

## TRUMP BUDGET: MEDICAID CUTS

*President Trump's budget is devastating for the most vulnerable in our society. The budget relies on more than a **trillion dollars** in cuts to Medicaid, and if enacted, fourteen million people could lose their health insurance and put one million elderly Americans in nursing homes at risk.*

### Trump's Budget Called For Over One Trillion In Cuts To Medicaid

#### TRUMP'S BUDGET ASSUMED THE HOUSE VERSION OF THE AMERICAN HEALTH CARE ACT, WHICH INCLUDED OVER \$800 BILLION IN MEDICAID CUTS, WOULD BECOME LAW

**Trump's Budget Proposal Cut Over \$800 Billion From Medicaid Over 10 Years.** According to The New York Times, "President Trump plans to unveil on Tuesday a \$4.1 trillion budget for 2018 that would cut deeply into programs for the poor, from health care and food stamps to student loans and disability payments, laying out an austere vision for reordering the nation's priorities. [...] Over the next decade, it calls for slashing more than \$800 billion from Medicaid, the federal health program for the poor, while slicing \$192 billion from nutritional assistance and \$272 billion over all from welfare programs." [New York Times, [5/22/17](#)]

- **The \$800 Billion Reduction Was Based On The Assumption That The House Version Of The American Health Care Act Would Become Law.** According to CNN, "The \$800 billion reduction, confirmed to CNN Sunday evening by a senior administration official, assumes that the GOP health care bill that the House passed earlier this month would become law, that official said." [CNN, [5/22/17](#)]

#### TRUMP'S BUDGET CALLED FOR AN ADDITIONAL \$610 BILLION IN MEDICAID CUTS ON TOP OF THE AHCA CUTS

**The Budget Called For An Additional \$610 Billion In Medicaid Cuts Over The \$880 Included In The AHCA.** According to CNN Money, "The budget outline assumes that the American Health Care Act, the Republican replacement for the Affordable Care Act, will take effect in its current form. That's far from assured, but if it does, Medicaid funding will be slashed by more than \$880 billion over the next decade, as payments to the states would be capped and eligibility would be narrowed.(For more on the AHCA Medicaid cuts, read MONEY's primer on the bill.) But the budget proposal—which Congress still has to approve—assumes an additional \$610 billion in Medicaid cuts because it allows states to restructure their Medicaid programs, by switching to per capita caps (a set amount of money per enrollee per year) or block grants (a set amount of money each state would receive from the federal government each year)." [CNN Money, [5/23/17](#)]

#### THE CUTS WOULD COME FROM ROLLING BACK THE AFFORDABLE CARE ACT'S MEDICAID EXPANSION AND ALLOWING STATES TO OPT FOR PER-CAPITA OR BLOCK GRANTS

**The AHCA's Medicaid Cuts Would Come From Rolling Back The Affordable Care Act's Medicaid Expansion And Implementing Per-Capita Spending Caps.** According to The Washington Post, "Republicans' Obamacare replacement plan would cut spending by \$1.2 trillion over the coming decade and save the government \$337 billion, according to an analysis released Monday by the nonpartisan Congressional Budget Office. To find those savings, Republicans are proposing cuts to programs designed to help the poor

and the working class. Here's where the GOP found the money: Medicaid: The most significant provision, in dollar terms, of the Republican bill would reduce spending on Medicaid — the government's health insurance program for the poor — by \$880 billion. Republicans would roll back the Medicaid expansion instituted under Obamacare (officially known as the Affordable Care Act). The GOP plan also would place a limit on how much states could spend on care for each Medicaid beneficiary, indexing it to inflation and to the prices of health-care services. Proponents of the measure say it would offer states more flexibility to administer the program in the hope that they would find more effective ways to spend their resources.” [Washington Post, [3/13/17](#)]

