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June 11, 2020

The Honorable Nancy Pelosi
Speaker
House of Representatives
H-232, The Capitol
Washington, D.C. 20515

The Honorable Steny Hoyer
Majority Leader
House of Representatives
H-107, The Capitol
Washington, D.C. 20515

The Honorable James Clyburn
Majority Whip
House of Representatives
H-329, The Capitol
Washington, D.C. 20515

The Honorable Frank Pallone
Chairman
House Committee on Energy & Commerce
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Speaker Pelosi, Leader Hoyer, Whip Clyburn, and Chairman Pallone,

I write again to express my strong support for inclusion of H.R. 584, the Incentivizing Medicaid Expansion Act of 2019, in upcoming legislation to strengthen and expand the Patient Protection and Affordable Care Act (ACA).

Introduced by Representative Marc Veasey, the Incentivizing Medicaid Expansion Act resets the clock on federal matching for states that have yet to expand Medicaid. The ACA provided states that expanded Medicaid in 2014 with 100 percent federal medical assistance percentage (FMAP) for the first three years, then 95 percent FMAP for the fourth year, 94 percent for the fifth, 93 percent for the sixth, and 90 percent for each year thereafter. This phase-in approach helps states transition to expanded coverage for newly-eligible low-income adults.

Unfortunately, when the Supreme Court ruled in 2012 that states would decide on their own whether or not to expand their Medicaid coverage, the ACA's phase-in assistance was left tied to its original timeline. 14 states still have yet to expand Medicaid and take advantage of the generous federal matching provision, even as the 36 states that have expanded have reaped enormous economic and health benefits for their residents.¹

¹ *The Effects of Medicaid Expansion under the ACA: Updated Findings from a Literature Review*, KAISER FAMILY FOUNDATION (March 17, 2020), <https://www.kff.org/medicaid/report/the-effects-of-medicaid-expansion-under-the-aca-updated-findings-from-a-literature-review/>.

These 14 states have collectively forfeited approximately \$305 billion in federal dollars by choosing not to expand and have collectively left millions of low-income adults without access to affordable health care coverage. The Incentivizing Medicaid Expansion Act would allow any states expanding Medicaid after the ACA's initial timetable to receive the same federal matching phase-in, both to incentivize states to expand and to ensure a smooth transition for those that do. This legislation is especially important now that the coronavirus pandemic has caused the loss of jobs and health care coverage for millions of workers. It is more urgent than ever that states use every tool available to ensure access to health care for residents, and enacting the Incentivizing Medicaid Expansion Act will help states to do so.

The importance of this legislation to states like Kansas cannot be overstated. As Governor Laura Kelly and a bipartisan group of members of the state legislature continue to work towards securing Medicaid expansion in our state, I am doing all I can at the federal level to support their efforts. The passage of this bill would help Kansas afford to expand quality health coverage to an estimated 150,000 Kansans. If the Incentivizing Medicaid Expansion Act is passed, the first three years of the expansion would be fully covered by Medicaid, easing Kansas into the transition to extended coverage.

Resetting the FMAP phase-in for Medicaid expansion would be profoundly helpful to Kansans as state leadership continues to work on a deal to expand. I will continue to urge my colleagues to support and cosponsor this important legislation, and I strongly encourage you to bring this bill up for consideration in the upcoming legislation to bolster and expand the ACA.

Sincerely,



Sharice L. Davids
Member of Congress