Medicaid Awareness Month



New Report

85 Million Depend on Medicaid and CHIP, But GOP Doubles Down on Plan to Rip Coverage Away

April 2024

PROTECT OUR CARE

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NEW REPORT: 85 Million Depend on Medicaid and CHIP, But GOP Doubles Down on Plan to Rip Coverage Away

Around <u>85 million</u> Americans are currently covered under Medicaid and CHIP. It's how one in four Americans are able to see a doctor when they or their children get sick. Millions of kids with chronic illnesses and seniors in assisted living would be unable to pay the bills without Medicaid. Medicaid enrollment has increased by <u>52 percent</u> nationally since 2013, and the program has proven time and time again to save lives, keep rural hospitals open, broaden access to needed care, and – in turn – help reduce racial and ethnic, rural, and other health disparities.

However, Republicans have once again lined up behind Donald Trump and his dangerous plans to undermine Medicaid or directly slash its funding. He has promised to follow through on his plan to <u>repeal the ACA</u>, which would end Medicaid expansion in 40 states and the District of Columbia. This could potentially harm upwards of <u>23 million</u> Americans who have been added to Medicaid through the ACA's expansion program. Through his block grant waivers that could harm up to <u>5 million</u> Americans with disabilities, his <u>2019 rule</u> making it more difficult for states to fund their own Medicaid programs, or his proposal to <u>arbitrarily change the poverty line</u> Donald Trump has shown time and time again he is an enemy to Medicaid. Republicans continue to propose similar measures, showing how the Medicaid program remains in jeopardy.

House GOP Proposed Cuts to Medicaid

In their fiscal year 2025 budget released in March 2024, the Republican Study Committee, which represents all House Republican leaders and nearly 80 percent of House Republicans, proposed cutting Medicaid spending by over <u>54 percent</u> in the next decade and ripping coverage away from <u>tens of millions</u> of children, seniors and people with

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disabilities. In states like Florida, careerist wannabe-Trump Republicans like Ron DeSantis have also taken advantage of the ending of the COVID-19 public health emergency to wipe Medicaid and CHIP rolls, potentially <u>breaking federal laws</u> all in an effort to restrict health care access. He is also now suing the federal government to <u>prevent the expansion</u> of child health services and allow him to kick children off of CHIP for no fault of their own.

This follows the party line of the former Trump administration, whose entire presidency was built around punishing working class Americans and preventing them from accessing vital services. Experts point to Trump's immigration policies as deterring Latino families from getting coverage through Medicaid, resulting in steep coverage losses, especially for children. Trump's public charge rule made it tougher for working class immigrants entering the U.S. to enroll in Medicaid while also seeking citizenship, with health care experts warning at the time this would result in less coverage during the early months of COVID-19 pandemic. For years, Trump also empowered states to impose red tape and paperwork requirements as part of his ongoing efforts to dismantle Medicaid. Work requirements were at the center of these efforts then and continue to be today as Republicans seek to dismantle Medicaid. While work requirements have been blocked by a federal judge several times, the Trump administration kept fighting to impose these onerous rules in Medicaid, which has now been adopted by Republicans on the state and national level as a primary policy priority. A recent GAO report found that the administrative costs to implement the failed work requirement programs in five states topped \$400 million. In addition to work requirements, the administration has encouraged states to impose other barriers such as increased eligibility verification as well as premiums and other cost-sharing.

Additionally, House Republicans have introduced multiple pieces of legislation over the past year that would deny Medicaid coverage to some working class adults if they do not meet strict work reporting requirements, a move that could rip coverage away from as many as 27 million people, or around <u>58 percent</u> of all adults who rely on Medicaid. Multiple Republican budget plans, including the infamous <u>"Default on America"</u> plan, Vought budget, and Representative Arrington's first fiscal year 2024 budget, which he



proposed in February of 2023, would cut over <u>\$2 trillion</u> from Medicaid, ending Medicaid expansion entirely and kicking as many as <u>21 million</u> Americans off their health care plans. Later in 2023, Representative Arrington came back with a revised budget proposal, which once again included over <u>\$1.9 trillion</u> in cuts to Medicaid, that was leveraged against a full <u>government shutdown</u> at the end of Fiscal Year 2023 on September 30, 2023. The Republican position on Medicaid is clear, cut it all and let Americans suffer the consequences.

