

March 7, 2017



The Honorable Greg Walden
Chairman
House Energy and Commerce Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Frank Pallone
Ranking Member
House Energy and Commerce Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Kevin Brady
Chairman
House Ways and Means Committee
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Richard Neal
Ranking Member
House Ways and Means Committee
U.S. House of Representatives
Washington, D.C. 20515

Re: Full Committee Mark-Up of the *American Health Care Act*

Dear Chairmen Walden and Brady and Ranking Members Pallone and Neal:

The Children's Defense Fund has made giving every child a healthy start a core part of our mission for all of our 44 years. We are extremely concerned that the *American Health Care Act* under consideration by your committee would undo more than 50 years of progress made expanding comprehensive child-appropriate health coverage to millions of children. Today, thanks to the Affordable Care Act (ACA), Medicaid, and the Children's Health Insurance Program (CHIP), 95 percent of children in America have health coverage – an historic high. The *American Health Care Act* threatens progress at a time when we must continue to move forward, not backwards for children. We urge you not to move the act out of committee without major revisions for children.

The *American Health Care Act* as proposed would do harm to children:

- **Changes to Medicaid's financing structure to pay for massive tax cuts for wealthy individuals and corporations would end Medicaid's guarantee of affordable, comprehensive health coverage for poor and low income children and children with disabilities and other special health care needs.** The new Medicaid per capita cap would limit access to health coverage for children but not reduce their health needs or costs of care. Over time, it would shift costs from the federal government to states, counties, local communities, providers and beneficiaries. State and local governments would have to cut eligibility, services or both to continue to provide comparable care under the caps to the 37 million children who are currently enrolled in Medicaid. Children are nearly 50 percent of Medicaid recipients; any changes to Medicaid would have a disproportionate impact on the quality comprehensive child specific services and treatment children currently receive under the program.
- **Millions of children, low-income parents and other adults will lose coverage with the repeal of the ACA.** The *American Health Care Act* will end the ACA's Medicaid expansion over time, despite the fact that 31 states and the District of Columbia have expanded coverage to 26 million

low-income parents and other adults. The ACA's more targeted subsidies would be replaced with less affordable tax credits and parents will end up having to pay more for less comprehensive coverage – or go uninsured altogether. Research clearly shows that children are better off when pregnant women have access to prenatal care services that help ensure healthy infants and their parents have health insurance coverage. When parents get treatment for their own health and mental health problems, it strengthens children's developmental outcomes.

- **Child serving systems, such as Education and Child Welfare, depend on Medicaid to offer critical help and support to children in care but would lose that extra help.** Children with disabilities who have Individualized Education Plans that call for special services to be delivered in the schools or children with abuse histories or disabilities that require treatment in foster homes or residential treatment will be at special risk.
- **Access to mental health and substance abuse treatment needed to stem the tide of opioid and other addictions for children, youths and adults would be lost, destroying families and likely sending more children into foster care and homelessness.** Changes proposed to both the ACA and Medicaid would limit coverage of these treatments.

We call on you and your committees to protect children's health coverage as you take action on the *American Health Care Act* and to not move it out of committee unless substantial changes are made and the "do no harm" standard is followed. The *American Health Care Act* would reverse progress and make children worse off by depriving them of the comprehensive and affordable child-appropriate coverage they are guaranteed today, jeopardizing their futures and also the nation's future economic and national security. We urge you to build on the progress made over the past five decades to expand and improve health coverage for children and, at a minimum, to do no harm.

Sincerely yours,

A handwritten signature in black ink that reads "Marian Wright Edelman". The signature is written in a cursive, flowing style.

Marian Wright Edelman
President

cc: Members of the House Energy and Commerce and Ways and Means Committees