

ITUP 22nd Annual Conference

Federal Threats to Medicaid in 2018

Edwin Park

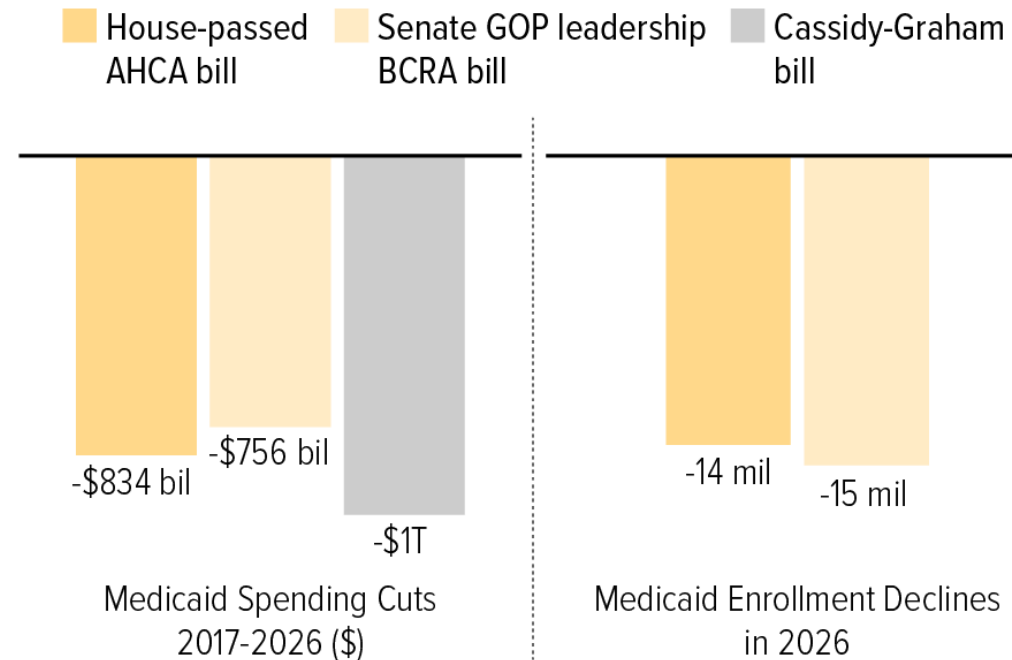
Research Professor of the Practice

Georgetown University Center for Children and Families

Medicaid Cuts in 2017 Repeal Bills

Major ACA Repeal Bills All Include Deep Cuts to Medicaid

