



THE SECRETARY OF HEALTH AND HUMAN SERVICES

WASHINGTON, D.C. 20201

July 26, 2010

Dear Governor:

This month, as the country celebrates the 20th anniversary of the passage of a landmark civil rights law, the Americans with Disabilities Act (ADA), I wanted to bring to your attention provisions in this year's Affordable Care Act that offer states new opportunities to build on gains made under the ADA. Over the past two decades, the ADA has provided greater opportunities for 54 million Americans with disabilities to live and work in their communities. But despite the two decades of progress, people with disabilities continue to be denied health coverage necessary to fulfill the promise of the ADA.

The Affordable Care Act expands coverage and improves health care for millions of Americans and has paved the way for the creation of insurance plans to provide transitional health coverage to uninsured people until the law that prohibits health insurance discrimination on the basis of disability is effective in 2014. The Affordable Care Act also offers numerous opportunities for people with disabilities, including new options for states to deliver on the promise of the ADA and adhere to the principles of the Supreme Court's *Olmstead* decision.

In 2014, the Affordable Care Act provision extends Medicaid coverage to low-income, childless adults. This provision, coupled with the 100-percent federal match for 3 years creates new options to better serve those with mental illness and substance abuse. Thereafter, just 10 percent of the cost of coverage for new populations must be covered by the states. In addition, starting in 2014, this expanded coverage creates an opportunity for states to use the Substance Abuse and Mental Health Services Administration's (SAMHSA) Block Grants in targeted ways to expand and support those services available under Medicaid and create models of care that effectively integrate medical and behavioral services. We look forward to working with you in anticipation of the 2014 Medicaid expansion to develop new strategies for your state's SAMHSA block grant spending. During this period, we will collaborate to identify the best ways to support persons in recovery from substance abuse and/or mental illnesses with investments in non-Medicaid covered support services. I hope you will make the most of this exceptional opportunity to improve patient care and community outcomes, and encourage you to start planning for it now.

I also hope you will take advantage of incentives and new opportunities in the Affordable Care Act to strengthen home- and community-based services (HCBS), so that people who want to live in the community have the ability to make that choice. These incentives include an increased federal Medicaid matching rate for new home and community based attendant care services, and new federal program authorities and funding to coordinate medical and long-term care services for people with chronic conditions.

The Affordable Care Act also extends the Money Follows the Person (MFP) program and provides an additional \$2.25 billion for fiscal years 2012-2016, and additional \$450 million for each year, to support state efforts to transition individuals from institutional living back to the community. The MFP program, initially authorized by the Deficit Reduction Act (DRA), has helped states build the infrastructure balance in their long-term care systems and expand access to HCBS. States currently participating will now have an opportunity to expand the scope of programs and a grant solicitation to bring new states into the program is being released today. The Centers for Medicare and Medicaid Services will continue to communicate to states the numerous new opportunities to strengthen the Medicaid home and community-based system afforded by the Affordable Care Act.

Finally, I want to let you know that we are also exploring new ways to leverage federal resources to help states create new opportunities that promote choice and self-determination for individuals with disabilities. One of these is the Community Living Initiative, which includes a partnership between the Department of Health and Human Services and the Department of Housing and Urban Development, to improve the coordination of housing and supportive services for people with disabilities who are either already living in the community or transitioning from institutional facilities.

It is this Administration's belief that access to health coverage is as fundamental a right for every American as the right to employment, access to public accommodations, and full participation in the American mainstream, all of which ADA has helped make a reality for persons with disabilities. I know, as a former governor, that the federal government and the states need to work side by side to deliver on the Affordable Care Act's promise of access to health care regardless of disability. In the weeks and months ahead, we will be providing more guidance on various programs and benefits available to your state, and we welcome your suggestions for how we can maximize their impact and effectiveness. I hope you will contact the Director of the HHS Office on Disability at henry.claypool@hhs.gov about these new opportunities to better serve people with disabilities in the Affordable Care Act.

Meanwhile, I look forward to working with you to break down longstanding barriers to accessible and affordable healthcare for people with disabilities, and achieve the promise of the ADA.

Sincerely,
/s\

Kathleen Sebelius