



April 2, 2019

Members of the Tennessee General Assembly  
State Capitol  
Nashville, TN 37243

Re: Medicaid Block Grants

Dear Representative:

The undersigned organizations represent millions of individuals facing serious, acute and chronic health conditions across the country. Our organizations have a unique perspective on what individuals need to prevent disease, cure illness and manage chronic health conditions. The diversity of our groups and the patients and consumers we represent enables us to draw upon a wealth of knowledge and expertise and serve as an invaluable resource regarding any decisions affecting the TennCare program and the people that it serves.

Our organizations are committed to ensuring that TennCare provides adequate, affordable and accessible health care coverage. TennCare provides health coverage to approximately 1.3 million low-income Tennesseans, including three in seven children in the state.<sup>1</sup> The Senate Amendment to HB 1280 would require Tennessee to seek an 1115 Medicaid waiver to restructure the financing of the Medicaid program into a block grant from the federal government. Changing the funding structure will jeopardize Medicaid enrollees' access to care, and our organizations strongly urge you to oppose the proposal.

A block grant could drastically increase the costs to Tennessee to implement its Medicaid program. Block granting TennCare would not take into account any changes in the demographics of the state (such as the rising numbers of older adults or of individuals with disabilities) or periodic economic downturns in state finances. This could require the state to drastically reduce eligibility or benefits covered by the program, jeopardizing access to coverage for patients with serious and chronic illnesses and their ability to receive the treatments and services they need to manage their conditions and stay healthy.

Currently, no state has a block grant similar to what Tennessee is proposing; only the 4 U.S. Territories and Puerto Rico's federal Medicaid funding are structured as block grants. In the case of Puerto Rico, , the block grant has jeopardized patients' access to care, creating longer wait times for medical care and

longer travel times.<sup>2</sup> For the patients we represent, with heart and lung disease, cancer and numerous other diseases, these delays can interrupt care and are unacceptable.

Our patients in Tennessee and around the country need to have continuous access to quality and affordable health care. Changing the Medicaid funding structure to a block grant jeopardizes their access to treatment and, in turn, their health. Our organizations ask you to protect patients and reject the Senate Amendment to HB 1280 and any other efforts to change the funding structure of the Medicaid program that could jeopardize patients' access to care.

Sincerely,

American Cancer Society – Cancers Action Network  
American Diabetes Association  
American Lung Association  
Crohn's and Colitis Foundation  
Cystic Fibrosis Foundation  
Epilepsy Foundation  
Hemophilia Foundation of America  
Leukemia & Lymphoma Society  
March of Dimes  
National Multiple Sclerosis Society  
National Organization for Rare Disorders  
National Psoriasis Foundation  
Susan G. Komen

CC: The Honorable Bill Lee  
Governor, Tennessee

Mr. Gabe Roberts  
Deputy Commissioner  
Department of TennCare

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<sup>1</sup> Kaiser Family Foundation. Medicaid in Tennessee. November 2018. Accessed at: <http://files.kff.org/attachment/fact-sheet-medicaid-state-TN>

<sup>2</sup> Wachino, V and T Gronniger. The Insufficiency Of Medicaid Block Grants: The Example Of Puerto Rico. Oct 12, 2017. Accessed at: <https://www.healthaffairs.org/doi/10.1377/hblog20171022.984682/full/>