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May 11, 2011

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AARP Urges Congress to Reject Legislation that Could Leave Hundreds of Thousands without Health Coverage

Group's Report Notes Medicaid Provides Critical Long-Term Care Supports for Millions of Americans

WASHINGTON—AARP today voiced its opposition to legislation that would eliminate the Medicaid Maintenance-of-Effort (MOE) requirements included in the Patient Protection and Affordable Care Act that is being considered in the House Energy and Commerce Health Subcommittee.

The legislation, H.R.1683, could lead to the loss of vital protections for health care access for older Americans, persons with disabilities, and children, effectively allowing states to cut eligibility for Medicaid and the Children's Health Insurance Program. The Affordable Care Act provided the MOE provisions to serve as a bridge into 2014, making certain that important health coverage remains until the new law is fully implemented. The bill could lead to hundreds of thousands of vulnerable Americans losing coverage each year, according to the Congressional Budget Office.

AARP Executive Vice President Nancy LeaMond wrote to committee leaders to express the Association's concern about the legislation. While AARP recognizes that states face tough fiscal challenges and the nation's debt must be confronted, these problems require balanced solutions, not legislation that could jeopardize access to health and long-term care coverage for vulnerable Americans, both young and old.

"Reducing Medicaid coverage is not the solution for reining in health care costs," LeaMond wrote. "To the contrary, cuts to Medicaid and CHIP will only result in costly uncompensated care, which will result in higher health care costs in the private market. Rather than simply continue to shift costs, health care costs should be reduced by pursuing more effective ways to deliver and coordinate care; by working to prevent and treat costly chronic conditions; by carefully expanding home and community-based services; and by reining in costs associated with waste and fraud." Also today, AARP's Public Policy Institute released a fact sheet noting how vital Medicaid is to older Americans who depend on it for care in their homes or in nursing homes. Roughly 7 out of 10 people turning 65 will need long-term services and supports in their lifetimes. Many individuals begin by getting help from family members and paying out-of-pocket. But with the median national cost of a private room in a nursing home at more than \$75,000 a year, many people exhaust their resources and turn to Medicaid. In fact, nearly a third of people turning 65 will deplete their savings and will need to rely on Medicaid, the largest payer of long-term care, according to the fact sheet. As a part of its ongoing effort to protect Medicare and Social Security and access to long-term care, the Association recently announced a new advertising and grassroots effort to ensure benefits older Americans depend on are not subject to harmful cuts during the deficit debate. AARP looks forward to working with lawmakers on both sides of the aisle to find a more promising way to reduce health care costs system-wide in an effort to confront state and national fiscal challenges.

For a complete copy of AARP's letter, please contact AARP Media Relations at 202-434-2560 or media@aarp.org.

The full report "Medicaid: A Program of Last Resort for People Who Need Long Term Services and Supports," is available at <http://www.aarp.org/health/medicare-insurance/info-05-2011/fs223-medicaid.html>

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