

Update on Potential Medicaid Cuts

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Medicaid is more than a program—
it's freedom, dignity,
and opportunity
for people
with disabilities.



The time is **NOW** to
speak out to
Protect Medicaid!



The Time for Advocacy is Now!



MAY 13: Mark up outlining actual cuts to Medicaid scheduled



GOP goal is to pass budget bill by Memorial Day (unlikely)

Your Advocacy is Working!

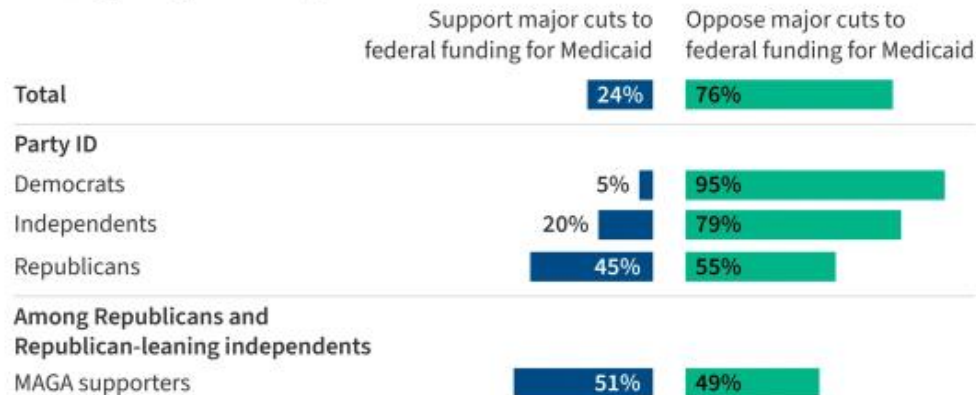
11+ Republicans wrote a letter opposing Medicaid cuts

Mark-up date and other dates keep getting pushed back

Republicans cannot agree on cuts

Republicans are having difficulty finding things they can cut to make enough of an impact

Majority of the Public, Including Most Republicans, Oppose Medicaid Funding Cuts; MAGA Supporters Are Divided



Note: MAGA supporters includes Republicans and Republican-leaning independents who support the Make America Great Again movement. See topline for full question wording.

Medicaid is the Foundation of Our Disability System

Health Services



- Doctor visits
- Therapies
- Medical supplies and equipment
- Hospital care
- Medications

Waiver Services



- Day Programs
- Community group homes (CILA)
- Employment supports
- Assistive technology
- Home and vehicle modifications
- Behavioral support

Direct Home Supports



- Personal assistance
- Homemaker
- In-home nursing
- Personal support

Other



- Early Intervention services
- School-based therapies and nursing

Medicaid in Illinois



3,438,447 people in Illinois covered by Medicaid



3 out of 8 children



1 out of 3 adults with disabilities



222,693 people with disabilities receive home and community based services

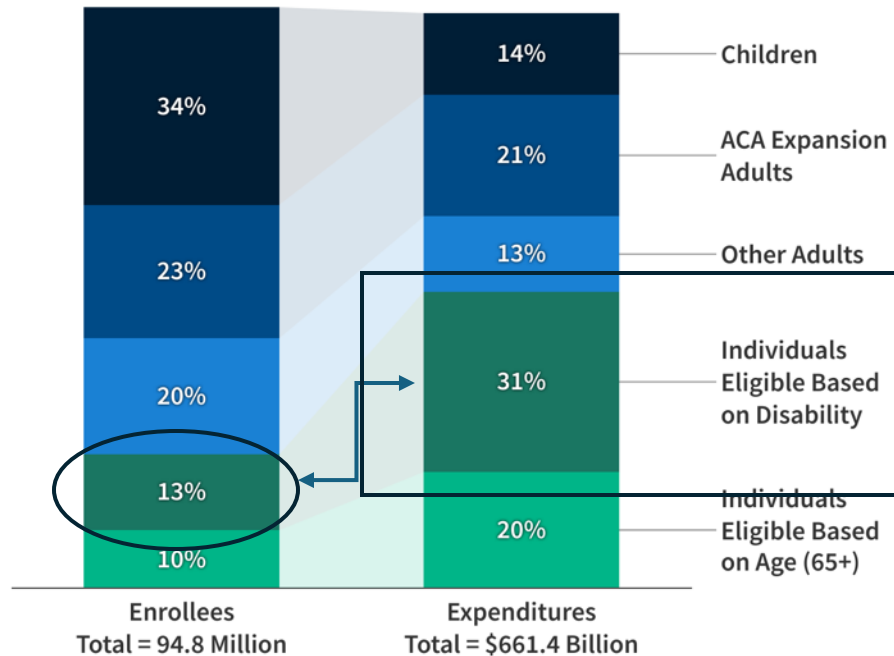


16,589 people with disabilities already on waiting lists for services

How is Medicaid Paid For?

