limits on beneficiary access to Medicaid
16 services. Even so, enactment of S. 1932 would result
17 in a net Medicaid cut of \$14,200,000,000 over 10
18 years, less than $\frac{1}{3}$ of the projected Medicaid reduc-
19 tions contained in the House of Representative's
20 budget reconciliation bill.

21 (b) SENSE OF THE SENATE.—It is the sense of the
22 Senate that the conferees for any budget reconciliation bill
23 of the 109th Congress shall not report a reconciliation bill
24 that would—

1 (1) with respect to low-income children, preg-
2 nant women, disabled individuals, elderly individuals,
3 individuals with chronic illnesses like HIV/AIDS,
4 cancer, and diabetes, individuals with mental ill-
5 nesses, and other Medicaid beneficiaries—

6 (A) impair access to Medicaid services;

7 (B) undermine eligibility for such Medicaid
8 beneficiaries;

9 (C) make Medicaid services unavailable by
10 making them unaffordable to such Medicaid
11 beneficiaries; or

12 (D) cut health care services for such Med-
13 icaid beneficiaries; or

14 (2) undermine the Federal guarantee of health
15 insurance coverage that the Medicaid program pro-
16 vides, which would threaten not only the health care
17 safety net of the United States, but the entire health
18 care system of the United States.

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