

**National Down Syndrome Congress opposes all attempts to cap, cut, or otherwise limit and weaken Medicaid. Massive cuts to Medicaid being negotiated in Congress will decimate the program and harm millions of people with disabilities who rely on Medicaid to live their lives. This document addresses frequently asked questions about Medicaid and can be used as a tool to assist in advocacy efforts against proposed cuts and changes to the Medicaid program.**

### ***What is Medicaid?***

Medicaid is a government program that covers approximately 83 million people who have limited resources, including 17 million people with disabilities. It serves as a vital lifeline for most individuals with Down syndrome and their families. The program is partially funded by and primarily managed by state governments, while the federal government provides a significant portion of the funding and sets baseline requirements. Medicaid provides:

- Health care coverage for essential medical services like doctors' visits, hospital stays and prescriptions;
- Help at home with activities of daily living like feeding, bathing, dressing, cleaning, managing finances, and more;
- Home and Community-Based Services (HCBS) through its state waiver programs for people with disabilities like job coaching, personal supports, and assistive technology to help people with disabilities to work and live independently in the community; and
- Funding to schools for many of the services that students with disabilities receive in schools such as speech and occupational therapies, behavioral supports, and more.

Medicaid helps people with disabilities to get the care they need to protect their health and well-being and the supports they need to live with dignity, self-determination, and independence.

### ***How will a reduction in federal Medicaid funding impact the States?***

Medicaid is a jointly funded federal-state partnership that supports people with disabilities throughout their lifetimes.

- Medicaid has different names in each state like MassHealth, Medi-Cal, TennCare, Denali Care, MO Health Net, and more. You can find your state Medicaid program's information [here](#), and see how your state uses Medicaid funding [here](#).

- Regardless of its name and state, any reductions in federal funding to Medicaid will impose a greater financial burden on the states to make up the shortfall to serve its eligible residents.
- The federal government currently provides states with the majority of Medicaid funding (typically 50-75%) based on complex formulas, and states are required to pay the remainder for certain mandatory health care services like doctor appointments and prescriptions.
  - You can find more information about your state's Medicaid funding formulas [here](#).
- States are not required to pay for Home and Community-based Services (HCBS) which are designated as "optional" or "non-essential" services and are provided through state "waiver" programs. HCBS are vital for people with disabilities by providing the supports they need to live and work in the community.
  - There are already 700,000 people with disabilities on state-based waiting lists for Medicaid HCBS waiver services across the country, often waiting many years or even a decade or more to receive services. These waiting lists will grow even longer with less federal dollars if Medicaid is cut.

### ***Will cuts to Medicaid harm children with disabilities?***

Yes! Medicaid covers 50% of all U.S. children with disabilities through various programs such as the Children's Health Insurance Program (CHIP), early intervention programs, and in-school services.

- Medicaid is the primary funder of early intervention programs that help infants and toddlers with disabilities get a healthy start through speech therapy, physical therapy, and more.
- It also pays for school-based physical, mental, and behavioral health care for students with disabilities such as speech and language therapy and physical therapy.
  - Medicaid pays schools approximately \$4.5 billion annually to support student health services.

- You can find out how much Medicaid funding your state receives for school services [here](#).

*Without Medicaid, families would face higher out-of-pocket costs for therapies and Medicaid care and an increased risk of institutionalization for children with significant needs, stripping away the care and support they need to thrive at home which they can obtain through waiver services. With Medicaid cuts, schools will receive less funding for services and fewer babies and toddlers will receive early intervention services.*

### **Will cuts to Medicaid endanger the health of adults with disabilities?**

*Yes! Medicaid is a vital lifeline for six million adults with disabilities who rely on it. In fact, most adults with Down syndrome are on Medicaid. Medicaid covers things that other health insurance programs like Medicare do not cover, like dental, vision, hearing, and non-emergency medical transportation. Cuts to Medicaid would reduce access to vital medical services such as health care, medications, medical equipment, and more. This will increase the financial strain on adults with disabilities and their families and lead to worse health outcomes and an increased risk of institutionalization. For many adults with disabilities, Medicaid is the difference between life and death.*

### **Will cuts to Medicaid jeopardize the ability of adults with disabilities to live and work in the community?**

*Yes! Medicaid is the primary funder of Home and Community-Based Services (HCBS) ("waiver services") which enable people with disabilities to live and work in the community instead of languishing in institutions.*

- Medicaid waiver services include job coaching, help with tasks like financial management and household services, live-in aides, and transportation.
- These services will be the first to be cut by states when the federal government cuts Medicaid spending and leaves it to the states to make up the shortfall because they are considered "optional benefits" by the Center for Medicaid and Medicare services.

