



Medicaid Matters to Retirees

Tell Congress: NO Medicaid Cuts

AFSCME retirees won't sit on the sidelines as Congress is crafting a tax and budget package that cuts federal funding for Medicaid. We won't be silent as anti-retiree lawmakers target people with disabilities, children, senior citizens and vital public services, to pay for tax breaks for profitable corporations and billionaires.

What do federal Medicaid dollars mean to our state?

They help keep the doors open at hospitals, clinics, nursing homes, state veterans' homes, substance use disorder treatment centers, and other health care providers. But just as importantly, federal Medicaid dollars are the largest source of federal funding for state budgets, accounting for 56% of total federal funding allocated to states in 2024. If federal Medicaid dollars dry up, states will have no choice but to slash budgets, and jobs, for a broad range of state and local public services.

Any Cut to Medicaid Is Unacceptable.

Any cut to federal Medicaid dollars is a direct attack on the health and security of seniors, and the budgets that fund the vital services AFSCME members provide. States under financial pressure from federal Medicaid funding cuts might impose or increase premiums, copays, and other cost-sharing requirements for Medicaid enrollees, including for low-income seniors. Medicaid improves people's access to preventive health care services, including immunizations, health screenings, and the like.

Any cut to Medicaid will hurt seniors who need long-term care. About 12.8 million Americans are dual enrolled in Medicare and Medicaid. Long-term care is costly and not generally covered by Medicare. Medicaid fills gaps, covering nursing homes and home care services, especially for the most vulnerable seniors. In general, Medicaid covers 100% of costs in certified facilities if eligible. The average cost for long-term care is \$120,900.

Cutting the federal Affordable Care Act (ACA) Medicaid funding will devastate state and county budgets and hurt working families and retirees.

The ACA permits states to expand Medicaid coverage to adults with incomes up to 138% of the poverty level (about \$20,780 annually for an individual or \$35,630 for a family of three). The federal government pays 90 cents for every \$1 of the cost for states that cover adults through the ACA Medicaid expansion. Cutting these federal funds would shift \$631 billion or more over 10 years onto the budgets of states and some counties.

Cutting Medicaid funds that support state's Medicaid expansion is a life-or-death issue for many older Americans. Medicaid expansion under the ACA is crucial for older Americans ages 50-64, providing life-saving coverage. Cutting these funds risks lives, as expansion reduced mortality rates by 39-64% for newly covered near-seniors. About 33% of Medicaid expansion enrollees are in this age group.

Any cut to Medicaid will hurt our health system and rural hospitals. Medicaid also provides extra federal funding to hospitals that serve Medicaid and low-income uninsured patients to offset the costs of uncompensated care. Medicaid helps rural hospitals keep their doors open and sustain local jobs. Medicaid covers a greater share of rural residents' medical bills compared with urban areas.

Any cut to federal Medicaid dollars will hurt our state's economy. Federal Medicaid dollars help drive economic growth in our state. For every federal dollar spent on Medicaid, the state sees roughly \$1.53 in economic impact.

Any cut to federal Medicaid dollars will hurt our state in an emergency. We rely on Medicaid to help our state respond to public health crises and disasters, including in the aftermath of emergencies such as the recent wildfires in Los Angeles, the 9/11 attacks, hurricanes, and the Flint water crisis.

Bottom line. The Medicaid reforms Congress is considering are harmful to workers, seniors, patients, our state and the economy.

Tell your member of Congress to say NO to cuts to health care to pay for huge tax breaks for billionaires and big corporations. This misguided move will drive up costs for seniors, threaten the health care workforce and lead to economic instability.