Key Points: The GOP Plan for Medicaid

- **GONE:** Mandates for Medicaid to cover non-elderly non-disabled parents, their children, or working class families unless they met burdensome work requirements.
- **GONE:** Medicaid and CHIP beneficiaries will no longer <u>have access</u> to recommended vaccinations free of cost.
- **GONE:** Essential federal funding for states like Mississippi, whose population makes less than the federal average income, to support their Medicaid programs so that working class Americans can continue to receive quality and affordable health care.
- **GONE:** Federal funding for Medicaid expansion's, which is set at 90 percent, as the RSC budget will slash it to only <u>50 percent</u>, placing more of a burden on states.
- **GONE:** State's methods of funding Medicaid, as Republicans plan to <u>eliminate</u> <u>provider taxes</u> in order to once again give the rich a tax break at the expense of the American people.

The Ten States Refusing to Expand Medicaid

Despite the overwhelming benefits of Medicaid expansion, Republicans have spent years undermining the ACA and its expansion of Medicaid at every turn, blocking millions from coverage. As recently as March 2024, Republicans state legislators in Georgia and Kansas once again <u>rejected expanding Medicaid</u> to their combined <u>431,000 residents</u> who would have access to Medicaid if they expanded their programs.



Yet the program has become increasingly popular among conservative voters. <u>75 percent</u> of Americans have a favorable view toward the Medicaid program, and <u>61 percent</u> of Americans in non-expansion states favor expansion. Every time Medicaid expansion has been placed on the ballot, even in deep red states like <u>Oklahoma</u> and <u>Idaho</u>, voters have approved it.

While Republicans are fighting a war of ideology, the facts are clear: Medicaid expansion saves lives. According to the Center on Budget and Policy Priorities, Medicaid expansion saved the lives of <u>19,200 older adults</u> aged 55 to 64 between 2014 and 2017. During that same period, 15,600 older adults died prematurely as a result of their state's decision not to expand the program. A study published in the Journal of Health Economics found that Medicaid expansion reduced mortality in non-elderly adults by <u>nearly four percent</u>. Cancer deaths have <u>dropped</u> more in states that accepted Medicaid coverage under the ACA than in states that have held out, and expansion has also been tied to <u>fewer</u> heart-related deaths. Despite Medicaid expansion being in the best interest of their states, Republicans continue to refuse to expand it or, in some states, try to implement a milquetoast replacement program.

Alabama: Over <u>174,000</u> people would gain coverage if Alabama expanded Medicaid; however, the pathway toward Medicaid expansion is a difficult one. The state has <u>outlawed popular referendums</u>, one of the most effective ways to get Medicaid expanded in red states, and the state legislature has made it clear that they will not adopt the program. Even though over <u>66 percent</u> of Alabamians support Medicaid expansion adoption, Republicans continue to vote against the American people and lower-cost health care.

Florida: If the state were able to expand Medicaid, around <u>570,000</u> Floridians could have access to coverage. Since 2012, when then-Governor Rick Scott <u>pledged to never pass</u> Medicaid expansion, the state Republican party has refused to take up the question. Organizers have tried a public <u>ballot initiative</u> to amend the Constitution but have run into bureaucratic <u>roadblocks</u> set up by Republican legislators time and <u>time</u> again.



Governor Ron DeSantis has had a long track record of <u>failing to help</u> uninsured Floridians, admitting he believes health care <u>isn't a right</u>, and <u>kicking</u> Floridians off of their health plans. Upwards of <u>57 percent</u> of those currently falling into the coverage gap in Florida are people of color, with Black residents disproportionately affected. This follows a long history of Ron DeSantis embracing <u>racist and extremist policies</u>. Florida has one of the <u>highest uninsurance rates</u> in the entire country thanks almost entirely to DeSantis's own policies restricting Medicaid so that not even low income Americans are eligible for it; for example in 2022, a parent or caretaker would only be eligible for Medicaid if each made <u>\$6,984 or less</u> annually. Now he is even suing the federal government for the ability to kick kids off CHIP for nonpayment of premiums. His staunch <u>devotion</u> to the Trump line has led to hundreds of thousands of Floridians paying exorbitantly more in health care and thousands more people getting sick and dying.