**TIME: The Additional \$660 Billion In Cuts Are Because The Budget “Allows States To Restructure Their Medicaid Programs, By Switching To Per Capita Caps [...] Or Block Grants.”** According to TIME, “The budget outline assumes that the American Health Care Act, the Republican replacement for the Affordable Care Act, will take effect in its current form. That’s far from assured, but if it does, Medicaid funding will be slashed by more than \$880 billion over the next decade, as payments to the states would be capped and eligibility would be narrowed.(For more on the AHCA Medicaid cuts, read MONEY’s primer on the bill.) But the budget proposal—which Congress still has to approve—assumes an additional \$610 billion in Medicaid cuts because it allows states to restructure their Medicaid programs, by switching to per capita caps (a set amount of money per enrollee per year) or block grants (a set amount of money each state would receive from the federal government each year).” [TIME, [5/23/17](#)]

## **THE CBO ESTIMATED THE AHCA CUTS ALONE WOULD RESULT IN 14 MILLION FEWER MEDICAID ENROLLEES BY 2026**

**CBO: The Cuts Would Result In 14 Million Fewer Medicaid Enrollees By 2026, A Reduction Of Nearly A Fifth Of Enrollees.** According to the Congressional Budget Office, “CBO estimates that several major provisions affecting Medicaid would decrease direct spending by \$880 billion over the 2017-2026 period. That reduction would stem primarily from lower enrollment throughout the period, culminating in 14 million fewer Medicaid enrollees by 2026, a reduction of about 17 percent relative to the number under current law.” [Congressional Budget Office, American Healthcare Act Cost Estimate, [3/13/17](#)]

## **Medicaid Serves As A Lifeline For The Nation’s Working Poor, Children, Mentally Ill, And Chronically Diseased**

### **NEARLY ALL LOW-INCOME AMERICANS UNDER AGE 65, INCLUDING THE WORKING POOR, CHILDREN, MENTALLY ILL, AND CHRONICALLY DISEASED, WERE ELIGIBLE FOR MEDICAID AFTER THE ACA EXPANSION**

**Medicaid Expansion Under The Affordable Care Act Created The Opportunity For States To Cover Nearly All Low-Income Americans Under Age 65.** According to the Center for Medicaid and CHIP Services, “The Affordable Care Act of 2010 created the opportunity for states to expand Medicaid to cover nearly all low-income Americans under age 65. Eligibility for children was extended to at least 133 percent of the federal poverty level (FPL) in every state (most states cover children to higher income levels) and states were given the option to extend eligibility to adults with income at or below 133 percent of the FPL. The majority of states have chosen to expand coverage to adults, and those that have not yet expanded may choose to do so at any time.” [Center for Medicaid and CHIP Services, archived [3/7/17](#)]

- **The ACA Expanded Medicaid Eligibility – Which Previously Included Only Low-Income Children, Pregnant Women, The Elderly And Disabled, And Some Parents – To All Adults**

**Earning Up To 138 Percent Of The Federal Poverty Line.** According to the Kaiser Family Foundation, “The ACA expands Medicaid eligibility to adults with incomes at or below 138 percent of the poverty line, which is just over \$16,000 per year for an individual today. Historically, Medicaid covered low-income children, pregnant women, elderly and disabled individuals, and some parents, but excluded other low-income adults. The expansion, which the Supreme Court effectively made optional for states in 2012, fills this longstanding gap in the program.” [Kaiser Family Foundation, [5/5/14](#)]

- **Vox: The ACA’s Medicaid Expansion Made The Program Available To The Working Poor.** According to Vox, “The other way Obamacare helped poorer Americans was through Medicaid expansion. Before the ACA, only low-income children and parents and pregnant or disabled people were eligible for the government health plan for the poor. Through Obamacare, the working poor could also get coverage in states that expanded Medicaid.” [Vox, [3/7/17](#)]