Estimated impact on Medicaid spending and enrollment

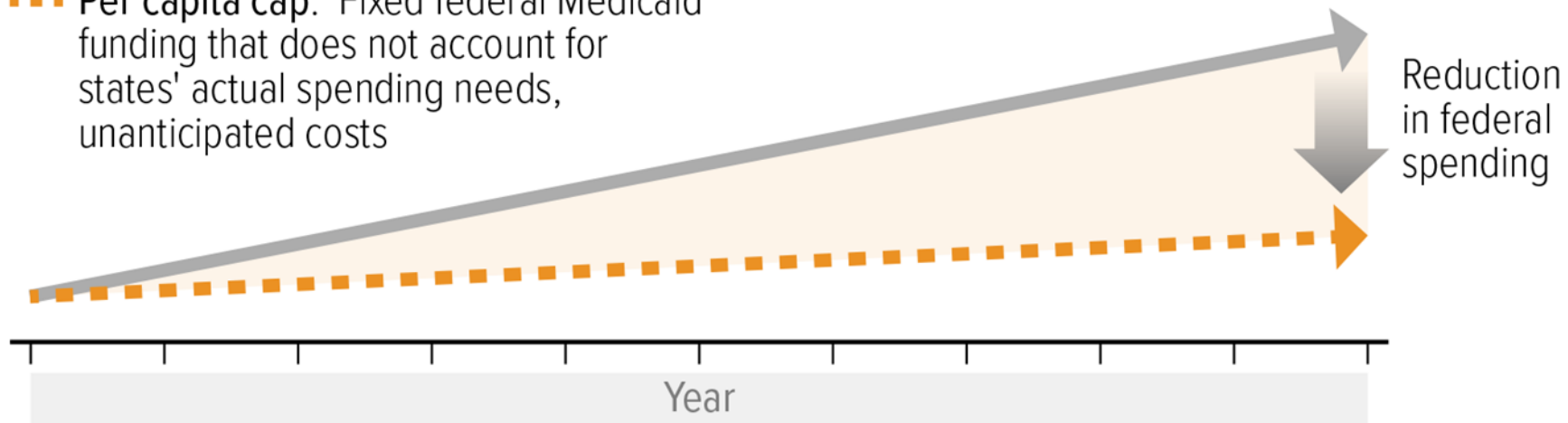


Source: Congressional Budget Office

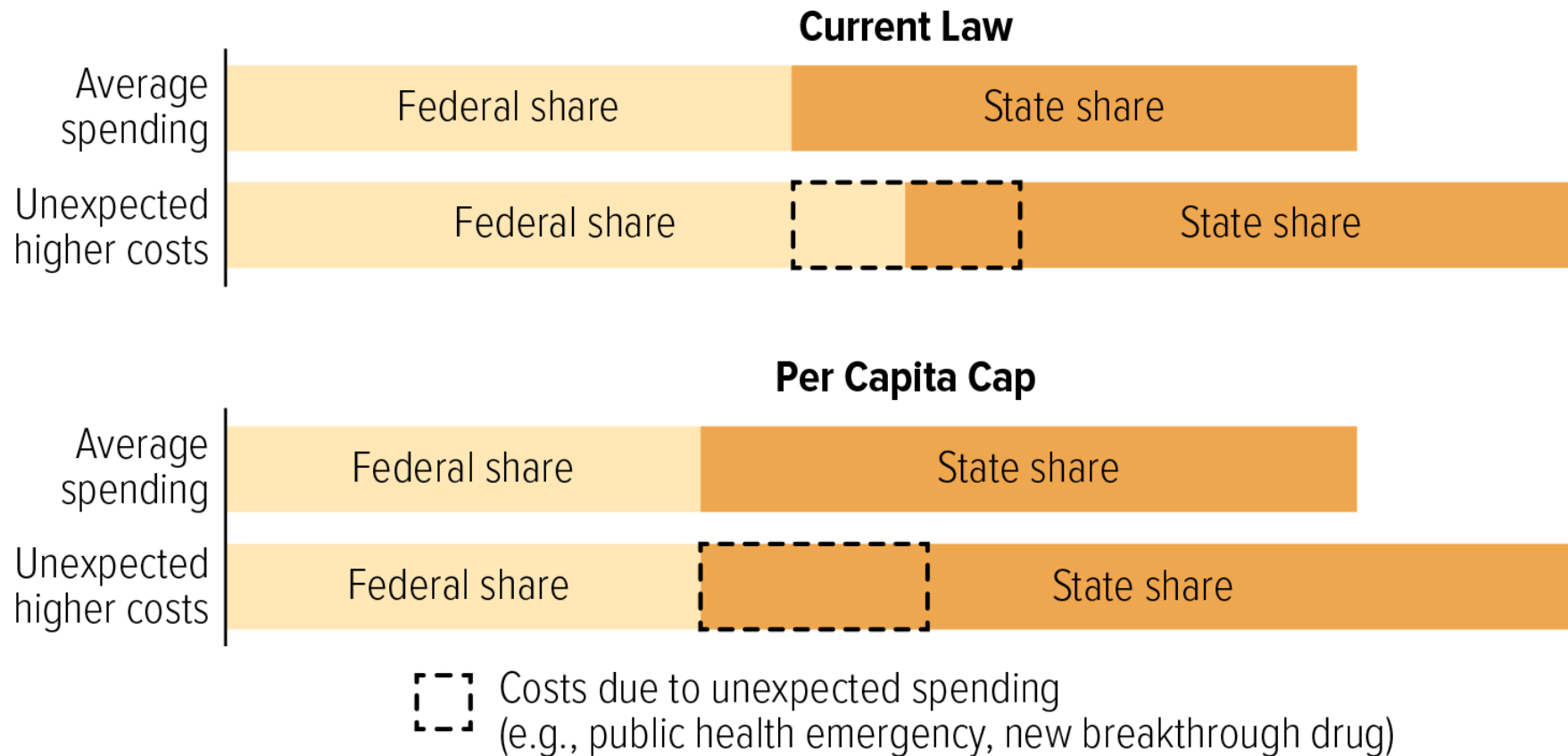
How Medicaid Funding Cuts Grow under Per Capita Cap Included in All Repeal Bills

