Amendment 5 Threatens the Health of Florida’s Current and Future Residents

Access to affordable and timely health care can prevent disease, lead to healthier children and families and lower expenses in emergency care and chronic disease treatment. In a state like Florida, which has a growing population of both young and old residents, health care is one of the backbones of the state’s economy. A healthy workforce is key to attracting investors and ensuring sustainable development in the state. Florida’s current health system is not sufficient to keep residents healthy and able to work and it will not support Florida’s aging population.

On November 6, Florida voters will decide on Amendment 5, which would — at best — lock the state into its already inequitable health care system that keeps thousands from accessing needed care. At worst, it could increase disparities, shutting out access for thousands more. The measure would require a two-thirds (supermajority) vote of the state Legislature to approve any new state revenue, taxes and fees, or to eliminate tax incentives, loopholes and other such expenditures.

Florida currently has the wrong priorities, giving special tax breaks to big corporations while putting up barriers to accessing health care services. Amendment 5 locks in these failed priorities before the state has a chance to recover from deep cuts following the Great Recession and a supermajority requirement would likely require huge funding cuts in the wake of another fiscal crisis. Amendment 5 would unnecessarily restrict investments in Florida’s future.

Amendment 5 Puts Florida on a Collision Course with Population Growth and Future Health Care Needs

Florida’s current standing on multiple national health care rankings is already alarmingly low, as illustrated in Table 1. Florida’s uninsured rate continues to creep up, while waitlists for vital programs keep services out of reach for many. For example, the waitlist for Medicaid funded home- and community-based services (HCBS) in Florida is more than 50,000, which is, along with Texas, the longest in the nation. The waitlist for Medicaid-funded developmental disabilities services is more than 21,000. Some have been on the waitlist for more than 10 years.

The health and well-being of African-American and Hispanic Floridians is persistently worse than their white counterparts. Florida communities of color are disproportionately hurt by the abysmal trends reflected in these national rankings.

Florida has more than 20 million residents, making it the third most populous state in the nation, and it’s also among the fastest growing states, with projected annual population growth of roughly 320,000. Notably, the state is experiencing significant growth in the most medically expensive populations: people with disabilities and the elderly. 

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These unique demographics ensure even greater future demands on the state's health care delivery systems and safety nets. To meet the needs of Florida's residents, the state will need to make investments in its health care programs. However, Amendment 5 will significantly restrict the Legislature’s ability to raise revenue, making an improvement in Florida’s health measures unlikely and leaving Floridians to suffer with inadequate care.

Amendment 5 Creates More Barriers to Accessing Health Care

Nearly 4 million of Florida's low-income residents rely on Medicaid to cover essential health care services. Over half are low-income children. The remainder are mostly people with disabilities, the elderly and pregnant women. They include:

- Retired taxpayers who need nursing home or in-home care and who have already spent their life savings for this care. Medicaid covers 61 percent of Florida nursing home days.
- Pregnant women needing prenatal care to ensure the delivery of healthy babies. Medicaid covers 63 percent of Florida deliveries.
- Abused and neglected children with intense physical and mental health needs who would otherwise be uninsured. Medicaid covers more than 61,000 of these Florida children.

Medicaid is a great financial deal for the state. While the total amount appropriated for the program in Fiscal Year (FY) 2019 is substantial — more than $28 billion — federal funds cover about 61 percent of the cost (See Figure 1).
Florida already has one of the most limited Medicaid programs in the country. State investment per enrollee, as well as provider reimbursement rates, are among the lowest in the nation. Low reimbursement causes low provider participation rates and significant challenges for beneficiaries in accessing care. Additionally, thousands of low-income Floridians are completely shut out of Medicaid coverage because of very stringent income and eligibility requirements and state lawmakers’ failure to expand the Medicaid program.

