

April 25, 2025

The Honorable Mike Crapo  
United States Senate  
Washington, DC 20510

The Honorable Brett Guthrie  
United States House of Representatives  
Washington, DC 20515

The Honorable Ron Wyden  
United States Senate  
Washington, DC 20510

The Honorable Frank Pallone  
United States House of Representatives  
Washington, DC 20515

Dear Chairman Crapo, Ranking Member Wyden, Chairman Guthrie and Ranking Member Pallone:

We are organizations strongly committed to improving the nation's health by strengthening primary care, and we are deeply concerned that Medicaid proposals now under consideration could set back our efforts as well as those of Congress and the Administration to address chronic illness. If the Medicaid funding on which primary care practices depend is significantly reduced, we fear that the result will be a destabilization of those practices, including local community health centers. This would be a retreat in efforts to prevent and manage costly chronic conditions, further undermining Americans' health and wellbeing.

**In every state and territory of the United States, communities and populations that shoulder the highest chronic disease burdens rely on Medicaid and the essential primary care it supports. These include:**

- **14 million rural Americans** whose communities depend on Medicaid funding for access to primary care, behavioral health and rural hospital services.<sup>1</sup>
- Medicaid remains the nation's largest payer for behavioral health services– serving **13.9 million beneficiaries with substance use and mental health disorders**.<sup>2</sup>
- **12 million Medicare beneficiaries** depend on Medicaid for long-term care, behavioral health or cost-sharing assistance.<sup>3</sup> Whether these beneficiaries are fully dually eligible or enrolled in Medicare Savings Programs, a cut to Medicaid amounts to a downstream cut to their Medicare.

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<sup>1</sup> Medicaid and CHIP Payment and Access Commission, "Medicaid and Rural Health," issue-brief, April 2021, <https://www.macpac.gov/wp-content/uploads/2021/04/Medicaid-and-Rural-Health.pdf>.

<sup>2</sup> Heather Saunders and Robin Rudowitz, "Demographics and Health Insurance Coverage of Nonelderly Adults With Mental Illness and Substance Use Disorders in 2020 | KFF," KFF, June 6, 2022, <https://www.kff.org/medicaid/issue-brief/demographics-and-health-insurance-coverage-of-nonelderly-adults-with-mental-illness-and-substance-use-disorders-in-2020/>.

<sup>3</sup> "Seniors & Medicare and Medicaid Enrollees," Medicaid.gov, n.d., <https://www.medicaid.gov/medicaid/eligibility/seniors-medicare-and-medicaid-enrollees#:~:text=In%20total%2C%2012%20million%20people,both%20optional%20and%20mandatory%20categories>.

**Medicaid serves the people for whom the right care today can yield lifelong results. Medicaid covers 41% of births in the country and millions of lower-income adults.** Medicaid also provides comprehensive coverage and primary care for 37.5 million enrolled children. This coverage includes vital child screening and treatment coverage (the [Early and Periodic Screening, Diagnostic and Treatment or EPDST benefit](#)) that is simply unavailable from other sources. **Eligibility for Medicaid in childhood has been linked to higher rates of employment, higher earnings, lower rates of disability, decreased likelihood of incarceration and lower rates of public assistance usage later in life.**<sup>4</sup>

**For children and adults alike, strong primary care supported by Medicaid is fundamental to successfully addressing our chronic disease crisis.** State policy leadership has already demonstrated how primary care can reorient our health system toward prevention, leveraging whole-person primary care and technology to improve outcomes and lower costs for the long haul.

- **Oklahoma Medicaid’s SoonerCare Choice** program leveraged primary care medical homes and enhanced case management to reduce costly emergency department and hospital utilization.<sup>5</sup>
- **Missouri’s Medicaid Health Homes** - leveraging integrated teams - drove down emergency and hospital costs for enrollees with mental health or substance use disorders and improved outcomes for chronically ill beneficiaries.<sup>6</sup>
- **Arizona Medicaid’s Targeted Investment Program** implemented primary care-behavioral health integration and financial incentives, improving adults’ engagement with alcohol and substance use treatment and follow-up after mental health hospitalizations.<sup>7</sup>
- **Virginia and Washington state Medicaid managed care programs focused on enrollees with rising clinical and social risk**, deploying machine learning technology and Community Health Worker-led teams to reduce avoidable hospital and emergency use while improving quality.<sup>8</sup>

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<sup>4</sup> Janet Currie and Anna Chorniy, “Medicaid and Child Health Insurance Program Improve Child Health and Reduce Poverty but Face Threats,” *Academic Pediatrics* 21, no. 8 (November 1, 2021): S146–53, <https://doi.org/10.1016/j.acap.2021.01.009>.