Georgia: Full Medicaid expansion in Georgia would provide coverage for up to <u>359,000</u> people in 2024, but Governor Brian Kemp and Republicans in the state legislature continue to block it. Instead, state Republicans have offered up their own, more <u>expensive</u>, version of expansion which would only, at best, insure <u>one-tenth</u> of those who could be covered under true expansion while also leaving many Georgians with no access to any health care. After the rollout of the Republican plan, only <u>1,100 people</u> signed up through October 2023. In March of 2024, Republicans banded together to once again <u>block</u> <u>Medicaid expansion</u> from passing through the state legislature.

Kansas: Governor Laura Kelly ran her campaign on bringing Medicaid expansion to Kansas; however, at every turn and in every legislative session she has been blocked by Republican state legislators. In 2020 a <u>proposal</u> was put forth that was shot down by Republicans. In 2021, Governor Kelly put forward a plan to <u>legalize marijuana</u> and use the tax revenue to pay for Medicaid expansion, but it was again struck down by Republicans. In 2022, state activists and Democratic legislators <u>fought</u> to expand Medicaid and although Governor Kelly succeeded in <u>postpartum expansion</u>, full Medicaid expansion once again was killed by Republican legislators. In March of 2024, Republicans <u>blocked</u> <u>Medicaid expansion</u> from leaving the health committee, denying it a full vote on the state's House floor. In all, over <u>72,000</u> people have been actively denied the quality and



affordable health care they would be eligible for under Medicaid expansion by Kansas Republicans.

Mississippi: Over <u>75 percent</u> of all rural hospital closures from 2010 to 2021 occurred in states that had not adopted Medicaid expansion, with Mississippi at the top of that list. As one of the poorest states in the country, experts have found only a <u>small handful</u> of Mississippi's hospitals are breaking even in costs, placing the state at the forefront of the nation's health care crisis. Along with around <u>123,000</u> people who would be eligible for coverage under Medicaid expansion in Mississippi, expansion adoption would also open up billions in federal funding which could help end the hospital crisis plaguing Mississippi and leading to hundreds of <u>excess deaths</u> in the state.

South Carolina: From the Governor's office to the state legislature, Republicans in South Carolina have <u>staunchly refused</u> to expand Medicaid to over <u>141,000</u> people. This has left over <u>83,000</u> Americans in an insurance coverage gap that prevents them from accessing life-saving health care. The battle against Medicaid expansion has also continued to stifle the economic growth of South Carolina, with some projections showing that adopting expansion will see a <u>9:1 statewide economic return</u> on investment in the program.

Tennessee: The Republican opposition to Medicaid expansion has meant that over <u>\$20</u> <u>billion</u> in potential funding to the state has been forfeited since 2014. Around <u>194,000</u> people would be eligible for low-cost health coverage if expansion was adopted and over <u>15,000</u> new jobs would be added to the state. Republican legislators and governors have shot down every legislative effort to expand Medicaid, despite it being introduced in nearly every legislative session, including <u>this year</u>.

Texas: Expanding Medicaid would bring access to coverage to over <u>1.2 million</u> Texans, but Governor Greg Abbott and Republicans in the legislature continue to block it. Texas already has some of the strictest eligibility requirements in the nation with only families making <u>\$285 a month</u> eligible for any assistance and adults who aren't caregivers, pregnant, have a disability, or are 65 years or older <u>cannot access</u> Medicaid at all.



Expanding Medicaid would provide Texans with much-needed relief, but as is often the case, the <u>cruelty</u> of not expanding this program seems to be the goal.

