

Health Care

Position Statement

Generations United (GU) is committed to improving access, protections, coverage, and services for children, older adults, families, and caregivers and emphasizes the importance of meeting the health care needs of the most vulnerable people. GU supports health care reform that expands affordable, quality, and comprehensive health care coverage to every person in the United

Intergenerational Intersection

Access to affordable, high-quality, comprehensive health care coverage has critical implications for children, youth, persons with disabilities, families, and older adults.

Strategic investments in the health and well-being of all generations not only improve the lives of individuals, their families, and communities, these investments yield very high returns related to increased worker productivity, lower cost medical interventions at all stages of life, and a stable public health infrastructure better prepared to handle health emergencies.

States while bringing down costs throughout the nation's health care system.

Policymakers must consider the impact of health care reform on all generations and should invest in prevention strategies across the lifespan. These strategic investments should include regular and coordinated prenatal care, pediatric care for children, and chronic disease management, all of which reduce future incidences of costly emergency interventions involving surgery and expensive medications and devices. As recognized by the American Recovery and Reinvestment Act of 2009 (ARRA),

innovations and improvements in health care delivery systems – such as using health information technology to securely manage medical information and research comparing the effectiveness of different treatments of the same medical problems – are needed to provide better, more affordable care and improve the country's long-term fiscal outlook.

Because health care services should equally address physical and mental health needs, health insurance coverage for mental illnesses should be accessible and on par with coverage provided for physical illnesses. GU recognizes the importance of interactions between physical and mental health, as well as the effects health problems of caregivers and those they are caring for can have on one another.

In addition, Generations United supports:

- *Expanding quality, affordable, and comprehensive health care coverage to every person.*
- *Reforming the health care system to improve quality, increase access, and reduce costs.*
- *Guaranteeing all children and pregnant women comprehensive benefits which must include all medically necessary services and mental health treatment; simplifying the application and enrollment process to make it easy for all children to get and stay covered; eliminating known barriers to enrollment and instituting automatic enrollment of eligible children.*
- *Improving funding for outreach and enrollment efforts to better ensure vulnerable, low-income people actually receive the health care benefits for which they are eligible.*

- *Reformulating the Federal Medical Assistance Percentage (FMAP) under Medicaid so that it will automatically increase during economic downturns to help states stimulate local economies and support critical health care services for children, older adults, and people with disabilities.*
- *Initiatives to expand and improve long-term care for all Americans through improvements in Medicare, Medicaid, and other programs and services, and the provision of tax credits for caregivers and persons of all ages with disabilities.*
- *Strategies to strengthen long-term services and supports that help preserve the dignity and independence of children and individuals with disabilities, and older adults.*
- *Ensuring access to services that treat mental health problems.*

Background

Health care for children, older adults, and families in a faltering economy

The consequences of not receiving any or enough medical care are extremely serious, yet one in three people living in the United States had no health insurance for some or all of 2007 and 2008. Of these 86.7 million uninsured people, over sixty million were between the ages of 19 and 64.⁴⁶ Though millions of children are newly eligible for health insurance under the State Children's Health Insurance Program (SCHIP), five to six million more children will be left behind, and millions more do not have adequate coverage. Persons of all ages with disabilities lack basic protection against the costs of chronic and long-term illness, particularly those receiving home- and community-based care. Many older adults who require long-term care see their savings and assets erode and enter institutions so as not to burden their families. Forty-two

percent of persons who receive long-term health care services are younger than 65 years of age, many with limited financial resources.⁴⁷ Millions of families also face enormous emotional, financial, and physical burdens caring for loved ones and are in need of more support.

In times of economic instability, the demand for health and social services intensifies as families lose their employer-sponsored health insurance because of job loss and struggle to meet their most basic needs. State revenues decline when unemployment and foreclosure rates rise. In response to these pressures, states use their reserves, raise taxes, freeze spending, and implement cuts. Children, older adults, and people with disabilities are at particular risk when states shrink or eliminate health care programs to make up for shortfalls in other budget areas. Yet, virtually all states are required to balance their budgets, and they face difficult choices when revenues do not meet projected spending needs, sometimes having to choose between funding programs and services for children, older adults, and other vulnerable groups. In FY 2006, state revenues increased by 3.7 percent, while Medicaid spending grew by only 2.8 percent – the lowest rate in a decade. By contrast, revenues in most states plummeted in 2008 while Medicaid spending jumped by about 5.3 percent, with states anticipating increased spending in 2009.⁴⁸ Significant budget shortfalls are projected over the next few years, which could jeopardize even more critical health care programs and services. In this increasingly difficult economic environment, the fiscal integrity of Medicaid and SCHIP must be preserved and improved in ways that protect the beneficiaries of these critical health care programs.

Health Care Reform

The 111th Congress has a unique opportunity to implement reforms throughout

the country's health care system to improve quality, increase access, and bring down spiraling health care costs that imperil the short- and long-term financial stability of the U.S. economy. Economic recovery measures will help states immediately direct resources to health care programs and services for children, older adults, people with disabilities, and their families – many of whom have lost coverage because of unemployment or receive insufficient assistance because of state budget cuts. Strengthening local health care systems to support vulnerable individuals and families can stabilize communities, relieve some of the pressure on state budgets, and lay the foundation for long-term economic recovery. Because health care spending is projected to consume an increasing share of the federal budget if costs are not brought under control, timely system-wide reforms can move the country away from an unsustainable path while improving health care quality and availability for all people. Promising ways to control costs include investments in health information technology and comparative effectiveness guidelines. Medical records are not efficiently managed, and medical procedures are not consistently analyzed and compared to evaluate their effectiveness in treating the same illnesses. A comprehensive investment in health information technology will increase administrative efficiencies by digitalizing and securely sharing patient medical information and providing and sharing data on the effectiveness of various procedures and treatment. The ARRA contains measures that move health care reform in this direction.