Figure 3

People Eligible for Medicaid Based on Disability or Age (65+) Accounted for 1 in 4 Enrollees but Over Half of All Spending in 2021



Note: Includes full and partial benefit enrollees enrolled in at least one month of Medicaid during 2021. Total may not sum to 100% due to rounding.

Source: KFF analysis of the T-MSIS Research Identifiable Files, CY 2021

KFF



Illinois received \$21 Billion for Medicaid from the federal government in 2023



The federal government pays about half (51%) of most Medicaid costs in Illinois



The federal government pays even more for certain populations, such as 90% for those in the ACA Adult category

How Big is the Proposed Cut?

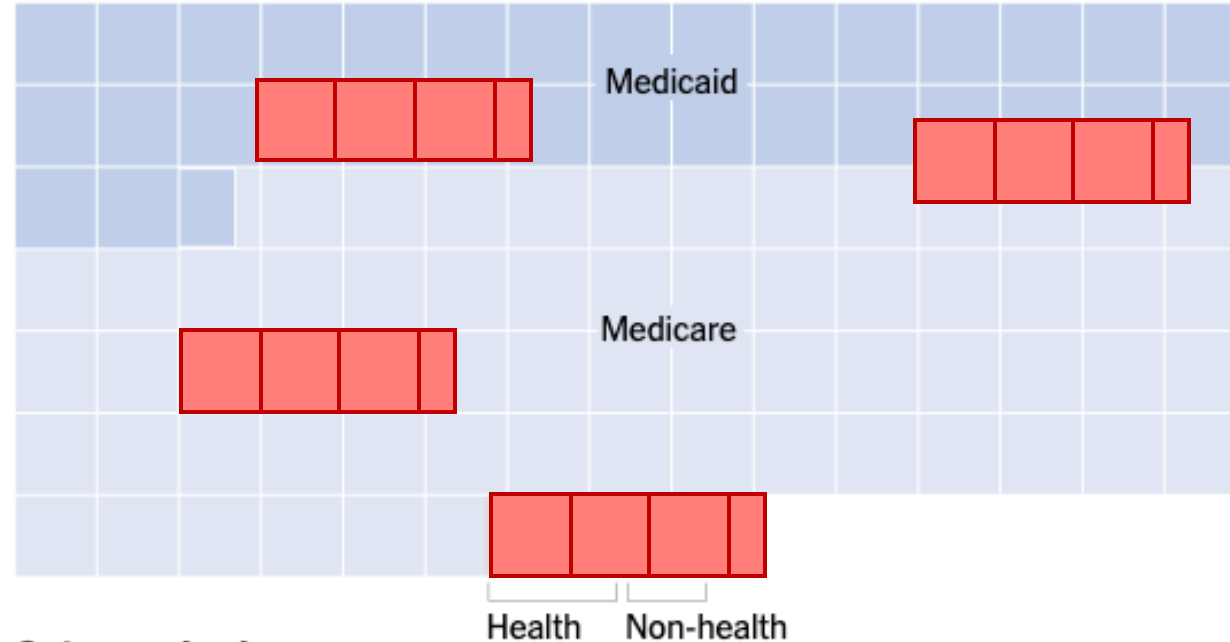
House of Representatives Cuts to Energy and Commerce Committee

- \$880 billion (at minimum) cut to Medicaid/Medicare

Which Bucket Includes Medicaid?

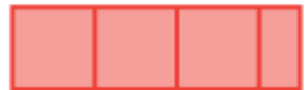
Spending overseen by the House Committee on Energy and Commerce

\$25 trillion



Cuts required

\$880 billion



Each square represents \$250 billion in 10-year gross mandatory spending. • By The New York Times

The math doesn't math unless there are cuts to Medicaid or Medicare

Where Are We in the Process?

Budget Reconciliation

House and Senate pass budget resolutions that say how much to fund each "bucket"



House decides exactly what to cut



Senate decides exactly what to cut



House and Senate work to resolve differences



Budget reconciliation bills are passed, signed by president, and put in place

where we are now!

Why Do We “Need” Cuts?

