

# PRESS RELEASES

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## **Rep. Sewell Introduces COVER Now Act to Empower Local Governments to Overcome Obstruction to Medicaid Expansion**

**June 16, 2021**

**Washington, D.C. –** Today, U.S. Rep. Terri Sewell (AL-07) joined over 40 Democratic House Members in introducing the Cover Outstanding Vulnerable Expansion-Eligible Residents Now (COVER Now) Act. This landmark legislation, led by Rep. Lloyd Doggett (D-TX), authorizes the Centers

for Medicare and Medicaid Services (CMS) to work directly with counties, cities, and other political subdivisions to expand Medicaid coverage. It would, for the first time, allow local leaders to help their vulnerable residents in states which have declined to accept federal resources for Medicaid expansion.

“Improving access to quality, affordable health care is one of my top priorities in Congress,” **said Rep. Sewell.** “Because of the State of Alabama’s refusal to expand Medicaid, more than 200,000 low-income Alabamians who would otherwise qualify for health insurance coverage are being forced to go without care, putting their health and their lives at risk. If the State of Alabama won’t expand access to health care for our underserved communities, local

governments should have the power to do it themselves. That's why I'm proud to join my colleagues in introducing the COVER Now Act which would help thousands of Alabamians see a doctor, obtain medications, and afford life-saving care."

## **Key Features of the COVER Now Act:**

- The bill would authorize CMS to contract directly with counties and other political subdivisions to establish demonstration projects expanding Medicaid coverage to their residents.
- Participating entities will receive the same deal previously made available to states: 100% federal funding for the first 3 years and a gradual reduction to 90% federal funding by year 7 and thereafter.
- Participating entities may apply individually or jointly if they wish to establish a regional expansion project.
- Existing Medicaid rules and systems would remain in place and apply to the local expansion programs.
- States would be required to cooperate and authorize access to State Medicaid systems for participating entities, with additional federal administrative Medicaid funding for cooperation and subject to federal penalties for non-cooperation.
- Should a state expand, eligible beneficiaries enrolled in a local expansion program would be automatically enrolled into the State Medicaid program.

The COVER Now Act is based on previous successful demonstration projects in Cuyahoga County, Ohio, Cook County, Illinois, and several counties in California. These demonstration projects were established by state application through 1115 waivers and served as the glidepath to statewide expansion. Under the COVER Now Act, local entities would be empowered to apply directly to CMS without the state's involvement.

"Millions of people have gained access to health care, thanks to the Affordable Care Act," **said Debra L. Ness, President, National Partnership for Women & Families.** "But despite these advancements there are still 2.2 million people who have been shut out due in large part to 12 states refusing to

expand Medicaid. The majority of those impacted are people of color. In order to fix this, the American Rescue Plan provided a sizable financial incentive to states to finally take up Medicaid expansion. Still, these states – many with a deep legacy of racism and racist health policies – will likely continue to refuse these incentives at great detriment to the health outcomes, lives, and maternal health of their residents. The National Partnership commends these members for working to find ways to address the coverage gap in states that have not expanded Medicaid coverage, and we urge Congress to work towards a solution.”

“The American Diabetes Association strongly supports the COVER Now Act to expand access to Medicaid coverage

for uninsured and under-insured Americans, especially the 122 million people living with diabetes and prediabetes,” said **Tracey Brown, CEO of the American Diabetes Association**. “Health insurance coverage through Medicaid can empower individuals and families to be more proactive in seeking preventive care, early diagnosis and diabetes management through affordable prescription drugs and devices. Health care costs for the diabetes community are 2.5 times higher than those for Americans without diabetes, and the COVER Now Act is an important step toward addressing cost barriers to life-saving health care.

The COVER Now Act is also supported by UnidosUS, the National Alliance on

Mental Illness, the National Multiple Sclerosis Society, and CommuniCare Health Centers.