*Many people with disabilities will be forced to go into nursing homes or institutional settings to receive services because they will not be able to live and work in the community without these vital Medicaid supports.*

### **What types of Medicaid cuts are being proposed in Congress?**

Congress is considering cutting Medicaid through various methods:

- Switching Medicaid to a block grant system, where states receive a fixed amount of federal funding instead of matching funds based on needs, and per capita caps which limit federal Medicaid spending per enrollee, have the greatest potential to lead to massive cuts.
- Other methods of cutting Medicaid are eligibility cuts (reducing the number of people who qualify), reducing the federal match rate, benefit reductions (eliminating or restricting optional services like dental, vision, and mental health care, HCBS), provider payment cuts (reducing reimbursement rates which can lead to fewer providers accepting Medicaid patients), cost-shifting to beneficiaries (such as increasing copayments and deductibles), administrative cuts, and work requirements.
- Congress is also considering limiting states' ability to raise funds to cover their share of Medicaid costs such as stopping states from taxing providers (which most already do); this will worsen the state Medicaid budgetary problems.

All of these potential changes will limit the amount of federal money the states receive, which will force states to cut services, eligibility, or payments. You can get more details about these cost-cutting methods [here](#).

### **Is preventing "waste, fraud, and abuse" in Medicaid enough to justify proposed cuts?**

Some Members of Congress are trying to justify cuts to Medicaid by saying that they want to cut Medicaid to target "waste, fraud, and abuse." However, Medicaid is already the most cost-efficient health insurance program in the country, and the scope of cuts they are discussing goes way beyond attempts to make the program more efficient. For example, Medicaid's administrative costs are about 5% - significantly lower than the 12-18% administrative costs in private health insurance plans. Both the federal government and state governments already have programs in place to prevent and detect waste, fraud, and abuse. More often than not, Medicaid enrollees are the victims, not the perpetrators, of fraud.

For more information about Medicaid program fraud, see [here](#).

### ***What are work requirements?***

Work requirements are policies which require people who are on federal assistance programs to also prove that they are working, job seeking, or volunteering for a certain number of hours in a fixed time period. Congress is considering adding work requirements to Medicaid.

- Work requirements mandate significant documentation by both the working Medicaid enrollee and their employer, and they cost states significant amounts of money to set up and manage the work requirements system.
  - A few states such as [Georgia](#) and [Arkansas](#) have already tried adding work requirements to Medicaid, and the results have shown a high administrative cost and burden to the state, with no increase in labor force participation, and massive loss of coverage due to failure to report work requirements in a timely and accurate manner.
  - In fact, residents of [rural areas](#), who already face more employment barriers from inadequate transportation, childcare, and job training, have been hit the hardest by work requirements resulting in loss of coverage.

[Data](#) shows that nearly 2 in 3 Medicaid enrollees already work, and most of the rest are caring for family members, have a disability, or are attending school. Put simply, work requirements are just cuts by another name by removing enrollees from the program in significant numbers.

### ***Will work requirements harm people with disabilities on Medicaid?***

Yes! Work requirements harm people with disabilities by reinforcing negative stigmas and making it even harder for people with disabilities to work.

- Congress has discussed limiting work requirements to “able-bodied” people only which would exempt people with disabilities.
- This would require people with disabilities to either certify that they are “unable to work” because they are not “able-bodied” or to try working and risk losing their benefits if they cannot fulfill and report the required work hours.

- Work requirements will also impact caregivers and direct support professionals who are on Medicaid who support people with disabilities.

It is much harder for people with disabilities to obtain and retain jobs due to issues like lack of accommodations and discrimination, but even people with significant disabilities can (and many want to) work in the community given the right supports they receive from HCBS.

- This presents a Catch-22 situation because Medicaid health care benefits and HCBS such as job coaching are vital to the successful employment for people with disabilities, yet work requirements create a disincentive for disabled people to work because the potential loss of their Medicaid benefits would be devastating to their lives.
- For more information about the harmful effects of work requirements on people with disabilities, read [here](#).