### **Newly-Eligible Recipients Were Almost 50% Racial And Ethnic Minorities**

**Racial And Ethnic Minority Groups Were 37% Of The Population, But Constituted 47% Of Individuals Meeting New Federal Eligibility Criteria For Medicaid.** According to a paper by Christina M. Andrews, Erick G. Guerrero, Nikki R. Wooten and Rebecca Lengnick-Hall published by the American Journal of Public Health, “However, some racial and ethnic groups may be underrepresented in the Medicaid expansion population because they are more likely to live in states that have not expanded Medicaid. Although racial and ethnic minority groups constitute 37% of the US population, they constitute 47% of individuals who meet new federal eligibility criteria for Medicaid. The estimated percentage of individuals who meet the new Medicaid criteria and live in an expansion state is 34% among African Americans, 45% among Whites, 53% among Latinos, and 69% among Asians.” [Christina M. Andrews, Erick G. Guerrero, Nikki R. Wooten, Rebecca Lengnick-Hall – American Journal of Public Health, [July 2015](#)]

### **Medicaid Expansion Resulted In Greater Coverage Of The Chronic Disease Community, Including A 7% Increase In Coverage For Those With HIV**

**The Expansion Of Medicaid To The Working Poor Had A Huge Impact On The Chronic Disease Community, With A 7% Increase In Medicaid Coverage For The HIV-Afflicted.** According to Vox, “Through Obamacare, the working poor could also get coverage in states that expanded Medicaid. This had a huge impact on the chronic disease community. The Kaiser Family Foundation recently released the first national estimates of changes in insurance coverage among people living with HIV in the US, and found that Medicaid coverage increased for that population from 36 percent in 2012 to 42 percent in 2014, while the uninsured rate in this group dropped from 22 percent to 15 percent. Thousands of HIV patients gained health insurance. And that’s only one disease group.” [Vox, [3/7/17](#)]

### **29% Of Medicaid Expansion Beneficiaries Suffered From Mental Health Or Addiction Problems**

**Expanded Medicaid Covered Addiction And Mental Health Treatment, Which Was Especially Helpful To States Overwhelmed By The Opioid Epidemic.** According to The Washington Post, “The A.C.A. offered a tempting deal to states that agreed to expand Medicaid eligibility to everyone with incomes up to 138 percent of the poverty level — \$16,400 for a single person — mostly low-wage workers like cooks, hairdressers and cashiers. The federal government would initially pay 100 percent of the costs of covering their medical care, and never less than 90 percent under the terms of the law. Over the past three years, 31 states and the District of Columbia took the deal. The move was especially helpful to states overwhelmed by the opioid epidemic. It required Medicaid to cover addiction and mental health treatment for those newly eligible.” [Washington Post, [3/9/17](#)]

**Nearly 1.3 Million Americans Received Mental Health Or Substance Abuse Treatment Under Medicaid Expansion.** According to The Washington Post, “According to an estimate by health-care economists Richard Frank of Harvard and Sherry Glied of New York University, nearly 1.3 million people are receiving treatment for mental-health and substance use disorders under Obamacare's Medicaid expansion. The true number affected could be even greater, Frank said via email. “Some states changed their benefits for all Medicaid when they expanded, therefore a retreat would affect both expansion and other recipients.” [Washington Post, [3/9/17](#)]

**Drug Policy Alliance Senior Director Of National Criminal Justice Reform Strategy Emily Kaltenbach: 29% Of Those Who Benefitted From Medicaid Expansion Have Mental Health Or Addiction Problems.** According to Vice, “‘This plan would be a disaster for individuals who are struggling with problematic drug use, currently enrolled in treatment services, or would want to be,’ said Emily Kaltenbach, the Drug Policy Alliance’s senior director of national criminal justice reform strategy. She noted that about 29 percent of the people enrolled in the Medicaid expansion have mental health or addiction problems, and said virtually all of those people could eventually lose health coverage if Congress approves the current version of the Republican plan.” [Vice, [3/9/17](#)]

