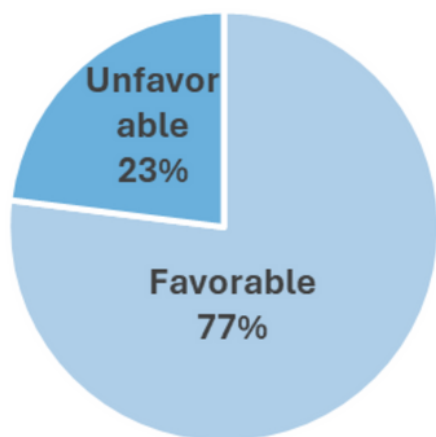# Protect Medicaid: Impact of Federal Medicaid Funding Cuts on States

Efforts to cut Medicaid funding — whether in the form of per capita caps, reductions in federal matching funds, implementation of work requirements, etc. — will shift costs to states, putting significant pressure on **state budgets** and force state officials to make impossible choices.

Medicaid Provides Economic Stability States Need

- The federal government provides more underline funding assistance to states with lower per capita incomes like AL, AR, DC, ID, GA, KY, LA, MI, MS, NM, OK, SC, and WV.
- Medicaid is the primary payer for institutional and home and community-based long-term care — as Medicare's coverage is limited and few affordance options exist in the private market.
- Medicaid is a major source of funding for hospitals, community health centers, physicians, and nursing homes.
- Almost one-third of Medicaid spending (32%) goes towards health care for Medicare enrollees.

Over three-fourths of the public holds favorable views of Medicaid

Unfavorable 23%

Favorable 77%

Impact of Cuts to Federal Medicaid Funding

Several policy options are being considered by Congress that would significantly cut Medicaid funding available to states, leaving states with limited options for addressing resulting budget gaps:

- Raise revenue by increasing taxes
- Cut funds for other essential services, like K-12 and higher education
- Eliminate Medicaid coverage for certain populations, which could include parents, people with chronic medical conditions and/or substance use or mental health conditions, people leaving incarceration, veterans, and others
- Reduce access to health care services, including essential services like home and community-based care for seniors and people with disabilities
- Cut reimbursement rates for doctors, hospitals and other providers; and/or
- Reduce payments to managed care plans, which would lower provider rates and/or employ other practices to limit access to care

Oppose All Cuts to Medicaid!!!