Federal Medicaid Spending

- Current law: Federal Medicaid funding reflects states' actual spending needs
- Per capita cap: Fixed federal Medicaid funding that does not account for states' actual spending needs, unanticipated costs

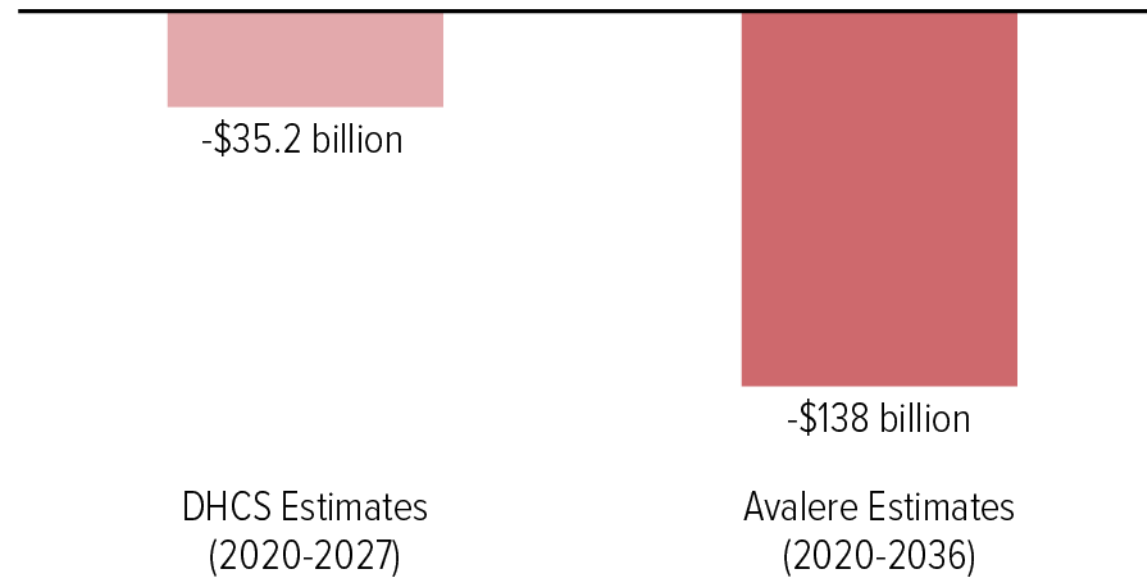


Medicaid Per Capita Cap Shifts Large and Growing Costs to States



California's Medi-Cal Program Would Face Deep Cuts under Per Capita Cap

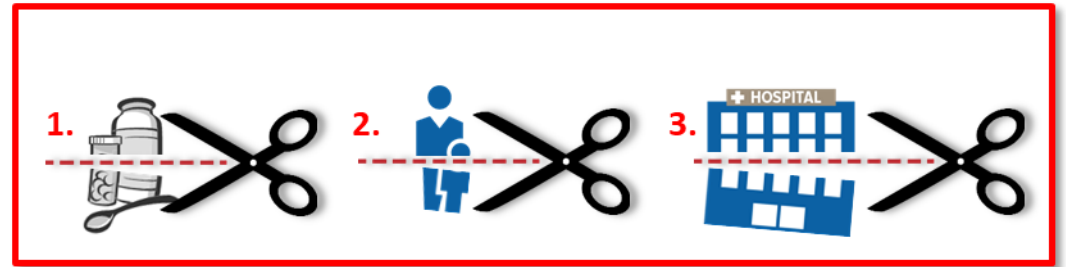
Estimated Medicaid Funding Cuts to California under Cassidy-Graham Per Capita Cap



Source: California Department of Health Care Services, Avalere

How Would States Respond to Per Capita Cap Cuts?

- Cut eligibility
- Cut benefits
- Cut provider payment rates



Renewed Threats to Medicaid in 2018

Three Tracks

- ACA repeal and replace
- Cuts to safety net/low-income programs
- Other legislation needing offsets

Key Factors

- Completion of last year's business
- Trump budget
- Next Congressional budget
- Budget reconciliation
- Midterm elections

What Medicaid Cuts Could be Considered in 2018?

Structural Threats

- Medicaid per capita cap
- Ending Medicaid expansion
- Other fundamental changes to program through legislation or waivers

Other Cuts

- Cost shifts to states
- Restrictions on eligibility
- Cuts to benefits