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HOW THE THREATS TO MEDICAID IMPACT REPRODUCTIVE HEALTH DISPARITIES*

The existing entitlement structure of Medicaid is essential to its ability to provide reproductive services to low-income women and women of color. Legislative proposals for "block grants" or "funding caps" would dangerously undermine the entitlement structure. Women of reproductive age experience a variety of health disparities, and heavily rely on Medicaid to prevent unintended pregnancies, provide screenings and treatments for STIs, HIV/AIDS, and breast and cervical cancer, and maintain healthy pregnancies. By converting Medicaid into a block-granted program or one with caps in federal spending, the poorer states would lose the most in federal matching funds for reproductive health services. As a result, existing reproductive health disparities impacting low-income women and women of color would be exacerbated.

Women of Color are More Likely to Experience Reproductive Health Disparities:

- Women who are poor (under 100% of the federal poverty level) have unintended pregnancy rates that are twice the national average. Nearly 1 in 10 African American women and 1 in 14 Latinas of reproductive age experience an unintended pregnancy each year. Inaccessible and unaffordable contraceptives and abortion services are contributing factors to these disparities.
- The maternal morbidity rate among African Americans is 20.3 per 100,000 live births, which is nearly four times the maternal mortality rate for white women (of 5.1 per 100,000). African American women continue to be 3-4 times more likely than white women to die of pregnancy and its complications. Often these maternal deaths could have been prevented with appropriate health information and services for each woman's particular circumstances that conformed with recognized standards of health care, such as: family planning, abortion, primary care, prenatal, or high-risk prenatal care services.
- Of women who were newly diagnosed with HIV, 81 percent were African-American or Latina.

Medicaid Provides Medical Coverage to over 7.2 Million Low-Income Women:

- An estimated 12 percent of all women of reproductive age (or 7.2 million women) were enrolled in Medicaid in 2006.
- Thirty-seven percent of low-income women were enrolled in Medicaid in 2006.
- Racial/ethnic minorities compromise the majority of individuals with low-incomes enrolled in Medicaid. Data from the U.S. Census Bureau indicates that among women of reproductive age, more Non Hispanic Blacks, Hispanics, Non Hispanic Asian Pacific Islanders, and Non Hispanic American Indians and Alaskan Natives lived below the federal poverty level in 2007 than their Non Hispanic White counterparts.
- The passage of health reform extends eligibility to more low-income adults, and beginning in 2014, an additional estimated eight million women will be enrolled in Medicaid.

Medicaid Provides Enrollees with Essential Reproductive Health Services:

- By federal law, Medicaid is required to cover certain mandatory services, including:
  - Pregnancy-related services and treatment for non-pregnancy conditions that may complicate pregnancy

- Family planning services and supplies; screening and treatment for STIs and HIV/AIDS; and
- Abortion (in very limited circumstances)

Medicaid's Operation is Based on an Entitlement Structure:

- In 1965, Congress created Medicaid, with the specific design of it being an entitlement program. Eligible enrollees have a legal right to have payment made to their providers for the covered services that they need.
- By adhering to minimal federal requirements, the entitlement structure also ensures that states do not shoulder the entire cost of running their Medicaid programs.

Recent Legislative Proposals - Block Grants and Federal Caps Will Negatively Impact State Medicaid Programs:

- Block Grants
  - The House recently passed House Budget Committee Chairman Paul Ryan's (R-WI) budget proposal which proposes to cut federal Medicaid spending over the next 10 years. Under the block-granting proposal, states would receive a fixed dollar amount, regardless of their financial needs.
  - Under the current entitlement structure, poorer states currently receive greater percentages of federal funding to pay for their states' Medicaid costs, while more affluent states receive a lower percentage. As an example, in FY 2009, Mississippi received a federal matching rate of approximately 84%. Under a block-granting system, when the state's Medicaid costs increased, Mississippi would lose $1.68 in federal funding of every $2.00 that its Medicaid costs exceeded the amount allowed by the block grant.
  - The block-granting analysis is particularly harmful to the special 90% federal matching rate for family planning services and supplies. Under this scenario, states would lose $1.80 in federal funding of every $2.00 that their costs exceed the permitted block-grant amount.
  - Block grants also give states the option to ignore federal requirements for eligibility and benefits, which would undoubtedly result in cuts in Medicaid coverage of services and increases in cost-sharing to low-income communities experiencing health disparities.
- Federal Caps
  - Senators McCaskill's (D-MO) and Corker's (R-TN) bill (S. 245) to limit federal spending to no more than a certain percentage of the Gross Domestic Product would result in a sweeping cut in federal funding ("a sequester"), when the spending cap is reached. The sequester would narrow the gap between proposed federal spending and the actual federal spending cap by implementing significant cuts to entitlement programs. In effect, Medicaid would then be converted into a block-grant program.

What's the bottom line?

Medicaid's reproductive health services help to prevent health disparities. Protect women's health: reject block grants and federal caps.

*References available upon request.

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