Hint: We Don’t...It’s a Choice

To pay for \$4.5 trillion dollars in tax cuts



Corporate greed



More money for the ultrawealthy

“Fraud, Waste, Abuse”



Fraud and abuse is already minimal and detected



Cuts would have no direct effect on fraud, waste, and abuse

Menu of Potential Cuts from HFS

Congressional Medicaid Reforms	Project 2025	Paragon Health Institute	Rep Study Committee FY25 Budget	House Budget Committee FY25-34 Budget	Other Think Tanks
Provider Taxes	*	*	*	*	*
State Directed Payments					*
Mandatory Work Requirements	*	*	*	*	*
FMAP Penalty for Undocumented Coverage					
Rescind/Reduce ACA Expansion	*	*	*	*	*
Set the Administrative FMAP at 50%					*
Eliminate the 50% FMAP Floor		*			*
DSH Reductions	*				*
Per Capita Caps	*	*	*	*	*



Presenter: Elizabeth Whitehorn, HFS Director

- Republican legislative proposal – [Original](#) or [More User-friendly NYT Summary](#)
- [Paragon Institute article](#) (conservative think tank)
- [Project 2025](#)



Most Likely Cut: Work Requirements

Requiring all adults, usually 18-65, to work at least part time to continue receiving Medicaid

- Usually are exemptions for those in school, those with young children, and those who are disabled or sick
- **No exemption typically for caregivers of people with disabilities**
- Exemptions require extensive paperwork and documentation

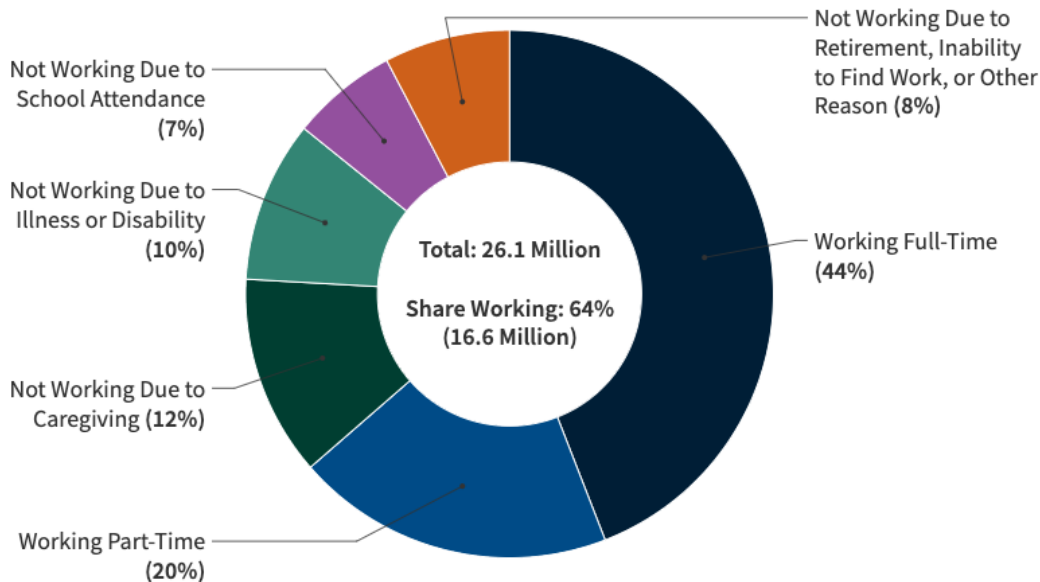
Work Requirements Continued

92% of people in Medicaid are working or exempt

Figure 1

Work Status & Barriers to Work Among Medicaid Adults, 2023

Includes Medicaid covered adults (age 19-64) who do not receive benefits from Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI) and are not also covered by Medicare.



Who Falls in the Gap?

- Individual providing **caregiving** for an elderly parent or person with disability
- Individual with a disability but not "disabled enough"
- Gig and freelance workers
- Those with unexpected job losses

Work Requirements Don't Work

Past Failures

Arkansas – 95% met work or exemption requirements, but 1 in 4 still lost Medicaid; program cost \$26 million

Georgia – 80% of costs went to administration; only 5% gained Medicaid coverage; cost \$80 million

Work rates did not increase

Savings comes from people losing Medicaid

People with disabilities and the elderly are most likely to lose Medicaid

People lose Medicaid due to not completing paperwork correctly

Work Requirements Medicaid Loss Predictions

Estimates for Medicaid losses

- 1,351,000 or 46% of Illinois adults could lose Medicaid
- 36 million total Americans could lose Medicaid
- Job losses in Illinois: 13,300-18,500