Wisconsin: Republican legislators have shot down any proposals to adopt Medicaid expansion in the state, making it one of only two Midwest states to have not yet adopted the program. Nearly <u>15,000</u> people in Wisconsin would be eligible for coverage under Medicaid expansion, but whether it was the <u>2021 session</u> where Republicans quickly rejected a special session to discuss expanding Medicaid, or the <u>2023 session</u> where those same Republicans tossed out Democratic Governor Tony Evers' <u>budget plan</u> to expand Medicaid, it is clear that the economic and health benefits matter less to these state Republicans than pulling the party line.

Wyoming: Despite a proposal adopting Medicaid expansion passing through committees this year, state Republican leaders <u>refused</u> to allow a reading of the proposal on the state House floor, effectively killing the bill. This is just the most recent example of Wyoming Republicans using bureaucratic loopholes to <u>undermine</u> and <u>outright reject</u> Medicaid expansion legislation until there is no longer any time to pass it. Year after year legislation is introduced that would expand coverage to more than <u>20,000</u> people, and every time Republicans block these measures which will save lives.

Without expanding Medicaid in these ten holdout states:

Rural Hospitals And The Americans Who Rely On Them Will Be Left Behind. Medicaid expansion does more than provide vital health coverage to more Americans, it is also one of the pillars in the national fight against rural hospital closures. Rural Americans are often left behind by a health care system that doesn't provide the funds to keep small, but regionally crucial, hospitals open. Medicaid expansion has helped curb that in many states but within those that have not adopted expansion, hospital closures are at an all-time high. <u>Nearly 14 million</u> Medicaid enrollees reside in rural areas. Medicaid helps fund rural hospitals, which employ <u>six percent</u> of all employees in rural counties that report having any hospital employment. Rural hospitals in Medicaid expansion states are <u>62 percent</u> less likely to close. In 2023, over <u>600</u> rural hospitals are at risk of closing in the



near future, almost all of which were within non-expansion states. Mississippi, whose Republican super-majority has consistently refused to expand Medicaid, is currently facing a crisis in its hospital system, with <u>half</u> of all the state's rural hospitals at risk of closure.

Those Suffering From Substance Use Disorders Will Not Receive Vital Care. Nationally, around <u>12 percent</u> of Medicaid enrollees over 18 have some kind of substance use disorder (SUD) and Medicaid is <u>crucial</u> to building a system of comprehensive substance use disorder treatment. These interventions have been vital and life-saving, with one study finding that around <u>10,000 lives</u> were saved from fatal opioid overdoses as a direct result of Medicaid expansion alone.

The Mental Health Crisis Will Be Exacerbated In Areas Where Care Is Needed the Most.

Medicaid is the single-largest payer for mental health services in America, serving <u>26</u> <u>percent</u> of all adults living with a serious mental health condition. Expanding Medicaid services, such as <u>behavioral health benefits</u>, also has led to improved access and <u>better</u> <u>outcomes</u> for working class individuals. Simply having access to Medicaid has shown in some studies to reduce depression rates by over <u>3 percent</u> among those with chronic health conditions.

Racial And Ethnic Disparities In Health Care Will Continue to Grow. The ACA led to historic reductions in racial and ethnic disparities in access to health care, but gaps in insurance coverage <u>narrowed the most</u> in states that adopted Medicaid expansion. States that expanded their Medicaid programs saw a <u>51 percent</u> reduction in the gap between uninsured white and Black adults after expansion and a <u>45 percent</u> reduction between white and Hispanic/Latino adults. Without expanding Medicaid, a large portion of Americans who would otherwise qualify for quality and affordable health care are unable to access it, leaving many without adequate care.

Republicans in Three States Refuse to Expand Medicaid to Postpartum Moms

Medicaid covers over 40 percent of births in the United States and, under President



Biden's American Rescue Plan, states were given the option to extend coverage to new mothers for one year postpartum. With <u>one in three</u> pregnancy-related deaths occurring between six weeks and one year after birth, this extension is a vital policy in fighting the growing maternal mortality rate in the United States. Congress subsequently made this option permanent as part of omnibus legislation signed into law at the end of 2022. Expanding postpartum coverage is an essential step toward solving our country's maternal mortality <u>crisis</u>, and as of September 2023, 47 states and the District of Columbia <u>have expanded</u> or are planning to expand full Medicaid coverage for 12 months postpartum. Three states have yet to expand postpartum care, leading to dire circumstances for birthing people further exacerbating the already existing crises of care in the states.

