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**Testimony before the Appropriations Committee
Regarding H.B. 5326, An Act Concerning Medicaid Funding.**

March 9, 2018

Good afternoon, Senator Osten, Senator Formica, Representative Walker, Representative Ziobron, and Members of the Appropriations Committee.

I am Liz Fraser, Policy Director of the Connecticut Association for Human Services (CAHS). CAHS is a statewide nonprofit agency that works to reduce poverty and promote equity and economic success for children and families through both policy and program initiatives.

I am testifying today regarding H.B. 5326, An Act Concerning Medicaid Funding. This bill directs a review of current state funding for Medicaid, including the Medicaid Savings Program, which is one of the programs severely cut last year, but with delayed implementation until July 1, 2018. As an advocate for low-income children and families, CAHS urges this Committee and the General Assembly as a whole to restore the cuts to Medicaid made in last year's budget deal—to the Medicare Savings Program, HUSKY A parents, dental services, and primary care.

The impacts of last year's cuts, not yet all implemented, will be detrimental to many:

- Changes to the Medicare Savings Program will affect 113,000 seniors and people with disabilities.
- Eliminating HUSKY A coverage for adults between 138% and 155% of the federal poverty level will result in more than 13,000 working parents losing all health insurance coverage 1/1/19.
- Imposition of a \$1000 annual cap on dental care for all adults on Medicaid.
- Cuts in reimbursement rates for primary care providers for all Medicaid enrollees—800,000 people—from 100% of Medicare rates to 95%, further reduced by the Governor to 90%

Connecticut's Medicaid program is efficient and effective. Nonetheless, these cuts are undermining the program, with serious impacts. Based on the higher income people cut off from HUSKY A in 2016, it is unlikely that most of the HUSKY A adults who will be cut off early next year will enroll for any health insurance. Dentists are telling patients that they will not receive treatments because they cost more than 1000. Reducing provider reimbursement rates will make it harder for children and adults to find primary care treatment, sending many to the emergency room when they are much sicker.

There are alternatives, like modest revenue increases from taxation of Internet sales and sugary beverages, that can cover the cost of restoration.

Like others testifying today, I am identifying myself as a "taxpayer" to counter the notion that taxpayers only want cuts to programs to balance the budget. Many taxpayers strongly support fully funding Connecticut's Medicaid program. Health care is invaluable for parents, children, seniors, people with disabilities, and other adults. Connecticut's provision of Medicaid services for disadvantaged populations is part of what sets our state apart as a compassionate place, a place that cares about all of

its residents—and that helps to make our state a great place to live and work.

CAHS urges you to permanently restore all four of the severe Medicaid cuts made by the legislature last October. For further information, please contact me at efraser@cahs.org.