36 Million People at Risk of Having Health Coverage Taken Away by Medicaid Work Requirements

State	Congressional District (119th Congress)	Number as of June 2024 (thousands)			All adults at risk (% of all enrollees)
		Expansion adults	Other adults	All adults at risk	
Illinois	1st	73	44	117	48%
Illinois	2nd	79	47	126	46%
Illinois	3rd	48	29	76	43%
Illinois	4th	60	36	96	44%
Illinois	5th	21	13	34	43%
Illinois	6th	35	21	55	47%
Illinois	7th	68	41	109	49%
Illinois	8th	33	20	53	40%
Illinois	9th	39	23	62	47%
Illinois	10th	32	19	51	41%
Illinois	11th	31	19	49	41%
Illinois	12th	60	36	97	49%
Illinois	13th	60	36	96	49%
Illinois	14th	43	26	69	45%
Illinois	15th	52	31	83	48%
Illinois	16th	39	24	63	46%
Illinois	17th	70	42	113	48%

Potential Cut: Per Capita Cap

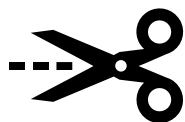
A fixed amount paid per person

- Could apply to everybody or just certain populations
- ACA population is biggest target



Starts with a CUT

- Always includes a baseline cut in total dollars



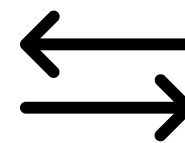
The Cut deepens

- Each year, the amount received becomes less and less compared to the amount needed



Cannot respond to changes

- pandemics
- natural disasters
- aging populations



Hits people with high costs the hardest

- People with disabilities
- People who are elderly

Per Capita Caps – Estimated Medicaid and Financial Losses

Per Capita Cap on All

- 5.8 million lose Medicaid
- 2.9 million increase in uninsured

Per Capita Cap on ACA Expansion Group

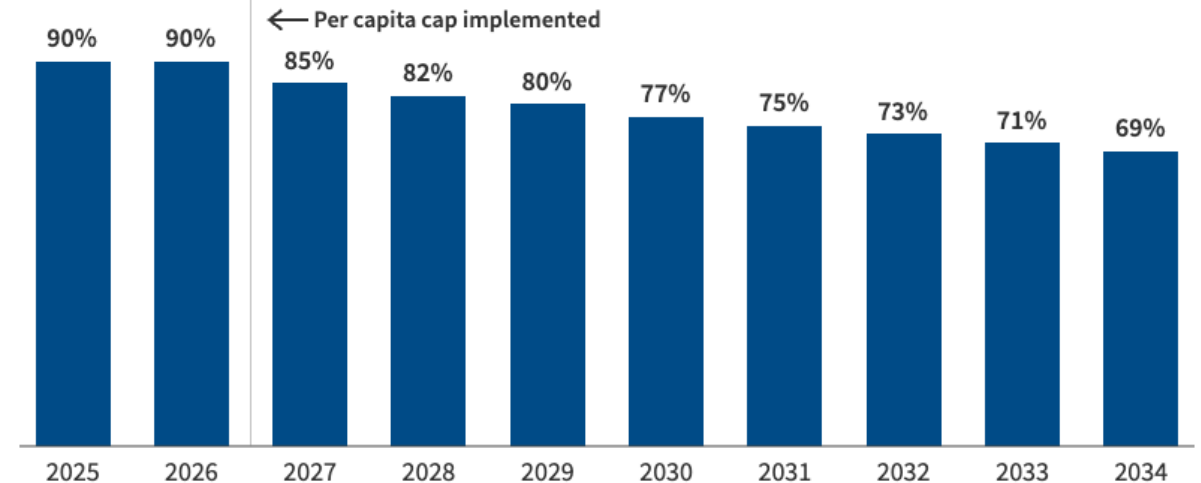
- 3.3 million lose Medicaid
- 1.5 million increase in uninsured

\$

Figure 1

A Per Capita Cap on the Expansion Population Would Erode the Effective Enhanced Federal Match Rate for the Expansion Population Over Time

Federal share of Medicaid spending (or the effective FMAP) for the ACA expansion population by year if states maintain ACA expansion coverage and spending



Potential Cut: Reducing Federal Matching Percentages

The federal government pays at least 50% of Medicaid costs for most services

- Currently 51% in Illinois
- Reducing this percentage means significantly less money for Illinois



For the ACA population, the federal government currently pays 90%

- Illinois has a trigger law opting out of Medicaid expansion if this rate is cut
- \$41 billion loss over 10 years for Illinois
- 840,000 people could lose Medicaid in Illinois – 28% reduction
- 5.5 million lose Medicaid, 2.4 million increase in uninsured across the US

Additional Penalty: States that provide any healthcare coverage to non-citizens could be penalized further with an additional cut, even though no federal dollars are used for this care.



