

What the Congressional Republican Agenda Means for California

Speaker McCarthy and MAGA Congressional Republicans have [committed to balance the budget](#) while adding [\\$3 trillion or more](#) to the deficit through tax cuts skewed to the wealthy and large corporations. As a matter of simple math, that requires [trillions in program cuts](#). Congressional Republicans have yet to disclose to the American people where these cuts will come from. But past Republican [legislation](#), [budgets](#), and [litigation](#), along with recent [statements](#), [proposals](#), and [budget plans](#), provide clear evidence that health care will be on the chopping block for severe cuts.

Virtually every Republican budget or fiscal plan over the last decade has included repeal of the Affordable Care Act (ACA) and deep cuts to Medicaid. That would mean: higher health care costs for California families; ending critical protections for people with pre-existing conditions; nearly one million people losing health coverage and care in California alone; and threats to health care for seniors and people with disabilities, including growing home care waiting lists and worse nursing home care.

Californians deserve to see congressional Republicans' full and detailed budget plan, including what it cuts from the ACA and Medicaid, Social Security and Medicare, and other critical programs, and should have the chance to compare it with the President's budget plan, which he will release March 9.

ACA repeal would reverse California's progress getting more Californians health insurance. Since the passage of the Affordable Care Act, monthly enrollment rates for Medicaid have increased over 79 percentage points—coverage gains that would surely be lost if the ACA and Medicaid expansion is eliminated.

More than 15,894,468 Californians—about 40 percent of the state—rely on Medicaid and the Affordable Care Act for health coverage.

In total, over 6,389,851 Californians' health insurance coverage will be at risk from ACA repeal. This includes over 1,719,130 who have signed up for ACA marketplace coverage for 2023, and over 4,670,721 enrolled in Medicaid expansion coverage available due to the ACA.

At least 6,093,000 Californians with pre-existing health conditions could lose critical protections. Before the ACA, at least 6,093,000 Californians with pre-existing health conditions could be denied coverage or charged more if they tried to buy individual market health insurance. Republican repeal proposals either eliminate these protections outright or find [other ways](#) to gut them.

Over 2,988,005 Californians could lose protection against catastrophic medical bills. Before the ACA, insurance plans were not required to limit enrollees' total costs, and [almost one in five](#) people with employer coverage had no limit on out-of-pocket costs, meaning they were exposed to tens of thousands of dollars in medical bills if they became seriously ill.

About 9,504,617 Californians with Medicaid could lose critical services, or could even

lose coverage altogether, including over 6,156,524 children. Slashing federal funding for Medicaid will force states to make Medicaid eligibility changes that would make it harder to qualify for, and enroll in, Medicaid coverage. States would also likely consider capping or limiting enrollment.

Medicaid funding in California could be slashed. Republican budget plans would [eliminate](#) the minimum federal Medicaid matching rate (FMAP) for [states](#) like California. Under current law, states with lower relative average per-capita income receive higher matching rates than states with the highest average per-capita income, and no state receives a FMAP that is lower than 50 percent. If the 50 percent floor were eliminated, according to some [older estimates](#), states could see their FMAP fall to as low as 15 percent, forcing Californians to pick up a far greater share of the cost of their Medicaid programs or make substantial cuts to their Medicaid programs.

Over 323,442 seniors and people with disabilities in California could receive worse home care, with ballooning wait lists for those still in need. Under a block grant or per-capita cap, there would be fewer dollars available for home care services, an optional benefit in Medicaid. Faced with large federal funding cuts, states would almost certainly ration care. California already has over 7,960 people on its home care wait lists so any additional cuts in federal funding will likely cause the state's existing wait list to skyrocket.

Thousands of nursing home residents in California would be at risk of lower quality of care. Over [60 percent](#) of nursing home residents are covered by Medicaid. With large cuts in federal funding, states would be forced to cut nursing home rates to manage their costs, as [many](#) states have done during recessions. [Research](#) shows that when nursing homes are paid less, residents get worse care.