

December 18, 2017

California Congressional Delegation  
Washington, D.C. 20515

Dear Members of the California Congressional Delegation:

The undersigned 116 California organizations are writing to express our strong opposition to the Tax Cuts and Jobs Act and our deep concerns about its effects on the health care of California's older adults, people with disabilities, and their families. Our organizations share a commitment to promoting access to affordable, high-quality health care and long-term services and supports for older adults, people with disabilities, and their families, and this tax package will endanger that goal.

The tax bill Congress is considering would increase the national debt by at least \$1 trillion, even after accounting for potential economic growth. The bill would also drive up the yearly deficit through tax cuts that primarily benefit the wealthiest Americans and large corporations. This is likely to lead to drastic cuts to Medicaid, Medicare, Social Security and other programs on which older adults rely.

In California, over 1.3 million older adults and people with disabilities currently rely on Medi-Cal coverage for their health and long-term care.<sup>1</sup> Cuts to Medi-Cal would jeopardize coverage for these individuals and the four million Californians who are turning 65 over the next decade.<sup>2</sup> In addition, significant Medicare cuts would shift costs on to beneficiaries, endangering the nearly 6 million older adults and people with disabilities who currently rely on the program in California for high-quality care.<sup>3</sup>

We are also particularly concerned about the repeal of the Affordable Care Act individual mandate. Approximately 400,000 adults age 55 and over are enrolled in marketplace plans through Covered California.<sup>4</sup> By eliminating the individual mandate, the tax bill puts the availability of affordable health coverage for these individuals, who are not yet eligible for Medicare, at risk through higher premiums or even lack of insurers. The Congressional Budget Office (CBO) estimates that nationally 13 million more people will be without health coverage if the mandate is repealed, including 5 million people who would not enroll in Medicaid even

---

<sup>1</sup> Kaiser Family Foundation, "Number of Dual Eligible Beneficiaries, FY 2011," <https://goo.gl/yknbNr>

<sup>2</sup> Public Policy Institute of California, "Planning for California's Growing Senior Population," (August 2015), <http://www.ppic.org/publication/planning-for-californias-growing-senior-population/>

<sup>3</sup> Kaiser Family Foundation, "Total Number of Medicare Beneficiaries," <https://goo.gl/YWM37t>

<sup>4</sup> Covered California, "Member Profile," (September 2017), [http://hbex.coveredca.com/data-research/library/active-member-profiles/12-13-17/CC\\_Membership\\_Profile\\_2017\\_09.xlsx](http://hbex.coveredca.com/data-research/library/active-member-profiles/12-13-17/CC_Membership_Profile_2017_09.xlsx)

though they are eligible.<sup>5</sup> It is estimated that 1.8 million Californians could lose coverage.<sup>6</sup> With fewer younger and healthy individuals in the marketplace, older adults would see their premiums increase on average by 10%<sup>7</sup>. For example, an average 60-year-old would see their premiums rise to \$14,860 a year, a \$1,350 increase.<sup>8</sup>

The proposed reduction of the State and Local Tax (SALT) deduction to \$10,000 will be particularly harmful to Californians, over one third of whom claim this deduction annually.<sup>9</sup> Over time it will become more difficult for California to raise revenue through state and local taxes, leading to less investment in critical services and programs older adults rely on including Medi-Cal, affordable housing, and public transportation.

In addition to these effects, both intentional and not, the sheer size of the deficit would trigger immediate cuts under sequestration to Medicare and other programs that benefit older adults and people with disabilities. The CBO projects Medicare cuts of \$25 billion in 2018 alone.<sup>10</sup> Of course, such cuts would have harmful effects on all those who rely upon Medicare.

In addition to our concerns about the substance of the bill detailed above, we are also dismayed by the rushed and partisan process. It is especially concerning that further changes have been made behind closed doors and members of Congress will be asked to vote without having seen a full JCT analysis of the final bill that is in the conference report. Without a full analysis, we cannot know all the effects this far-reaching bill will have on Californians.

Historically, Congress has worked through a bipartisan, transparent process that included public hearings, open comment periods on discussion drafts, multi-stakeholder meetings, and more. Any changes to the tax code should be thoughtful and deliberative.

---

<sup>5</sup> Congressional Budget Office, "Repealing the Individual Health Insurance Mandate: An Updated Estimate" (November 8, 2017), <https://www.cbo.gov/publication/53300>.

<sup>6</sup> Center for American Progress, "Estimates of the Increase in Uninsured by Congressional District Under the Senate GOP Tax Bill," (December 5, 2017), <https://www.americanprogress.org/issues/healthcare/news/2017/12/05/443767/estimates-increase-uninsured-congressional-district-senate-gop-tax-bill/>

<sup>7</sup> Congressional Budget Office, "Repealing the Individual Health Insurance Mandate: An Updated Estimate" (November 8, 2017), <https://www.cbo.gov/publication/53300>.

