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AMERICAN VOTERS OPPOSE PROPOSAL TO ELIMINATE MEDICAID MOE

Washington D.C. - Today, the **First Focus Campaign for Children** expressed deep concern about legislation introduced yesterday to eliminate state Medicaid requirements, which will put [14 million children at risk of losing access to coverage](http://ccf.georgetown.edu/index/medicaid-and-chip-stability-provisions) through Medicaid and Children's Health Insurance Program (CHIP).

Senator Orrin Hatch (R-UT) and **Representative Phil Gingrey** (R-GA) introduced bicameral legislation yesterday to repeal a provision of the health reform law that requires states to maintain current eligibility and enrollment requirements for Medicaid and CHIP. This so-called **"Maintenance of Effort" (MOE) provision** ensures that children and other vulnerable populations currently eligible for and covered by Medicaid and CHIP cannot be dropped from coverage.

While there is broad support among the public and Members of Congress on both sides of the aisle for deficit reduction, the Hatch-Gingrey proposal secures federal savings by allowing states to eliminate or reduce Medicaid and CHIP coverage resulting in the loss of health care coverage for millions of children and other vulnerable individuals. In addition, instead of saving money, the bill instead shifts substantial and burdensome costs previously born by the federal government to states and localities.

Furthermore, a [recent First Focus/Greenberg Quinlan Rosner Poll](http://www.firstfocus.net/news/press_release/survey-shows-protecting-children%E2%80%99s-programs-in-the-federal-budget-is-voters%E2%80%99-top-)

[found that a majority of voters opposed allowing governors the flexibility to decided how Medicaid dollars are spent if it meant eliminating insurance coverage for some children.](http://www.firstfocus.net/news/press_release/survey-shows-protecting-children%E2%80%99s-programs-in-the-federal-budget-is-voters%E2%80%99-top-)

Bruce Lesley, President of the **First Focus Campaign for Children**, a bipartisan child advocacy organization, issued the following statement:

"The Hatch-Gingrey proposal to repeal the Maintenance of Effort provision would be a massive step in the wrong direction for America's children. It is ironic that Senator Hatch frequently touts his leading role in enacting the Children's Health Insurance Program (CHIP), yet if passed, the proposal he unveiled yesterday would likely eliminate CHIP in his home state of Utah and, as revealed in a report by the [Georgetown Center for Children and Families](http://ccf.georgetown.edu/index/medicaid-and-chip-stability-provisions), put over 14 million kids at risk of losing access to the care on which they depend. This legislation would stem the enormous progress made for children's coverage over the last decade and undermine the goals of both health reform and CHIP, which are to reduce the ranks of uninsured in our country.

"As our nation's economy and families struggle to recover, the proper role of our governments is to

ensure that our most vulnerable citizens are not left worse off. CHIP and Medicaid have played a critical role in reducing the child uninsured rate, cutting it by more than half, to less than 10 percent, over the past decade. Additionally, despite the devastating impact of the recession, which produced serious increases in child poverty and an increasingly high number of adults without health insurance, the uninsured rate for children remained flat, largely due to these successful programs.

“State budgets may be pressed, but numerous studies show that the Affordable Care Act actually provides important opportunities for states to secure net savings, not costs, when it comes to Medicaid. A [recent First Focus/Urban Institute report](http://www.firstfocus.net/news/press_release/first-focus-report-finds-medicaid-savings-from-health-reform-will-exceed-costs-to) (http://www.firstfocus.net/news/press_release/first-focus-report-finds-medicaid-savings-from-health-reform-will-exceed-costs-to) found that even in a worse-case scenario, savings for states would outweigh costs. The analysis shows that savings could range between \$40.6 billion to as high as \$131.6 billion during 2014-2019.

“In order to provide state governments fiscal relief, we urge our nation’s leaders to take a fresh look at ways to improve the federal-state partnership, including efforts to rein in federal cost-shifts to Medicaid programs. For example, states could secure significant savings by [eliminating the so-called Medicaid prescription drug “clawback”](http://thehill.com/blogs/congress-blog/healthcare/146655-states-in-need-of-help-its-time-to-end-the-medicare-drug-clawback) (<http://thehill.com/blogs/congress-blog/healthcare/146655-states-in-need-of-help-its-time-to-end-the-medicare-drug-clawback>) under which states are paying costs associated with the federal Medicare prescription drug benefit. The clawback serves no purpose whatsoever other than to unilaterally force states to pay the federal government billions of dollars in order to fund an entirely federal program. Eliminating the clawback will advance the federal-state partnership, while providing states with fiscal relief and simultaneously improving care to vulnerable American

“It shouldn’t take a budget or health care expert to recognize that balancing budgets on the backs of children doesn’t add up to a positive future for the next generation or our country. Instead of placing children directly in harm’s way, we urge our nation’s leaders to protect children from harm as they work to find a solution to our budget challenges.”

- [Click here to download the poll results.](http://www.firstfocus.net/library/polling-and-opinion-research/poll-results-protecting-childrens-programs-in-the-federal-budge) (<http://www.firstfocus.net/library/polling-and-opinion-research/poll-results-protecting-childrens-programs-in-the-federal-budge>)

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The First Focus Campaign for Children is a 501(c)(4) nonprofit organization affiliated with First Focus, a bipartisan children’s advocacy organization. The Campaign for Children advocates directly for legislative change in Congress to ensure children and families are a priority in federal policy and budget decisions.