### **Children Benefited From Record Insurance Coverage Under Medicaid Expansion**

**Between 2013 And 2015, About 1.7 Million Children Gained Coverage Through Medicaid And CHIP.** According to the Georgetown University Health Policy Institute’s Center for Children and Families, “The share of children with health insurance coverage improved to a historic high rate of 95.2 percent in 2015. Between 2013 and 2015, approximately 1.7 million children gained coverage— largely through Medicaid and the Children’s Health Insurance Program (CHIP). Employer-sponsored coverage for children remained stable during this period. This time period coincided with implementation of the major provisions of the Affordable Care Act (ACA).” [Georgetown University Health Policy Institute, [October 2016](#)]

### **Special Education Students Received Professional Care Through Medicaid, The Third-Largest Federal Program For K-12 Schools**

**Medicaid Was The Third Largest Federal Program For K-12 Schools, Providing About \$4 Billion A Year For Disadvantaged Students, More Than A Quarter Of What Was Received In Title I Funding.** According to Education Week, “Proponents say this will help states be more creative with their Medicaid dollars, but the education groups argue that it will lead to significant cuts, to the tune of \$880 billion over time. Why do education groups care about Medicaid? Schools receive about \$4 billion a year from the program, or more than a quarter of what they current get in Title I money for disadvantaged students. That makes Medicaid the third largest federal program for K-12 schools.” [Education Week, [3/22/17](#)]

- **70% Of Districts Representing 42 States Reported Using Medicaid Reimbursement Money To Pay The Salaries Of Health Care Professionals Who Served Special Education Students.** According to The New York Times, “AASA, an advocacy association for school superintendents, estimates that school districts receive about \$4 billion in Medicaid reimbursements annually. In a January survey of nearly 1,000 district officials in 42 states, nearly 70 percent of districts reported that they used the money to pay the salaries of health care professionals who serve special education students.” [New York Times, [5/3/17](#)]

**Medicaid Cuts Could Result In Hundreds Of Thousands Of Elderly Americans Losing Access To Nursing Home Care**

## **TRUMP'S BUDGET CUTS PUT NURSING HOME CARE COVERAGE AT RISK**

**Trump's Budget Cuts Put Nursing Home Care Covered By Medicaid At Risk.** According to NPR, "The proposed budget unveiled Tuesday by the Trump administration doubles down on major cuts to biomedical research, fighting infectious disease outbreaks, health care for the poor, elderly and disabled, and prevention of HIV/AIDS. [...] Here's a rundown of the budget's medical research and health care proposals. [...] Medicaid benefits for the elderly and disabled: Medicaid pays for services — including personal care, shopping or cooking for the elderly, and occupational therapy and work support for the disabled — that allow people to continue to live on their own. Under the law, those services are considered optional. But Medicaid is required to pay for nursing home and institutional care." [NPR, [5/23/17](#)]

### **States Are Required To Provide Nursing Facility Services Under Their Medicaid Programs**

**States Are Required To Provide Nursing Facility Services Under Their Medicaid Programs For All Individuals Over 21 In Need Of Them.** According to Medicaid.gov, "Nursing facility services for are required to be provided by state Medicaid programs for individuals age 21 or older who need them. States may not limit access to the service, or make it subject to waiting lists, as they may for HCBS. Therefore in some cases NF services may be more immediately available than other long term care options. NF residents and their families should investigate other long-term care options in order to transition back to the community as quickly as possible. Need for nursing facility services is defined by states, all of whom have established NF level of care criteria. State level of care requirements must provide access to individuals who meet the coverage criteria defined in Federal law and regulation. Individuals with serious mental illness or intellectual disability must also be evaluated by the state's PASRR program to determine if NF admission is needed and appropriate. Nursing Facility Services for individuals under age 21 is a separate Medicaid service, optional for states to provide. However all states provide the service, and in practice there is no distinction between the services. In some states individuals applying for NF residence may be eligible for Medicaid under higher eligibility limits used for residents of an institution. See your state Medicaid agency for more information." [Medicaid.gov, accessed [5/22/17](#)]

