

# 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

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2. *Center on Budget and Policy Priorities*. Impact of Affordable care act repeal. Published: December 7, 2016. Accessed January 23<sup>rd</sup>, 2017. <http://www.cbpp.org/research/health/impact-of-affordable-care-act-repeal>
3. *Medicaid.gov*. List of Medicaid Benefits. <https://www.medicaid.gov/medicaid/benefits/list-of-benefits/index.html>
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