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**National Association of
Area Agencies on Aging**

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September 6, 2018

Chairman Orrin Hatch
Ranking Member Ron Wyden
Senate Finance Committee
219 Dirksen Senate Office Building
Washington, DC 20510

Chairman Greg Walden
Ranking Member Frank Pallone
House Energy and Commerce Committee
2123 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Hatch, Ranking Member Wyden, Chairman Walden,
and Ranking Member Pallone:

On behalf of the National Association of Area Agencies on Aging (n4a), which represents the country's 622 Area Agencies on Aging (AAAs) and is a voice in the nation's capital for the more than 250 Title VI Native American aging programs, we write in strong support of the bipartisan House and Senate efforts to reauthorize the federal Money Follows the Person (MFP) program.

Established as part of the Deficit Reduction Act during the George W. Bush Administration, as of December 2017 Money Follows the Person has enabled 44 states across the country to help 88,000 older adults and people with disabilities who are receiving long-term care through Medicaid to transition from institutional settings back to their homes and communities. The federal, state and local agencies and organizations that comprise the Aging Network, including many Area Agencies on Aging, have served as instrumental partners with states in achieving the mission of MFP—to increase the independence of older adults and people with disabilities and to increase access to Medicaid home and community-based services (HCBS).

This valuable program not only improves lives of individuals who participate, allowing them to live in the setting of their choice, but also saves, on average, more than 20 percent in federal Medicaid spending per beneficiary by reducing the use of institutional care.ⁱ When people have access to less-expensive HCBS instead of institutional services, both state and federal governments save money.

Despite MFP's success, the bipartisan program expired in 2016. While states have been allowed to expend their remaining MFP funding to continue transitions to the community for older adults and people with disabilities, no new federal funding has been allocated to maintain those efforts. According to a recent survey, eight states have completely exhausted their MFP funding and are ramping down programs, and the remaining 36 participating states will exhaust their funding at the end of 2018.

As Congress works toward completing the year's agenda, it is vital that Money Follows the Person reauthorization is included in any must-pass legislation this fall. *The funding must be renewed before the 115th Congress adjourns.* n4a strongly supports the bipartisan "Ensuring Medicaid Provides Opportunities for Widespread Equity, Resources and Care Act," or EMPOWER Care Act (S. 2227/H.R. 5306), introduced earlier this year by Senators Rob Portman (R-OH) and Maria Cantwell (D-WA) and Representatives Brett Guthrie (R-KY) and Debbie Dingell (D-MI). The Act provides a five-year reauthorization for MFP through 2022 and would make improvements in the program, such as allowing beneficiaries living in institutional facilities to access MFP earlier than is currently allowed. While it is our hope that S. 2227/H.R. 5306 will be adopted as is, given the tight congressional calendar and in order to avoid further devastating erosion to MFP programs across the country, we would also support a shorter duration of authorization as a first step to stabilizing the program.

On behalf of n4a's membership of Area Agencies on Aging and the older adults and people with disabilities who they serve in communities across the country, we hope you will support—and urge your colleagues to support—the bipartisan House and Senate bills to reauthorize Money Follows the Person. Much progress has been made since 2005, yet there is more work to be done—and more savings to be achieved—which can only happen with Congress's leadership.

Sincerely,



Sandy Markwood
Chief Executive Officer

cc:

Chairman Patrick Toomey, Health Care Subcommittee, Senate Finance Committee
Ranking Member Debbie Stabenow, Health Care Subcommittee, Senate Finance Committee
Chairman Michael Burgess, Health Subcommittee, House Energy and Commerce Committee
Ranking Member Gene Green, Health Subcommittee, House Energy and Commerce Committee
Members of the U.S. Senate and U.S. House of Representatives

ⁱ Mathematica Policy Research, The National Evaluation of the MFP Demonstration, *Health Care Expenditures Two Years Post-Transition*, 2018. <https://www.medicaid.gov/medicaid/ltss/downloads/money-follows-the-person/mfpfieldreport21.pdf>