Federal Programs

GU supports federal health programs that meet quality standards and provide basic patient protections such as Medicare, Medicaid, and the State Children's Health



Photo credit: Randy Billmeier

Insurance Program (SCHIP). GU will monitor the implementation of standards within federal programs and support legislation, where necessary, to enact further patient protections and protect quality of care. GU will also support broad health care system reform that ensures coverage of all children and includes necessary changes to existing federal programs so that everyone in America has access to quality, affordable health care.

Medicare

Medicare is a federal health insurance program for people 65 years of age and older, as well as other groups, including some people with disabilities who are younger than 65 and people with end-stage renal failure. Medicare coverage has four components: Part A covers hospital and other costs; Part B addresses outpatient medical care; Part C provides private health insurance options under Medicare Advantage plans; and Part D provides access to several prescription drug plans.

Medicaid

Medicaid finances health care and long-term services for nearly 60 million people, including low-income older adults, children, and individuals with disabilities.⁴⁹ Medicaid accounts for about 40 percent of all spending on long-term care for millions of older adults, and children with disabilities.⁵⁰ Medicaid also pays for Medicare's premiums, deductibles and co-insurance, expenses which would otherwise be unaffordable for the lowest-income seniors. In addition to serving low-income adults, Medicaid is also a vital program for almost 30 million low-income children.⁵¹ It guarantees coverage of all medically necessary services children need, including preventive care through well-baby visits, screenings for health problems, as well as extensive services for children with serious disabilities.

In the current economic downturn, many states are struggling to maintain programs that meet the health care needs of low-income families. Through an increase in the Federal Medical Assistance Percentage (FMAP), the rate at which the federal government reimburses states for Medicaid expenses, states will receive immediate fiscal relief and maintain critical services that deliver health care to the most vulnerable people and families. The ARRA provides

\$87 billion in additional temporary Medicaid funding to support state Medicaid expenditures.

Since July 1, 2006, Medicaid beneficiaries have been at risk of losing their health benefits if they were unable to prove their U.S. citizenship. Although many helpful changes in the requirement were implemented by the Tax Relief and Health Care Act of 2006, onerous identification requirements remain for children who are being raised by relatives with no input from child protective services. Birth certificates and other documentation may be difficult to find and in some states, relatives do not have automatic permission to obtain copies of relevant documents. Even where relatives are able to request such copies, the process can be time-consuming and expensive. Safeguarding access to Medicaid for those in most need should be a priority.

State Children's Health Insurance Program

The State Children's Health Insurance Program (SCHIP) was created in 1997 to provide health insurance for more children. It is a federally subsidized health insurance program for children whose family income levels are too low to afford private health insurance but too high for them to qualify for coverage under Medicaid. The program matches federal funds with state funds to cover more children under Medicaid, create new health care programs subsidized by states, or provide for a combination of the two approaches.

The 111th Congress acted early and quickly to reauthorize SCHIP before it could expire in March 2009. SCHIP's reauthorization maintains coverage for more than seven million children and contains funding to expand coverage to four million more children – a much needed improvement in the current recession. In

addition to covering more children, SCHIP ensures dental benefits and parity of mental health services, and includes funding for outreach and enrollment. The program provides states the option to implement Express Lane Eligibility to streamline enrollment. SCHIP also allows states to eliminate the five-year waiting period for legal immigrant children and pregnant women to enroll in Medicaid and SCHIP to access needed services.

Though the reauthorization of SCHIP is a significant step forward in efforts to provide health care for children, five to six million children will remain uninsured, and millions of children with health insurance do not have enough coverage. Health care reform must include quality and comprehensive health care coverage for all children and the millions of people who do not currently have health insurance.

Long-term services and supports

The country needs a cohesive national strategy to preserve the dignity and independence of older adults, and children and individuals with disabilities, many of whom face challenges in maintaining connections to their families and communities. After years of working, many older adults now have no choice but to impoverish themselves and their families to receive the help they need under Medicaid. Many parents of children with disabilities sacrifice employment, career opportunities, and important sources of income so their children remain eligible for critical Medicaid services. Reforms should help older adults, children and individuals with disabilities, and their families maintain financial stability and improve access to home- and community-based services, regardless of income. Long-term supports and services should increase access to information and resources; enable older adults, and children and individuals

with disabilities to remain in their homes, stay connected to their families and engaged in their communities; and provide more choices that strengthen family and caregiver support networks.

GU supports initiatives to expand and improve long-term care for all Americans through improvements in Medicare, Medicaid, and other programs and services to provide better coverage for home and community-based care. More information is provided in the Tax and Budget section of this agenda.

Ensuring Mental Health Services

Effective mental health services for children can lay the groundwork for positive social and emotional development. Mental health services can help meet the special needs of the increasing number of children and youth who are homeless, at risk, and/or in the child welfare system. Services that support the mental health and wellbeing of older adults can help mitigate the effects of emotional and behavioral issues arising from failing health and other difficult life events. Caregivers who support loved ones who are elderly, disabled, or chronically or terminally ill should have access to mental health services since they are more likely to experience feelings of stress, isolation, and depression. Because physical and mental health issues are inextricably linked, mental health issues must be given equal attention and consideration. It is especially important that the Mental Health Parity and Addiction Equity Act of 2008 passed during the 110th Congress guarantee mental health parity is fully implemented to truly benefit children and adults who have access to mental health services. GU will monitor the implementation of new legal provisions requiring health insurance companies to place coverage of mental health illnesses on par with coverage for physical health issues.