

# Highlights: How Funding and Eligibility Cuts to Medicaid Harm Response Efforts to Public Health Crises

**Michelle Yiu** 

#### **Medicaid is Critical in Response Efforts to Public Health Crises**

Medicaid provides comprehensive health care to people with low incomes disproportionately impacted by public health crises.

- As the primary public health care program for people with low incomes, Medicaid facilitates connections to necessary services during public health crises for the nation's most underserved.
- Medicaid services include the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit for children and adolescents; family planning services and supplies; HIV care; hospital care; long-term care; pregnancy care; prescription drugs; telehealth; testing, diagnostics, and laboratory services; and vaccines and immunizations.

## Medicaid is uniquely positioned to address the unplanned costs associated with public health crises.

- Medicaid's current financing structure guarantees open-ended federal matching funds to reimburse states for actual health care costs.
- During public health crises, Medicaid federal matching funds automatically adjust for unexpected costs, such as increased demand, enrollment, and services.

## Medicaid provides states with the flexibility to facilitate health care coverage and access during public health crises.

- Many states have implemented various Medicaid waiver authorities and state plan amendments (SPAs) as part of their public health crisis response efforts.
- These include <u>Section 1135 emergency waivers</u>, <u>Section 1915(c) waiver Appendix K</u> <u>strategies</u>, <u>disaster relief SPAs</u>, <u>regular SPAs</u>, <u>Section 1115 demonstration waivers</u>, and other state administrative actions.

### **Funding and Eligibility Cuts to Medicaid Harm Response Efforts to Public Health Crises**

#### Cuts to Medicaid would constrain the ability of states to respond effectively to public health crises.

- If Congress enacts any funding or eligibility cuts to Medicaid, such as work requirements, block grants, and per capita caps, states will have reduced capacity to monitor, diagnose, and treat individuals during public health crises and pursue proactive measures to prevent outbreaks in their communities.
- Such cuts to Medicaid would leave individuals and families without the services necessary to protect themselves during public health crises.

#### Cuts to Medicaid would exacerbate any budgetary pressures states might face when responding to public health crises.

- Under any funding or eligibility cuts, states would have to rely more on their own funds to finance Medicaid programs, forcing them to take undesirable courses of action during public health crises, such as cutting other Medicaid services to shuffle funding towards needed screenings and treatments.
- Cuts to Medicaid would further hamper states' flexibility to implement effective response efforts that account for scientific developments supporting the surveillance, prevention, and treatment of future outbreaks.

### Cuts to Medicaid would threaten the health and wellbeing of individuals and families with low incomes, especially during public health crises.

- Any funding or eligibility cuts to Medicaid would force states to make painstaking decisions regarding who gets care, what type of care is provided, and how much care beneficiaries can receive, pitting underserved communities against each other.
- Without the full range of Medicaid services readily available, many individuals and families with low incomes would lose access to the treatments and resources necessary to protect their health and wellbeing amidst the burden of public health crises.

#### **Additional Resources**

- For more detailed information on these issues, see our issue brief: How Funding and Eligibility Cuts to Medicaid Harm Response Efforts to Public health Crises.
- For information on the unique and important ways that Medicaid meets the health care needs of individuals and families who are low-income and underserved, see our series: What Makes Medicaid, Medicaid.
- For information on particular Medicaid services, issues, and populations, see our series: Protect Medicaid Funding.