Arkansas: Governor Sarah Huckabee-Sanders, the former White House press secretary under Donald Trump who has recently <u>endorsed him</u> once again for President, has been a <u>staunch defender</u> of the crumbling health care infrastructure of Arkansas. The state has had the <u>highest maternal mortality rate</u> in the country and the overall number of deaths per 100,000 live births has <u>more than doubled</u> in the past twenty years. This is all par for the course of a careerist Republican ideologue though, whose only role in her governing position is to further the advancement of Donald Trump over the welfare of the people she serves.

Iowa: Following the closure of more and more hospitals, the state of Iowa has seen a <u>marked increase</u> in its maternal mortality rate. While Iowa is currently seeking to partially expand its postpartum care, Republican state legislators who are more concerned about political branding than serving their constituents have made sure they cut off over <u>1,700 women and babies</u> from coverage each month, who do qualify for Medicaid, because they don't meet a lowered income threshold.

Wisconsin: Much like with Medicaid expansion, Republican legislators in Wisconsin have continued to <u>shoot down</u> any attempt to expand postpartum care in the state, including multiple bipartisan bills. Around <u>25 women</u> every year die during birth with more than two thirds of them occurring outside of the coverage window for postpartum care. Over



<u>75 percent</u> of women currently go untreated when they experience maternal mental health conditions and the Republican refusal to expand postpartum care puts these people, their children, and their families at risk all so that they play politics.

State Republicans Proposed Work Reporting Requirements

In 2018, the Trump Administration attempted to impose burdensome work reporting requirements as part of his campaign to sabotage American health care, but courts struck them down after just ten months. Now Trump and Republicans are trying again by promising these work requirements will be implemented during a second Trump term, using the failed Republican plan in Georgia, which only enrolled <u>1.100 people</u> signed up through October 2023 after its rollout, as their primary policy example. Studies of states that have implemented work requirements have repeatedly found these barriers <u>increase</u> disenrollment rates, particularly among those with chronic illnesses (which has itself been <u>increasing</u> steadily since 2020). Other <u>studies</u> have found that even Medicaid beneficiaries who do work often struggle with the complex paperwork requirements and risk losing coverage even if they fully comply with the work requirements. Simply put, the party supposedly of small government is once again trying to build systems that overcomplicate government services for the average American.

By the Numbers:

- More than one-third <u>(36 percent)</u> of adults with Medicaid are not working because they are ill or have a disability but do not qualify for Supplemental Security Income (SSI).
- <u>30 percent</u> of adults on Medicaid without a job report they are taking care of a sick loved one or parent. 15 percent were in school; 9 percent were retired; and only 6 percent could not find work.
- Almost two-thirds, or <u>62 percent</u>, of those who would lose their Medicaid coverage as a result of work requirements are women, and <u>disproportionately women of color</u>.



• <u>13 percent</u> of non-SSI, non-dual, nonelderly Medicaid adults could be targeted by work requirements.

Case Study:

Beginning in July 2023, Republicans in Georgia have implemented Georgia Pathways, a distorted and uninformed simulacrum of Medicaid expansion, that has left approximately 252,000 Georgians without any option for coverage while covering as few as 64,000 Georgians at a cost of \$2,490 per enrollee. By contrast, if Georgia were to expand Medicaid under the incentives provided by the Affordable Care Act, an estimated <u>482,000</u> Georgians would enroll at a cost to the state of \$496 per enrollee. This plan includes a burdensome work reporting requirement, of 80 or more hours a month, explicitly meant to create barriers for those accessing care and won't be receiving any federal Medicaid expansion funding. Put simply, this is a more expensive plan for the state which will cover fewer people and provide the people covered with less quality care than Medicaid expansion would. In a state where nearly <u>41 percent</u> of residents live in rural areas and Medicaid expansion consistently has <u>cut in half</u> uninsurance rates in rural communities, as well as <u>empirically</u> increasing care and access for women of color, it is clear this plan is just a thin facade for Republicans to cut costs by cutting care.