

# Medicaid Block Grants



## What is Medicaid?

Medicaid is health insurance for children, seniors, people with disabilities, pregnant people, and adults with low incomes. It allows them to get the health care they need without going into medical debt. It's a state and federal partnership, with the federal government providing funding so that state residents get the health care they need.



## What is a block grant?

Block grants would mean each state gets a set amount of money for their Medicaid program based on a formula. Currently, the federal government pays a percentage of each state's Medicaid costs. This is recalculated each year to keep our state budgets stable. As we saw during COVID-19, enrollment and uptake can fluctuate unexpectedly and change how much is spent on Medicaid each year. A block grant would mean our Medicaid program receives only a fixed amount of federal funding, forcing our state to cover any additional costs - no matter what.

## Gail's Story:

For people like Gail, having Medicaid coverage is a matter of life and death. Gail has Type 1 Diabetes and needs many medical devices and medications, like insulin and a glucose monitor, to survive. Without Medicaid, Gail can't afford the expensive medical care and supplies she needs to live.



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## What would a block grant mean for our state?

Block grants are designed to undermine our communities and our health. By limiting the amount of federal dollars to a block grant, significant costs for Medicaid programs will shift to our state budget. Our hands will be tied as we're forced to make major cuts to our Medicaid program and take care away from those who need it most, causing further harm to our communities.

Millions of children, seniors, disabled people, pregnant people and babies, and low-income adults will lose their health coverage, delay care, and skip medications - and we'll all pay the price. Fewer insured people means more uncompensated care, leading to higher costs across the whole health system.

Block grants would also mean cuts for long term home and nursing care – impacting 60% of people in nursing homes. People are already struggling with the high costs of caring for loved ones and our aging population. Without Medicaid support, this kind of care is not affordable for most families.



**60%**

of people in nursing homes would be impacted by cuts for long term home and nursing care.

**Block grants are a lose-lose situation. States would lose millions of dollars and be forced to make impossible choices between cutting coverage for those that need it most - or taking funding away from other vital programs that we need to keep our communities strong.**