<sup>8</sup> AARP, "Health Provision in New Tax Bill: Higher Premiums and Loss of Health Coverage for Older Adults," (November 21, 2017), <http://blog.aarp.org/2017/11/21/health-provision-in-new-tax-bill-higher-premiums-and-loss-of-health-coverage-for-older-adults/>

<sup>9</sup> Tax Policy Center, "Congressional Districts Ranked by Percentage of Returns With State and Local Tax Deduction and by the Deduction as a Percentage of AGI, 2014," (September 13, 2017), <http://www.taxpolicycenter.org/statistics/congressional-districts-ranked-percentage-returns-state-and-local-tax-deduction-and>

<sup>10</sup> Congressional Budget Office, "Effects of legislation that would raise deficits by an estimated \$1.5 trillion over the 2018-2027 period" (November 14, 2017), <https://www.cbo.gov/publication/53319>

Our organizations strongly urge Congress to start over on tax reform and ensure that any changes will not drive up deficits or reduce access to health care for older adults, people with disabilities, and their families.

Sincerely,

2-1-1 Humboldt  
ACLU of California  
Aging Services Collaborative of Santa Clara County  
Alameda County Community Food Bank  
Alzheimer's Greater Los Angeles  
American Academy of Pediatrics – California  
Antelope Valley Seniors Network  
Asian Americans Advancing Justice - California  
Asian Law Alliance  
Association of Regional Center Agencies  
CA Association of Public Authorities  
California Advocates for Nursing Home Reform  
California Alliance for Retired Americans  
California Association of Area Agencies on Aging  
California Association of Food Banks  
California Commission on Aging  
California Food Policy Advocates  
California Foundation for Independent Living Centers  
California Health Advocates  
California Health Professional Student Alliance  
California IHSS Consumer Alliance  
California LTC Ombudsman Association (CLTCOA)  
California Office of the State Long-Term Care Ombudsman  
California OneCare  
California Pan-Ethnic Health Network  
California Physicians Alliance  
California Supported Living Network  
California Voices for Progress  
California Women's Agenda  
Californians for Disability Rights Inc.  
Center for Health Care Rights  
Choice in Aging  
Clinica Sierra Vista  
COA Riverside County LTC Ombudsman  
Coalition for Compassionate Care of California  
Coalition for Humane Immigrant Rights (CHIRLA)  
Community SeniorServ

Congress of California Seniors  
Council on Aging - Southern California  
Courage Campaign  
Disability Rights California  
Disability Rights Education and Defense Fund  
Disability Rights Legal Center  
El Dorado County Long-Term Care Ombudsman Program  
Equality California  
Family Caregiver Alliance  
Fathers & Families of San Joaquin  
Food for People, the Food Bank for Humboldt County  
Hand in Hand: The Domestic Employers Network  
Health Access  
Health Projects Center  
Hepatitis C Support Project, A Project of the Tides Center  
Homeless Action Center  
Hunger Action LA  
Inland Empire Coverage and Health Initiative (IE-CHI)  
Inner City Law Center  
Jewish Family Service Los Angeles  
Joslyn Center Meals on Wheels  
Justice in Aging  
Kern County Long Term Care Ombudsman Program  
Kern County LTSS Coalition  
Law Foundation of Silicon Valley  
LeadingAge California  
Legal Aid Society of San Mateo County  
Legal Assistance for Seniors  
Life Skills Training and Educational Programs, Inc.  
LifeLong Medical Care  
LifeSTEPS - Life Skills Training and Educational Programs, Inc.  
Long Term Care Ombudsman Program of Santa Barbara County  
Los Angeles Center for Law & Justice  
LTC Ombudsman Services of San Luis Obispo County  
Maternal and Child Health Access  
Meals on Wheels California  
Meals on Wheels San Diego County  
Meals on Wheels San Francisco  
Meals on Wheels West  
Mental Health Advocacy Services, Inc.  
Mercy Brown Bag Program  
Mi Familia Vota  
Millenium Ventures LLC

Mizell Senior Center, Palm Springs  
Multipurpose Senior Services Program Site Association  
National Health Law Program  
Nevada-Sierra Connecting Point Public Authority  
NextGen America  
NICOS Chinese Health Coalition  
Ombudsman Services of San Mateo County, Inc.  
Parent Voices CA  
Partners in Care Foundation  
Peace Builders of California  
Personal Assistance Services Council  
Project Inform  
PSA 2 AAA LTC Ombudsman Program  
San Diego Volunteer Lawyer Program, Inc.  
San Francisco AIDS Foundation  
San Francisco Department of Aging and Adult Services  
Sausalito Village  
SEIU Local 12021  
Senior Advocates of the Desert  
Senior Services Coalition of Alameda County  
San Francisco IHSS Public Authority  
Serving Seniors  
Shelter Partnership  
SoCal Health Care Coalition  
Social Security Works  
Southeast Asia Resource Action Center  
St. Anthony Foundation  
St. Barnabas Senior Services  
The Alliance On Aging  
The Arc California  
The Redwood Empire Food Bank  
The San Diego IHSS Coalition  
Tri-Valley Progressives  
UDW/AFSCME Local 3930  
United Domestic Worker of America  
Western Center on Law & Poverty  
Yolo Healthy Aging Alliance