

The Republican Plan to Slash Medicaid and Wreck State Budgets

Topline Message: Already worried about your family's health care? Now President Trump and Republicans in Congress [say](#) they will slash \$1 trillion to states for Medicaid, robbing health security for 74 million American working families, children, seniors and people with disabilities. They want to pass the buck to states to throw seniors out of nursing homes, take health care away from working families and jeopardize the lives of Americans with disabilities. Their plan will wreck state budgets, and take away the jobs of millions of Americans who care for our families in hospitals, health centers, doctors' offices and in our homes.

Talking Points:

- If Trump and the Republicans slash Medicaid funding for states, millions of seniors will be thrown out of nursing homes, American families will be slammed with crushing health care costs for their parents, children and people with disabilities will go without needed care. Huge costs will be shifted to state governments and millions of health care providers will lose their jobs.
- Capping Medicaid will cut federal funding to states for Medicaid by \$1 trillion, so that states will either have to raise taxes, cut school funding or cut Medicaid coverage for the children, working families, seniors and people with disabilities who rely on Medicaid for their health care.
- There is only one reason that Trump and the Republicans want to make what the *New York Times* [called](#) a "radical change" in Medicaid – to slash federal funding for health care. For 50 years, our federal government has guaranteed that it will pay for Americans in each state who need care at the cost of providing that care. Under the Republican plan, the federal government would provide a fixed amount that doesn't keep up with rising costs. Bottom line: families and state governments would be forced to pay more and lose life-saving health care.

Governors respond to the claim that the Republican plan will increase state "flexibility."

- Republican Massachusetts Governor Charlie Baker: "We are very concerned that a shift to block grants or per capita caps for Medicaid would **remove** flexibility from states as the result of reduced federal funding."
- Democratic Louisiana Governor John Bel Edwards: "... flexibility would really mean flexibility to cut critical services for our most vulnerable populations, including poor children, people with disabilities and seniors in need of nursing home and home-based care."

Key Facts:

- [74 million](#) Americans rely on Medicaid each year including 33 million children. (Link includes data for each state)
- [Half \(46%\)](#) of Medicaid spending is on long-term care for seniors and people with disabilities.
- Republicans [propose](#) a total of \$2 trillion in cuts to Medicaid over the next decade: \$1 trillion through block grants and \$ trillion through repeal of the ACA.

- Medicaid provides essential care for women throughout their lives—from family planning and maternal health services to nursing home care. Medicaid [finances](#) nearly half of all births in the U.S., accounts for 75% of all publicly-funded family planning services, and accounts for half (51%) of all long-term care spending, which is critical for many frail elderly women.
- Medicaid is there for all Americans. Of [people](#) who rely on Medicaid: 41% are White, 25% are Latino and 22% are African American. (Link includes data for each state).
- Small businesses rely on Medicaid to provide health coverage to 6.1 million small business owners and employees¹. ()
- There are two ways that Republicans propose to radically change Medicaid:
 - Medicaid “block grants” provide a fixed amount of money to each state, which does not increase when more people need Medicaid and does not depend on how much each state health care costs go up.
 - Medicaid “per-capita” cap would give states a fixed amount of money for each person enrolled in Medicaid that would not increase based on how much each state’s cost of providing health care goes up.

¹ Based on U.S. Census Bureau’s 2016 Current Population Survey with small businesses defined as those with fewer than 50 employees.