<sup>5</sup> Pacific Health Policy Group, “SoonerCare Section 1115 Waiver Evaluation: Interim Evaluation Demonstration Years 24 – 26 (CY 2019 – 2021),” *Oklahoma Health Care Authority*, 2023, <https://oklahoma.gov/content/dam/ok/en/okhca/docs/research/data-and-reports/studies-and-evaluations/2023/SoonerCare%20Interim%20Evaluation-May%202023.pdf>.

<sup>6</sup> Brenda C. Spillman and Eva H. Allen, “Evaluation of the Medicaid Health Home Option for Beneficiaries With Chronic Conditions: Evaluation of Outcomes of Selected Health Home Programs, Annual Report - Year Five,” ASPE, May 10, 2017, <https://aspe.hhs.gov/reports/evaluation-medicare-health-home-option-beneficiaries-chronic-conditions-evaluation-outcomes-selected-o>.

<sup>7</sup> Arizona Health Care Cost Containment System, “Arizona Section 1115 Waiver Evaluation: Summative Evaluation Report,” September 2024, [https://www.azahcccs.gov/Resources/Downloads/QuarterlyProgressReports/2024/AZ\\_SummativeEvaluationReport.pdf](https://www.azahcccs.gov/Resources/Downloads/QuarterlyProgressReports/2024/AZ_SummativeEvaluationReport.pdf).

<sup>8</sup> Aaron Baum et al., “Supporting Rising-Risk Medicaid Patients Through Early Intervention,” *NEJM Catalyst* 5, no. 11 (October 16, 2024), <https://doi.org/10.1056/cat.24.0060>.

Medicaid programs across the country are already seeking to adapt and scale innovative successes like these. A 2022 survey of state Medicaid directors revealed a majority of states are implementing primary care medical home initiatives.<sup>9</sup> More recently, 33 states in 2024 increased primary care reimbursement to improve the health of the populations they serve, and another 20 states plan to do so in 2025.<sup>10</sup> As of December 2024, 19 states and the District of Columbia are implementing Medicaid Health Home programs.<sup>11</sup>

**Reducing federal support for Medicaid not only places these policy innovations at risk; It will also make keeping the doors open more difficult** - particularly for smaller, independent or rural primary care practices, clinics and health centers that disproportionately serve the safety net. In the event the Medicaid provisions of reconciliation legislation lead to loss of coverage, as [Congressional Budget Office analysis indicates](#), the result will be higher costs and utilization at our nation's already-strained emergency departments. Such actions could put at risk the work of Congress and federal agencies who are striving to address America's chronic disease crisis.

**While our organizations are eager to work with Congress to develop bipartisan policy solutions that strengthen Medicaid, we urge you to reject proposals that would destabilize primary care and the Medicaid funding which sustains many practices.** Primary care in the United States is already under significant fiscal pressure; further reducing that support will exacerbate the nation's chronic illness crisis. If you have questions regarding this letter, please contact Larry McNeely, Director of Policy at the Primary Care Collaborative, at [lmcneely@thepcc.org](mailto:lmcneely@thepcc.org).

Sincerely,

## **Primary Care Collaborative**

### **PCC Members and National Organizations**

Academic Consortium for Integrative Medicine and Health  
Advocates for Community Health  
America's Physician Groups (APG)

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<sup>9</sup> Elizabeth Hinton et al., "How The Pandemic Continues to Shape Medicaid Priorities: Results From an Annual Medicaid Budget Survey for State Fiscal Years 2022 and 2023 - Delivery Systems - 10030," *KFF*, November 15, 2022, <https://www.kff.org/report-section/medicaid-budget-survey-for-state-fiscal-years-2022-and-2023-delivery-systems/>.

<sup>10</sup> Elizabeth Hinton et al., "As Pandemic-Era Policies End, Medicaid Programs Focus on Enrollee Access and Reducing Health Disparities Amid Future Uncertainties: Results From an Annual Medicaid Budget Survey for State Fiscal Years 2024 and 2025," *KFF*, October 23, 2024, <https://www.kff.org/report-section/50-state-medicaid-budget-survey-fy-2024-2025-provider-rates-and-taxes/>.

