

WASHINGTON, DC 20510

May 18, 2023

The Honorable Joseph R. Biden, Jr. President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

Dear President Biden:

I write in strong and unwavering support for the principles you are bringing to the negotiating table on avoiding default with Republicans, specifically any proposals that take away health coverage from Americans and plunge Americans deeper into poverty will be unacceptable. As the Chairman of the Senate committee responsible for the Medicaid program, I am deeply disturbed by the House Republicans' push to threaten Medicaid health coverage for over 20 million Americans¹, threaten to push one million children into poverty by gutting the Temporary Assistance for Needy Families (TANF) program², and take away needed food assistance from vulnerable families. Cutting these programs and creating an entirely new layer of bureaucracy and paperwork would result in fewer Americans having health care coverage and irreparably destroying the safety net that exists when Americans find themselves in hard times. This is a bad deal for all Americans and is not a proposition that Democrats can support.

As negotiations on avoiding default and a budget to fund the government progress, I urge you to stay strong in your commitment to protect people who receive their health coverage through Medicaid. House Republicans have proposed to cut Medicaid by over \$100B³. Savings would come from draconian work reporting requirements that achieve nothing but the ideological GOP goal of kicking Americans off of health insurance coverage.

In reality, the percentage of Americans with Medicaid coverage who are working is equal to the national labor force participation rate at 61 percent and the remainder are family caretakers, are unable to work because of an illness or disability, or are attending school in the hopes of attaining better jobs. Forcing them to report to their states whether they are working and how much each and every month not only increases bureaucratic red tape, threatens their access to medical care that allows them to continue working, and, according to the Congressional Budget Office, does nothing to increase employment⁴. The

 $^{1\} https://www.hhs.gov/sites/default/files/national-work-requirements-fact-sheet.pdf$

² Office of Family Assistance, "Table 3A: Status of TANF and SSP-MOE Families as Relates to All Families Work Participation Rates," October 6, 2022, https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.acf.hhs.gov%2Fsites%2Fdefault%2Ffiles%2Fdocuments%2Fofa%2Fwpr FY2021 final.xlsx&wdOrigin=BROWSELINK.

 $^{3\} https://www.cbo.gov/system/files/2023-04/59102-Arrington-Letter_LSG\%20Act_4-25-2023.pdf$

⁴ https://www.cbo.gov/system/files/2023-04/59109-Pallone.pdf

fact is that having Medicaid health coverage supports Americans' ability to join the workforce – it doesn't deter them.

I also urge you to stay committed to rejecting any policies that would throw Americans, particularly children, into poverty. The House Republican plan to decimate the Temporary Assistance for Needy Families (TANF) program by making state work participation rates more onerous will rip cash assistance away from hundreds of thousands of families, and increase childhood poverty⁵. TANF's work participation rate requirements are not effective in helping families find sustainable, long-term employment, but rather prevent low-income families from receiving cash assistance altogether. Data clearly shows that since TANF work requirements were introduced, the percentage of families in poverty receiving cash assistance through TANF has dropped from 68 percent to 21 percent⁶. TANF work requirements also disproportionately harm Black workers⁷, increase rates of deep poverty, and create unnecessary administrative hurdles for participants trying to get much-needed assistance to meet their basic needs⁸. Even so, the House Republican proposal doubles down on ineffective TANF work requirements by incentivizing states to take cash benefits away by stiffening work participation rates. This policy would do nothing to help recipients find work, and would increase childhood poverty.

I believe your principles are sound and necessary. The House Republican plan to cut Medicaid will jeopardize Americans' ability to stay healthy and be financially stable. The massive cost-shift to states will have very real consequences -- states will face tough choices about who will have health coverage and whether hospitals and nursing homes will face funding cuts that threaten their ability to stay open. Doctors could see their pay cut. State options like a full year of postpartum care, which Congress created on a bipartisan basis just last year, would be subject to cancellation. These cuts will jeopardize American families' access to Medicaid's nursing home benefit, or cut resources for home care, which allows people with disabilities and the elderly to receive care in their homes instead of moving into an institution.

Furthermore, evidence from states that have implemented work reporting requirements in their Medicaid programs illustrate these harms. In 2018, the Trump Administration authorized Arkansas to conduct this experiment, resulting in 18,000 people losing their Medicaid coverage within the first year. These requirements result in a bureaucratic nightmare for Arkansans by adding mountains of red tape each month for families already walking an economic tightrope.

I support you, Mr. President, in rejecting these cruel House Republican proposals that would increase poverty and take Medicaid coverage away from millions of Americans.

Sincerely,

⁵ https://www.cbpp.org/research/income-security/tanf-provisions-in-house-republicans-debt-ceiling-and-cuts-bill-would-harm 6https://www.cbpp.org/research/poverty-and-inequality/expanding-work-requirements-would-make-it-harder-for- people-to-meet 7 lbid.

⁸ Ibid.

Ron Wyden

United States Senator Chairman,

Committee on Finance

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