



7800 Shoal Creek Blvd., Ste. 171-E  
Austin, TX 78757  
v/tdd: 512.454.4816  
intake: 800.315.3876  
infoai@advocacyinc.org  
www.advocacyinc.org

**TESTIMONY BEFORE THE MEDICAID COMMISSION  
ON BEHALF OF ADVOCACY INCORPORATED  
May 18, 2006**

Good Afternoon. My name is Jeff Miller and I am a Policy Specialist for Advocacy, Incorporated. Advocacy, Incorporated is a nonprofit agency, authorized by federal law, and is the designated protection and advocacy system for the rights of people with disabilities in Texas. Advocacy, Incorporated works to advocate for, protect, and advance the legal, human, and service rights of individuals with disabilities. On behalf of Advocacy, Incorporated, I appreciate this opportunity to address you today.

Medicaid is this country's single most important program for meeting the health and long-term service needs of individuals with disabilities. These Medicaid beneficiaries include individuals with a wide range of physical and mental conditions. Therefore, we are committed to advocating the views and concerns of individuals with disabilities regarding potential changes in Medicaid programs.

Advocacy, Incorporated appreciates the Commission's commitment to improve Medicaid programs and develop recommendations to ensure long-term sustainability of the Medicaid Program. However, we have concerns about how changes in Medicaid programs could negatively impact Medicaid beneficiaries and specifically individuals with disabilities.

First of all, Advocacy, Incorporated believes that Medicaid programs must continue to guarantee individuals timely access to the full range of health services that they require. Regardless of program changes, Medicaid programs must remain responsible for adequacy of services and ensure that needed services are available in the amount, duration, and scope

necessary to meet individuals' specific needs. Furthermore, any program changes should ensure that services are not limited arbitrarily and that people are not discriminated against based on diagnosis or medical condition.

Therefore, cost saving changes in Medicaid programs should not result in additional barriers to access needed services for individuals with disabilities. One consumer choice and control option that the Commission may consider is converting Medicaid benefits to personal accounts or vouchers. Vouchers may increase individual choice and control over community supports and services, but without adequate safeguards, this flexibility can lead to the loss of services for people with disabilities. If an individual's medical needs exceed the anticipated levels of a capped voucher, there must be a safeguard in place to cover unanticipated health costs. Otherwise, individuals with disabilities are likely to reduce their necessary services and medications. This could result in serious health consequences requiring a shift from low cost preventive care to high cost urgent care.

Advocacy, Incorporated also opposes capping programs as a means of reducing costs. If Medicaid programs are capped, the individuals most impacted will be individuals with disabilities and extensive medical and long-term support needs. Further, because the number of elderly citizens, as well the number of individuals with disabilities, continues to grow, if the federal contribution becomes fixed, the number of individuals harmed by implementing caps would increase each year. Finally, we cannot support enrollment caps which would directly conflict with Medicaid's existing protection that once a state agrees to provide optional services, it must provide the service to all eligible Medicaid beneficiaries who need them.

Additionally, Advocacy, Incorporated cannot support Medicaid changes that include imposing additional cost sharing, premiums or benefit reductions. Any savings from reduced

utilization due to premiums and cost-sharing, or from reductions in benefits, can have unintended, negative consequences. Among low-income individuals, cost-sharing and premiums, even at nominal or modest levels, lead to reduced use of effective medical care, unmet medical need, and financial stress. Under current law, only medically necessary services may be paid for by Medicaid. Therefore, it seems difficult to limit benefit packages without restricting access to services that are medically necessary by eligible individuals.

Advocacy, Incorporated also believes that any Commission recommendations allowing states more flexibility by waiving federal Medicaid requirements should be considered in light of the Americans with Disabilities Act (“ADA”) and the United States Supreme Court’s decision in Olmstead vs. L.C., providing that states provide community-based services rather than institutional placements for some individuals with disabilities. Flexibility can enable states to serve more low income populations, provide more supports and services in the community, and reduce costs. However, without proper safeguards this flexibility can result in unnecessary institutionalization of people with disabilities currently living in the community. For example, granting state waivers to expand health insurance coverage to additional groups, while requiring that the state’s resulting waiver program not cost the federal government additional money is counter productive. Such provisions create incentives for states to cut benefits for and impose unrestrained cost-sharing on optional Medicaid groups currently receiving community based services, in order to serve new populations. This could result in the loss of services to optional Medicaid groups currently living in the community, force them into higher cost, institutional settings and discriminate on the basis of severity of disability.

We also believe that long-term care is a key area of concern for people with disabilities of all ages. People with disabilities rely on long-term care for the most basic needs such as getting

out of bed, toileting, and getting around. Services are rarely high cost but can be the difference between institutionalization in a nursing facility and self-sufficiency in an individual's own home. Any changes in Medicaid programs must ensure that seniors and individuals with disabilities receive long-term care in the most integrated setting, including at home, not be forced to live in institutional settings. Additionally, evidence indicates that it is less expensive to serve and support people with disabilities at home or in community settings.

Advocacy, Incorporated does support expanding Money Follows the Person, The Family Opportunity Act and Medicaid Buy-In Initiatives. These innovative strategies can assist Texans, and all individuals with disabilities, become more financially independent, children to grow up in in-tact families and services to be provided in the most integrated setting.

We recognize that the Commission's mandate is to make recommendations regarding Medicaid's future to ensure its sustainability and reduce expenditures. However, based on our experience working with individuals with disabilities in the state of Texas, we urge you to realize that additional barriers to services will have consequences that result in higher rather than lower spending for the federal government and the states. If faced with barriers to access, people with disabilities can be expected to seek even more care from hospitals and emergency rooms at even greater expense to state and local government. Advocacy, Incorporated is willing to provide any technical assistance or gather any information that the Commission may need related to our areas of our expertise. Thank you again for the opportunity to address the Commission.

Jeffrey S. Miller, J.D.  
Policy Specialist  
Advocacy Incorporated