



Talking Points: Block Granting of Medicaid

Introduction

Medicaid is one of the largest funders of mental health services, particularly for individuals living with psychiatric disabilities. Under the FY2012 federal budget passed by the U.S. House, Medicaid will be "block granted," or capped, providing a fixed amount of funding to each state regardless of rising needs. Block granting Medicaid saves the federal government money by jeopardizing care and shifting costs and risks to states. Ultimately, the burden falls on Medicaid beneficiaries, including adults, children and families affected by mental illness.

Take Action

Use NAMI's talking points with your Congressional delegation and Governor and to discuss how federal block-granting, or capping, of the Medicaid program would affect seniors, children and people living with disabilities, including many with serious mental illness.

Find and contact your elected officials. Visit NAMI's Legislative Action Center and find your elected officials at www.nami.org/advocacy or directly at capwiz.com/nami/dbq/officials.

Talking Points

Let your elected officials know how block-granting Medicaid would affect your state and vulnerable Americans. Use the main talking points to send a clear message. If you like, add one or more of the additional points.

- Medicaid is a vital safety net that provides community-based mental health services for children and adults living with serious mental illness.
 - As an example, Medicaid's Early and Periodic Screening, Diagnostic and Treatment (EPSDT) program provides early detection and treatment of health and mental health problems affecting low-income children. Early intervention and treatment helps children to grow up healthy and live productive lives.
- Block granting Medicaid would have profoundly negative consequences for people living with serious mental illness.
 - Block granting Medicaid would repeal the entitlement to basic health care for many. Supplemental Security Income (SSI) recipients living with severe mental illness would be in grave danger of losing essential health benefits such as physician services and inpatient care.
 - A block grant would place most mental health services at great risk, including "optional" Medicaid services such as prescription drugs, intensive case management and rehabilitative services.
- Block granting Medicaid funding does not provide a real solution. Costs and risk are simply shifted from the federal government to states, who will be forced to pay more when they can least afford it—and the taxpayer still picks up the tab.
 - Medicaid enrollment is counter-cyclical—enrollment grows when states experience economic distress.
 - The Medicaid program is already very efficient and has low administrative costs. After adjusting for health differences, Medicaid's per capita costs are about 27 percent less for children and 20 percent less for adults than private insurance.¹

- Medicaid provides significant flexibility for states to define benefits, set provider rates and determine how care is delivered. With fewer dollars, flexibility will decrease, not increase.
- NAMI supports making smart, long-term changes now that will drive down future cost growth instead of imposing a block grant approach that will limit eligibility and benefits for our most vulnerable.
 - Congress should invest in models that address Medicaid's highest costs by improving quality and promoting chronic disease management and integration of care.
 - Models such as medical homes, accountable care organizations and patient-centered care reduce unnecessary spending, increase coordination and promote better health outcomes.
- There are less essential areas to cut government spending before we cut Medicaid—a lifeline that provides critical services for vulnerable seniors, children and people with disabilities, including serious mental illness.

Core Message: Block granting Medicaid saves the federal government money by shifting costs to states and putting vulnerable children and adults living with serious mental illness at risk. There are less essential areas to cut government spending before we cut Medicaid, a vital safety net that provides critical mental health services.

¹ Park, Edwin. (April 4, 2011). *Ryan's Rx for Medicaid Means Millions More Uninsured or Underinsured Seniors, People with Disabilities, and Children*. <http://www.offthechartsblog.org/ryan%E2%80%99s-rx-for-medicaid-means-millions-more-uninsured-or-underinsured-seniors-people-with-disabilities-and-children/#more-2812>. May 1, 2011.