## **HUNDREDS OF THOUSANDS RELY ON MEDICAID TO COVER NURSING HOME SERVICES, WHICH 40 PERCENT OF AMERICANS WILL NEED DURING THEIR LIFETIMES**

### **There Are Nearly One Million Nursing Home Residents Dependent On Medicaid Across The U.S.**

**CMS: There Are 1.4 Million Nursing Home Residents In The U.S., With Nearly Two-Thirds Receiving Medicaid Benefits.** According to the Center for Medicare and Medicaid Services, "There are about 1.4 million nursing home residents in the United States.[1] Almost two-thirds of those residents are Medicaid beneficiaries." [Center for Medicare and Medicaid Services Nursing Home Toolkit, [11/16/15](#)]

### **Over 40 Percent Of Americans Will Spend Time in A Nursing Home During Their Lifetimes**

**Over 40 Percent Of Americans Will Spend Time In A Nursing Home During Their Lives.** According to U.S. News, "Odds are high that someone in your family will need a nursing home sooner or later. A majority of people over age 65 will require some type of long-term care services during their lifetime, and over 40 percent of people will need a period of care in a nursing home, according to the Centers for Medicare and Medicaid Services." [U.S. News, [2/26/13](#)]



## **AT A PRICE OF \$250 PER DAY ON AVERAGE, NURSING HOMES ARE PROHIBITIVELY EXPENSIVE FOR MANY FAMILIES TO AFFORD**

### **The Average Daily Cost Of A Private Nursing Home Room Is \$253 And Growing**

**The National Median Daily Rate For A Private Nursing Home Room Is \$253.** According to Genworth Financial's 2016 Cost of Care Survey, the national median daily rate for a private nursing home room is \$253. [Genworth Financial, Cost of Care Survey [2016](#)]

- **The Cost Of A Private Room Has Increased 3.51% Over Five Years.** According to Genworth Financial's 2016 Cost of Care Survey, the five-year annual growth rate in the national median cost of a private nursing home room is 3.51%. [Genworth Financial, Cost of Care Survey [2016](#)]

**The National Median Daily Rate For A Semi-Private Nursing Home Room Is \$225.** According to Genworth Financial's 2016 Cost of Care Survey, the national median daily rate for a semi-private nursing home room is \$225. [Genworth Financial, Cost of Care Survey [2016](#)]

- **The Cost Of A Semi-Private Room Has Increased 3.12% Over Five Years.** According to Genworth Financial's 2016 Cost of Care Survey, the five-year annual growth rate in the national median cost of a semi-private nursing home room is 3.12%. [Genworth Financial, Cost of Care Survey [2016](#)]

### **Medicare Only Covers The First 100 Days Of A Nursing Home Stay**

**Medicare Only Covers The First 100 Days Of A Nursing Home Stay.** According to U.S. News, "Seniors and their families facing a near-term need for a nursing home should first determine whether Medicare will cover at least a portion of the stay. The Medicare program provides coverage for rehabilitation—but not long-term care. If an individual has spent at least three days in a hospital for medically necessary care, Medicare will pick up the tab for up to 100 days of convalescent care immediately following discharge, as long as the patient goes to a home that's a Medicare-certified skilled nursing facility. Medicare can also help if a long-term nursing home situation looks inevitable but isn't immediately necessary. For as long as the individual is able to stay at home, Medicare can be tapped for up to 35 hours per week of home health services. Medicare covers home health services like intermittent skilled nursing care, physical therapy, speech-language pathology, and occupational therapy for up to 60 days at a time, called an "episode of care." To secure these funds, individuals must be living at home, not in a nursing home or other long-term care facility, must have their physician approve a plan of care, and must use a Medicare certified agency. If you require help only with personal care, such as meal preparation, bathing, using the bathroom, and dressing, you do not qualify for the Medicare home health benefit. A government-published guide offers details on which home health services Medicare covers." [U.S. News, [2/26/13](#)]

