2018 NASDDDS Annual Conference:
Outlook for Budget & Medicaid

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ELECTION RESULTS IMPLICATIONS

• Divided government more likely for years to come (less reconciliation)
• Divided government means little major legislation enacted over next two years
• Greatest threats to Medicaid/ACA gone for now
• 116th Congress largely “setting the table” for 2021
• New diverse group of members
• State results: New opportunities to expand Medicaid in 5 states
Divided Control of Congress: Looking ahead to 2021

- No budget resolution/reconciliation
- No health repeal/replace
- Possible opportunities:
  - Possible bipartisan openings? (ACA, infrastructure, etc.)
  - McConnell agenda for “20 in 2020”
  - House Dem Caucus priorities plus individual Member bills
  - Aggressive ACA/Medicaid oversight in the House
2019 Key Legislative “Must Do’s”

- Budget deal to avert a sequester (cuts in appropriations)
- Appropriations bills
- Debt ceiling
- Health extenders package
Non-Defense Discretionary Funding Falls After 2019 Under Budget Control Caps

In billions of 2018 dollars

- Caps with full sequestration
- Budget agreement increase

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<thead>
<tr>
<th>Year</th>
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<tr>
<td>2018</td>
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Non-Defense Discretionary Caps

In billions of 2018 dollars

- BCA caps without sequestration
- BCA caps with sequestration
- Sequestration relief
- Fiscal cliff

Actual | Projected
Congressional Health Priorities

• Lower the cost of RX drugs
• Affordability for individual marketplace
• Stabilize the marketplace?
• Proposals to expand Medicare/coverage?
• Further unraveling of ACA cost containment?
• Opioids/etc.
Medicaid Work Requirements: Still a Threat to Disabled Participants

- ARK: evidence of the result of loss of coverage

- NH/IN next
  - more hours, more beneficiaries affected

- Ballot states and others likely to consider work requirements as part of expansion
Work Requirements/People with Disabilities

• Many could still be subject to the requirements
• Exemptions won’t fully protect disabled from loss of coverage
  – Narrow exemptions
  – Documentation challenges
  – High rate of sanctions in other programs with requirements
• Sharp contrast of work requirements vs. Medicaid’s employment support programs
What We Know

Arkansas Work Requirement Implementation

Very Few Arkansas Medicaid Beneficiaries Met New Reporting Requirements in Fourth Month of Work Requirement

- Beneficiary reported exemption: 3%
- Beneficiary failed to satisfy reporting requirement: 23%
- Beneficiary satisfied reporting requirement: 2%
- State determined beneficiary exempt from reporting: 72%

Source: Arkansas Department of Human Services, Arkansas Works Program September 2018 Report
What We Know

Evidence of Harm From Coverage Restrictions

- Premiums reduce coverage, create barriers to care
- Cost-sharing decreases use of necessary services
- Limited understanding of complex incentive programs
- Increasing documentation requirements decreases coverage
- Many sanctioned under work requirements should have been exempt based on disability or chronic illness
Reasons for Coverage Loss

• Inability to comply
  → Lack of work supports (transportation, job training, child care)
  → Inability to meet hourly requirement or consistently report hours

• Administrative complexity/confusion
  → Inability to meet documentation requirements for exemptions
  → Confusion and misunderstanding
  → Limited internet access

• “Catch-22” in non-expansion states
Trump Administrative Action

- Public charge: public comment, feedback to Members, e.g. the “chill” effect

- Medicaid waivers: feedback loop
Your Role with New Congress

• House: educate/engage those new Members!
  – Why Medicaid is so important; who benefits and the breadth of Medicaid’s coverage
  – Why we need a new budget (approps) deal
  – Contribute to oversight capacity/opportunities
  – Help shape priorities for 2019

• Senate: “rapid response team” as needed and proactive outreach on Medicaid’s gains

• For ALL members, share your feedback on Trump administrative actions