What to Expect: Federal Medicaid Changes

INFORMATION TO HELP YOU ADVOCATE

One in five low income Americans, including more than 10 million people with disabilities use Medicaid, the federal program that funds health care and services. About 2 million people in Georgia are enrolled in Medicaid. In the next several months major changes to Medicaid are expected, including how much the Federal Government funds, who is eligible, and what services are covered.

So far in 2025, Bills have been introduced to change how Federal Medicaid dollars can be used¹. As the deadline for a budget resolution approaches, House Republicans have also identified possible cuts to Federal Medicaid funding². It is important that advocates understand what may be coming so that they can contact legislators and prepare for advocacy.



What We Know So Far

Potential Medicaid Cuts House Republicans have identified \$2.3 Trillion in possible cuts to Medicaid in a <u>Spending Reform Options</u> document. By April 15th, Congress must pass a budget resolution, or a proposed budget that the House and Senate Committees will review. This will provide more information on just how much the Federal Government plans to cut Medicaid in the next fiscal year (beginning on October 1, 2025).

Potential Legislation In addition to potential cuts, there have already been four Bills introduced that, if passed, will impact how Medicaid dollars can be spent; more bills are expected in the next several months.

¹ As of 1/28/2025 several Bills that focus on how Medicaid funding can be used have been put forth, including <u>US HR 498</u>, <u>US HR 584</u>, <u>US HR 608</u>, and <u>US HR 719</u>.

² https://www.politico.com/f/?id=00000194-5115-d639-a395-7db5d6b70000

Medicaid Cuts Outlined in the Spending Reform Options Document

Per Capita Caps or limits to how much the Federal Government will spend on Medicaid on a person to person basis This would mean that states would receive less Medicaid funding. It may mean that people with higher or more intensive support and healthcare needs do not get the aid they need.

Decreasing or eliminating the minimum amount of Medicaid funding that the Federal Government must provide to states Right now, there is a formula for how much the Federal Government must pay states. Decreasing or eliminating the minimum would create large gaps in states' Medicaid budgets. This could mean that less Medicaid funding is available.

Limits on use of Federal Medicaid funds for 'expansion' populations Under the Affordable Care Act, the Federal Government gave extra funds to states to provide Medicaid for people with very low incomes who usually would not qualify for Medicaid. Some of the identified cuts would limit federal dollars that states must provide Medicaid to these people now or in the future.

Work requirements for Medicaid This would mean that some or all people who are receiving Medicaid may have to be working, volunteering, or job seeking to keep their Medicaid benefits. There is <u>evidence</u>³ in Georgia that shows that these kind of rules do not work. It may also mean that people with disabilities who are more likely to be excluded from the workforce could lose their Medicaid benefits.

Medicaid Changes Proposed in Bills HR 498, HR 584, HR 608 and HR719

Restrictions on the use of Federal Medicaid funds for gender affirming care and surgery for people under 18, for 'certain individuals' that have not yet been defined, and for abortion demonstration projects.

Allocation of Federal Medicaid funds, including funds for state Medicaid expansion demonstration projects.

How Federal Changes Are Made to Medicaid

Medicaid is funded by the Federal Government and by state governments. There are rules that determine how much Medicaid funding the Federal Government must provide to states, based on the average income of people who live in each state. Changes to Medicaid can be made at the federal, and sometimes at the state level. Federal changes to Medicaid could come from Executive and Congressional Actions.

Executive Actions Rules or statements, such as Executive Orders, about how the Federal Government is managed. These actions do not need to be approved by Congress. They can be blocked by Congress, Federal Judges, and the Supreme Court. For example, Executive Order 14009 was signed by President Biden in 2021. It stated the Administration's policy to protect and strengthen Medicaid and the Affordable Care Act. President Trump revoked Executive Order 14009 in January 2025.

Congressional Action This starts when a member of Congress (the House or Senate) introduces a Bill or Resolution. After it is introduced, the Bill or Resolution is voted on by the House and the Senate. If it passes in both, it is sent to the President to sign it into law or veto (deny). For example, four Bills have been introduced in 2025 related to rules about what Federal Medicaid dollars can and cannot fund. They have not yet been debated in the House and Senate.

To advocate for continued or increased federal support for Medicaid, you can call or write to the Senators or Congressperson from your district. The Autistic Self Advocacy Network has a great tool⁴ to help you find your elected officials. The Medicaid Advocacy Resources⁵ for people with disabilities and families and agencies that support people with disabilities on the UnlockGA website⁶ will give you advocacy tips and talking points to use when you do reach out.

³ https://www.cbpp.org/blog/georgias-medicaid-experiment-is-the-latest-to-show-work-requirements-restrict-health-care

⁴ https://autisticadvocacy.org/actioncenter/eolookup/

⁵ https://unlockgeorgia.org/advocacy-alerts-%26-info

⁶ www.unlockgeorgia.org