<sup>11</sup> Centers for Medicare & Medicaid Services, Abt Global, and Health Management Associates, "State-by-State Health Home State Plan Amendment Matrix," 2024, <https://www.medicaid.gov/resources-for-states/downloads/hh-state-by-state-matrix-dec-2024.pdf>.

American Academy of Emergency Medicine  
American Academy of Family Physicians (AAFP)  
American Academy of Pediatrics (AAP)  
American Academy of Physician Associates (AAPA)  
American Association of Nurse Practitioners (AANP)  
American Association on Health and Disability  
American Board of Family Medicine (ABFM)  
American College of Clinical Pharmacy (ACCP)  
American College of Emergency Medicine  
American College of Nurse-Midwives  
American College of Osteopathic Family Physicians (ACOFP)  
American College of Physicians (ACP)  
American Foundation for Suicide Prevention  
American Nurses Association  
American Psychiatric Association  
American Psychological Association Services  
Association for Community Affiliated Plans  
Autistic Women & Nonbinary Network  
Blue Cross Blue Shield of Michigan  
Blue Shield of California  
Brigham and Women's Hospital Center For Excellence in Primary Care  
Center for the Study of Social Policy  
Community Catalyst  
Converging Health  
Elation Health  
EvolvedMD  
Families USA  
Gateway Business Health Coalition  
Global Allergy & Airways Patient Platform  
Health Care Transformation Task Force  
HealthTeamWorks  
Healthy Teen Network  
Lakeshore Foundation  
Lifelong  
Lupus and Allied Diseases Association, Inc.  
Maternal Mental health Leadership Alliance  
MEDIS, LLC  
Mental Health America  
MomsRising

National Alliance of Healthcare Purchaser Coalitions  
National Alliance on Mental Illness  
National Association of ACOs (NAACOS)  
National Association of Community Health Centers (NACHC)  
National Association of Free and Charitable Clinics  
National Council for Mental Wellbeing  
National Health Council  
National Partnership for Women and Families  
National Rural Health Association (NRHA)  
NHMH - No Health without Mental Health  
Partners In Health  
Partnership to Empower Physician-Led Care  
Pediatric Innovation Center  
PIVOT-- The Progressive Vietnamese American Organization  
Prevent Blindness  
Primary Care Development Corporation (PCDC)  
Primary Care for All Americans  
Rhode Island Primary Care Physicians Corporation  
Society for General Internal Medicine (SGIM)  
Society of Teachers of Family Medicine (STFM)  
The Alliance of Community Health Plans  
The Children's Partnership  
The Primary Care Centers Roundtable Directors\* (OHSU Center for Primary Care Research and Innovation, UCSF Center for Excellence in Primary Care, Morehouse School of Medicine National Center for Primary Care, Larry Green Center, Harvard Center for Primary Care, Dartmouth Northern New England Systems Transformation for Primary Care, Center for Professionalism and Value in Health Care, Robert Graham Center)  
The National Alliance to Advance Adolescent Health  
Upstream USA  
VillageMD  
Waymark  
Young People in Recovery

**Other State or Local Organizations**

Any Baby Can  
Arizona Statewide Independent Living Council  
Ceres Community Project  
Coalition of Texans with Disabilities

Dientes Community Dental Care  
Employment Resources Inc.  
Encompass Community Services  
Five Horizons Health Services  
Florida Chapter of American Academy of Pediatrics, Inc.  
Latino Texas Policy Center  
MAPCAP (MA Primary Care Alliance for Patients)  
Maryland Citizens' Health Initiative  
NewBridge Services  
North Coast Food Project of Oregon  
North Dakota Protection & Advocacy Project  
Novaline Dental LLC  
Serving At-Risk Families Everywhere, Inc.  
South Carolina Appleseed Legal Justice Center  
Tennessee Justice Center  
The Arc Michigan  
Thresholds  
Unitarian Universalist Fellowship of Hidalgo County Texas  
United Way for Southeastern Michigan  
UVM Autism Collaborative

\* Directors of these Centers are providing endorsement in their personal capacity and this does not represent institutional endorsement by the universities with which some Centers are affiliated