## **Medicaid Beneficiaries Across The Country Are Bracing For Trump's Massive Cuts**

**MEDICAID BENEFICIARIES ACROSS THE COUNTRY ARE WORRIED ABOUT WHAT THE CUTS WILL MEAN FOR THEMSELVES AND THEIR COMMUNITITES**

**Ohioan Tracie Scott Had Multiple Sclerosis And Relied On Medicaid To Cover Her And Her Four Children, Including Her 2-Week-Old Daughter And An 8-Year-Old Son With Brittle-Bone Disease.**

According to The Washington Post, “The cuts would also likely have eventually hit poor, chronically ill mothers like Tracie Scott of Paulding, Ohio. She has multiple sclerosis and quit her job at a dollar store two years ago because of it. Medicaid covers her and her four children, including her 2-week-old daughter and an 8-year-old son with brittle-bone disease who has needed expensive medication and care for frequent fractures.” [Washington Post, [3/9/17](#)]

- **Scott Described Medicaid As “A Lifesaver,” Saying That Without The Program, “I’d Be Afraid To See Some Of The Bills For My Son.”** According to The Washington Post, “The cuts would also likely have eventually hit poor, chronically ill mothers like Tracie Scott of Paulding, Ohio. She has multiple sclerosis and quit her job at a dollar store two years ago because of it. Medicaid covers her and her four children, including her 2-week-old daughter and an 8-year-old son with brittle-bone disease who has needed expensive medication and care for frequent fractures. ‘I’d be afraid to see some of the bills for my son,’ Ms. Scott, 30, said as she cradled her newborn, Izabella, in their hospital room recently. ‘It’s been a lifesaver.’” [Washington Post, [3/9/17](#)]

**51-Year-Old New Jerseyan Myrone Pickett Used His Coverage From Medicaid Expansion To Get Monthly Shots Of Vivitrol, Which Reduced Cravings For Opioids And Alcohol, Get Medication For Bipolar Disorder, And Get A Job.**

According to The Washington Post, “Mr. [Myrone] Pickett, of Bloomfield, N.J., got health insurance under the A.C.A.’s expansion of Medicaid, and has used it for monthly shots of Vivitrol, a drug that reduces cravings for opioids and alcohol. A heroin addict for 16 years, Mr. Pickett, 51, said the treatment had helped him stay clean for the past year, get medication for bipolar disorder and land a job at a grocery store.” [Washington Post, [3/9/17](#)]

- **Pickett On Republican Proposals To Reduce Coverage: “I’ve Got A Question Mark Hanging Over My Head.”** According to The Washington Post, “As he waited to see what would happen to the Republican proposal last week, Myrone Pickett said, ‘I’ve got a question mark hanging over my head.’ Mr. Pickett, of Bloomfield, N.J., got health insurance under the A.C.A.’s expansion of Medicaid, and has used it for monthly shots of Vivitrol, a drug that reduces cravings for opioids and alcohol.” [Washington Post, [3/9/17](#)]

**Special Education Medicaid Coordinator Terri Glenn Worried About How Deep Cuts To Medicaid Would Affect Her 2,500 Students In Illinois.**

According to The New York Times, “While House Republicans lined up votes Wednesday for a Thursday showdown over their bill to repeal the Affordable Care Act, Vickie Glenn sat in her Murphysboro, Ill., office and prayed for it to fail. Ms. Glenn, a Medicaid coordinator for Tri-County Special Education, an Illinois cooperative that helps more than 20 school districts deliver special education services to students, was worried about an issue that few in Congress were discussing: how the new American Health Care Act, with its deep cuts to Medicaid, would affect her 2,500 students.” [New York Times, [5/3/17](#)]

- **Glenn: Preserving Medicaid Was Not About “Republicans And Democrats. It’s Just Kids.”** According to The New York Times, “‘If I could have 10 minutes with President Trump, I could help him understand what we do, why it’s important,’ Ms. Glenn said. ‘If he understood, he would protect it, because this isn’t Republicans and Democrats. It’s just kids.’” [New York Times, [5/3/17](#)]