A Supermajority Requirement Would Increase Pressure to Cut Medicaid

Historically, the Medicaid program has been a bullseye for cuts when the Florida Legislature is looking for dollars. A supermajority requirement, like that in Amendment 5, would significantly ramp up these fiscal pressures. Medicaid coverage and services that could be in the line of fire include:

- **Health coverage for low income people with severe disabilities and the medically needy** - With more fiscal pressures from a supermajority requirement, as a cost-savings measure the Legislature could decide to further restrict eligibility for those with severe disabilities, taking away coverage from thousands of people with serious medical needs and shutting out future beneficiaries. Currently, uninsured medically needy Floridians with income above the state’s Medicaid income limits can qualify when they face catastrophic medical costs from an unexpected illness or accident; however, the Legislature could decide to fill a budget hole by eliminating this "optional" program.

- **Services keeping seniors and adults and children with disabilities out of nursing homes** - Florida covers HCBS for adults and children through "optional" Medicaid waiver programs that provide services, such as assistance with bathing, eating and dressing. These services allow them to stay in their homes and prevent or delay needing nursing home or other institutional care. But because this coverage is "optional," Florida policymakers could choose to eliminate it, roll back income eligibility or further limit the number of program slots.

Waitlists for these programs are already exceedingly long (see Figure 2). Demand for HCBS will inevitably continue to increase given Florida's skyrocketing population of seniors and persons with disabilities.
• **Prenatal care** - Maternity coverage under Medicaid includes care during pregnancy, as well as 60 days after childbirth. Although Florida has already made the common-sense policy decision to cover uninsured women up to 185 percent of the poverty threshold ($3,870 per month for a household of four) the state could opt to reduce income eligibility. Such a decision would be fiscally imprudent, since the long-term cost savings from prenatal care are well-documented.8

• **Community mental health, substance abuse and opioid treatment for adults** - Florida deaths from suicide, alcohol and drug use have increased in recent years, contributing to Florida’s overall poor health ranking.9 Despite this alarming trend, Florida lawmakers have not fully funded the budget for substance abuse treatment beds.10 Medicaid cuts would also add to the number of uninsured people with untreated mental health conditions. Mental Health America estimates that there are 533,000 uninsured Floridians with mental illness-- Florida has the fourth highest percentage in the country.11 Greater fiscal pressures on the Medicaid program inevitably triggered by a supermajority requirement could lead to more unnecessary deaths if treatment services are reduced.

**Lower Investment in Health Care Would Add to Florida's Uncompensated Care and Safety Net Burden**

Florida already faces the high costs associated with having more than 2.8 million uninsured residents. There are about 400,000 living below the poverty line who cannot qualify for Medicaid because Florida leadership has opted not to expand Medicaid. Further cuts to Medicaid would add to these numbers. While the uninsured are more likely to delay care due to cost, their health care needs don't go away. When left unattended, such health care needs become more complicated to treat and people are likely to end up in costlier settings, such as emergency rooms.
Florida’s health care system subsequently faces the ongoing pressures of more than $2.4 billion annually in uncompensated care. An already overstrained safety net patchwork, including state and local programs and local charity health providers, struggles to meet the needs of the uninsured. But these resources are insufficient and uncertain, and easy victims of political funding decisions at both the state and local levels. With a supermajority requirement, fiscal pressures on local government and taxpayers would be even greater. The decreasing resources at the state level available to invest in Floridians’ health care would only make these circumstances more dire.

Conclusion

Simply stated, the need for health services far outpaces the current funding allocated by the Florida Legislature. Moreover, health funding in Florida will require significant additional resources to meet the state’s growing needs. Lawmakers must have capacity to rapidly respond to unexpected public health emergencies, such as the opioid crisis or the next mosquito borne virus like Zika or yellow fever.

Amendment 5 would lock in current health disparities and put future economic growth at risk. Health coverage and comprehensive care is critical to growing the state’s economy, since a population in good physical and mental health will be much more productive than one in poor health. But additional resources would be even more difficult to come by if Florida is unable to raise revenue, and lawmakers would be forced to make deep cuts to programs and services following the next economic crisis.

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