

Medicaid's Importance for Persons Living with MS

Request

The National MS Society urges Congress to maintain funding for Medicaid and reject proposals that would have a negative impact on persons living with disabilities including people living with MS, such as block granting the program, putting in place spending caps that would severely cut Medicaid, and repealing the maintenance of effort requirement.

Background

Multiple sclerosis, an unpredictable, often disabling disease of the central nervous system, interrupts the flow of information within the brain, and between the brain and body. Symptoms range from numbness and tingling to blindness and paralysis. The progress, severity and specific symptoms of MS in any one person cannot yet be predicted, but advances in research and treatment are moving us closer to a world free of MS.

Medicaid is a critical lifeline for people living with MS and other disabilities. Medicaid provides health coverage to nearly 9 million individuals living with disabilities and to approximately 8 million low-income Medicare beneficiaries who depend on Medicaid to fill coverage gaps. Approximately 15% of all people on Medicaid are individuals with disabilities, but due to the chronic and complex nature of their conditions, they account for 42% of all Medicaid benefit expenditures. Because of this, any changes to the Medicaid program would likely disproportionately affect individuals living with disabilities.

The majority of people living with MS depend on private insurance and Medicare, but for the 5-10% who receive services through Medicaid, it is an essential safety net. Many of these individuals have spent the vast majority of their earnings and savings over a course of decades on management of their disease. For example, a "disease modifying therapy" to help manage MS and slow its progression can exceed \$30,000 per year or more than \$800 per month out of pocket. Many people living with MS take an additional four to six other medications to ease symptoms and help maintain a healthy life, as well as help pay for regular visits to a neurologist.

Medicaid provides benefits and services to individuals living with MS and other disabilities such as access to durable medical equipment including wheelchairs that are essential to their health and long-term well-being. The Medicaid program is also the primary public source of funding for long-term services and supports for people with disabilities of all ages. Personal care services, access to respite care and other home-and-community-based services allow individuals with MS to live and work in their communities and avoid costlier and premature admission to institutional facilities.



Recent proposals seek to block grant Medicaid, cap federal funding, and/or repeal the maintenance of effort provision. While proponents of these plans believe that they will lower costs, in reality they will merely shift costs to the states, providers, and individuals least able to afford them. Faced with less federal funding to administer their Medicaid programs, states would be forced to shoulder greater financial burden or restrict access to needed services and/or increase cost sharing. Persons living with disabilities would be at particular risk of having their eligibility cut back or enrollment capped because they are a relatively expensive population with complex needs—adding some of our most vulnerable to the ranks of the uninsured or underinsured. While essential to their well-being, many Medicaid services that persons with disabilities rely on are technically optional and would become prime targets in difficult budget circumstances. While the economic situation demands leadership and thoughtful action, Medicaid must remain a robust program for persons living with disabilities.

Supporting Rationale

- Capping federal funding for Medicaid by block granting the program would place incredible financial strain on states and may lead to states scaling back coverage for services essential to people with disabilities.
- If Medicaid became a block grant to states, over the coming decade, Medicaid funding for states would be 22.4 percent less than what is projected to be provided under current law (excluding the Medicaid expansion), with the reductions starting at 4.7 percent in 2013 and rising to 33 percent by 2021.
- The Congressional Budget Office estimates that the FY 2012 budget passed in the House would cut federal funding to states for Medicaid by 35% in 2022 and by 49% in 2030.
- For many individuals with disabilities on Medicaid, the most vital services are "optional" including prescription drug coverage, home- and community-based services, and rehabilitative services—making them likely targets should the program be block granted or capped.
- People living with disabilities would likely be disproportionately affected by capping or block-granting since they account for 42% of Medicaid benefit expenditures even though they make up only 15% of enrollees.
- Capping or block-granting also runs the risk of shifting costs to beneficiaries. Under current Medicaid law, states generally cannot charge premiums and can only charge modest co-payments. Capping or block-granting federal funding would likely lead to increased premiums and co-payments for patients who can least afford them.