

June 29, 2017

The Honorable Charlie Baker
Office of the Governor
Massachusetts State House, Room 280
Boston, MA 02133

Re: The MassHealth Reform Package

Dear Governor Baker,

We write to express our strong opposition to the MassHealth eligibility and benefit reductions that were included in the MassHealth Reform Package that you presented to the conference committee on June 20, 2017 for inclusion in the budget for the fiscal year beginning July 1. The package proposes new and harmful cuts in MassHealth eligibility affecting primarily low income parents as well as childless adults. The proposal also includes benefit cuts that could affect everyone on MassHealth including children, the elderly and people with disabilities. According to news accounts, this package was negotiated with organizations representing the business community over the last six months, but in all that time there was little or no consultation with organizations representing MassHealth beneficiaries.

The features of the proposal that will be most harmful are outlined below and described in more detail in the attached letter. Of particular concern is the one-two punch the proposal deals to low income families with children who we never expected to be targets of regressive reform.

Many parents and other non-disabled adults with access to employer sponsored insurance (ESI) will no longer be eligible for MassHealth and are likely to become uninsured

- Premium charges of up to 9.69% of income and the substantial deductibles and co-pays almost always found with private ESI are simply not affordable for the poor and near poor.
- As far as we know, no other state Medicaid program has proposed a restriction of this kind for the core Medicaid population of low income working parents.
- There is a better way to promote ESI and support work: MassHealth Premium Assistance. Premium Assistance enables the working poor to afford ESI and still have MassHealth protections, and saves the state money by making MassHealth secondary to the private coverage.

100,000 low income parents and 40,000 childless adults will lose MassHealth if the upper income limit is reduced from 133% to 100% of the poverty level

- While you describe this as a transition from MassHealth to ConnectorCare, not all of those losing MassHealth will qualify for ConnectorCare
- For those who do transition to ConnectorCare, its coverage is less comprehensive and more costly than MassHealth.
- Given the current efforts to repeal and replace the ACA, no one can know what ConnectorCare will look like --or whether it will even exist—tomorrow.

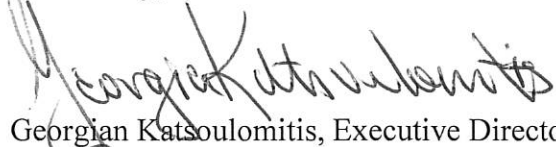
EOHHS will have broad authority to terminate many current MassHealth benefits affecting the elderly and people with disabilities

- Reducing benefits will harm not just non-disabled adults but all MassHealth members including children, people with disabilities, and the elderly. More safeguards are needed to protect access to care.

230,000 low income parents will lose MassHealth Standard and receive the less-generous CarePlus coverage intended for childless adults

Since the election in November, we have appreciated your many public statements directed to Congressional leaders and the Massachusetts delegation analyzing the many harmful consequences for our state if anything like the American Health Care Act or the Better Care Reconciliation Act were to become law. As recently as June 26, 2017, in your leadership role with the NGA, you signed a letter urging Congressional leaders to allow sufficient time for the full impact of proposed health reform legislation to be understood and fully explained to the American people. We ask of you just what you have asked of the US Congress. We urge you to allow the normal committee process the opportunity to work: to carefully review these proposals, assess their impact on MassHealth beneficiaries and hear input from all points of view before a new law is enacted.

Yours truly,


Georgios Katsoulomitis, Executive Director


Vicky Pulos, Senior Health Law Attorney

C: Secretary Marylou Sudders
Secretary Kristen Lepore