Big Likely Cuts to Odds and End

Provider Taxes

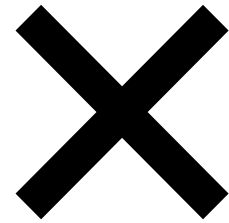
- Help states fund Medicaid
 - 8.6 million lose Medicaid
 - 3.9 million increase in uninsured

Repeal Eligibility and Enrollment Rules

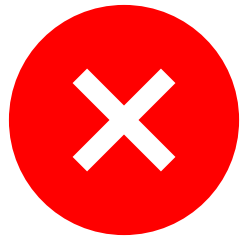
- Makes people recertify eligibility more frequently
 - 2.3 million lose Medicaid
 - 0.6 million increase in uninsured



Why Target the ACA Expansion Population?



Fundamental
misperception of
who is in this
category



Perception



Able-bodied young
people who choose
not to work



Reality



People with
disabilities or
chronic conditions



Most common
demographic is
women over 40
who used to work
and are now
caregivers for
elderly parents or
people with
disabilities

What Do Cuts Mean for Illinois?

WAY LESS MONEY!!!



Governor Pritzker estimate:
\$8 billion dollars less per year

How Can Illinois Make Up the Difference?

Make cuts to
optional Medicaid
services

Reduce
reimbursement
rates to providers

Reduce who is
allowed to get
Medicaid

Raise more
revenue through
taxes, fees, and
other programs

Make cuts to
other Illinois
programs

Past Experience (2011 FMAP Reduction)

Illinois cut
participants in
Home Health by
11%

Illinois cut
spending in
Waivers by 4%

33 states spent
less on IDD
waivers
(avg. 10.8% less)

40 states cut
Home Health
spending or
participation

ALL states made
cuts to HCBS

Optional Medicaid Services That Can Be Cut

Optional Adult Medicaid services

- Home nursing care
- Dental care
- Physical, occupational, speech therapy
- Prescription drugs
- Dentures, prosthetics, and eyeglasses
- Hospice
- ICF/DD and Mental Health Institutions
- Personal Care and related programs
- Case management

Medicaid (Disability) Waivers

- Waivers could be completely eliminated
- Number of spots reduced = longer waiting lists
- Reduced Services
- Lowered Cost Maximums



Populations that Could be Cut/Eliminated



People with disabilities currently on a Waiver



Children (0-19) who are lower-middle income



Those in AABD and HBWD



ACA Medicaid group eliminated or redefined



Eliminate or redefine other optional groups

How Can You Advocate?

Call or visit your
FEDERAL
representative

Share your Medicaid
story

- [The Arc of Illinois](#)
- [The Arc of the United States](#)

Join an Action

- [Monday 5/12 Virtual Town Hall with Rep. Katie Stuart](#)

Messaging that Works



Medicaid serves priority populations, especially people with disabilities



Medicaid cuts will terminate healthcare coverage for millions



Medicaid will profoundly affect already cash-strapped states



Medicaid cuts don't address the fundamental problems with healthcare, which include corporate greed and price gouging

Contacting Your Federal Legislators!

Call or email (repeatedly)

- Your FEDERAL Representative:
<https://www.house.gov/representatives/find-your-representative>
- White House Switchboard: 202-224-3121
- Senator Dick Durbin: (202) 224-2152,
<https://www.durbin.senate.gov/>
- Senator Tammy Duckworth: (202) 224-2854,
<https://www.duckworth.senate.gov/>
- 5 Calls App!

Show Up!

- Most current office info is on individual websites
- Going Home Coalition can help!

Effective Meeting Strategies

DO

- Be concise and respectful of their time
- Clearly state what you're asking for
- Share your personal story and the 'why'
- Leave behind a one-page fact sheet

DON'T

- Read directly from materials (if possible)
- Be confrontational or threatening
- Overwhelm with too many issues or statistics
- Be discouraged to meet with staff instead of legislators

Targeted Representatives

12th: Bost, Mike – Southern Illinois

- <https://bost.house.gov/>
- DC: (202) 225-5661
- Mascoutah: (618) 622-0766
- Effingham: (217) 240-3170
- Murphysboro: (618) 457-5787

15th: Miller, Mary – Central Illinois

- <https://marymiller.house.gov/>
- DC: (202) 225-5271
- Mahomet: (217) 703-6100
- Quincy: (217) 640-6210

16th: LaHood, Darin – Northwestern/Central Illinois

- <https://lahood.house.gov/>
- DC: (202) 225-6201
- Peoria: (309) 671-7027
- Rockford: (779) 238-4785
- Normal: (309) 445-8080

These Illinois
Representatives voted for
the \$880 billion cut



Need More Info?

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