Medicaid Block Grants: Unhealthy for Patients, States, and Our Nation

Medicaid Expansion through the Affordable Care Act has provided access to health care for millions of Americans

- Medicaid accounts for 10 million people newly covered under the ACA
- About 25% of Americans cover healthcare costs through Medicaid
- 2/3 of patients in nursing homes use Medicaid to pay for their care
- Most of the Medicaid’s spending is on health care for the elderly and disabled
- Pays for inpatient, outpatient, family planning, screening and preventative services, and transportation for medical care services

Medicaid Block Grants

- Medicaid block grants are fixed federal grants allocated to states to help cover Medicaid costs, they may limit access to health care
- States are given an adjusted amount of funding based on each state’s previous Medicaid expenditures
- These grants in turn, allow states to control their Medicaid program while capping annual federal government spending
- Rules and terms of these block grants have yet to be defined

Catastrophic Consequences of Medicaid Block Grants

- Gives states the ability to decide who gets Medicaid and what services are covered under Medicaid funding
- States can cap enrolment and coverage, leading to denial of millions of needy people who meet Medicaid eligibility requirements
- Will affect the economic strength and services hospital and clinics provide
- Effected hospitals and clinics will have to budget costs to care for their newly uninsured patients; this may cause cost inflation for services, job losses, and a rise in unemployment

The National Physicians Alliance believes:

Medicaid Block grants are not sufficient to ensure the Medicaid safety net will continue to provide affordable, comprehensive health coverage for all low-income families.

We oppose repeal of the Affordable Care Act without a simultaneous replacement plan that guarantees equal or better coverage.

References

4. FamiliesUSA (FamiliesUSA) 2017. Protect our care webinar

The National Physicians Alliance is a non-partisan, non-profit organization that offers a professional home to physicians across medical specialties. We create research and education programs that promote health and foster active engagement of physicians with their communities. The NPA accepts no funding from pharmaceutical or medical device companies.

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