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## Fact Sheet: Medicaid's Crucial Role in Washington & What Impact Republican Medicaid Cuts Could Have

**ENERGY & COMMERCE COMMITTEE DEMOCRATS**

### **MEDICAID PROVIDES HEALTH COVERAGE TO 1.5 MILLION WASHINGTON RESIDENTS – OR 20.3% OF ALL WASHINGTONIANS**

To view the number of Medicaid beneficiaries in your district, click [HERE](#).

#### **Who relies on Medicaid for health coverage in Washington?**

- 38.3% of [all children](#)
- 35% of [moms giving birth and their newborn babies](#)
- 39.8% of [working-age adults with disabilities](#)
- 59% of [people living in nursing homes](#)
- 15% of [Medicare beneficiaries](#)
- 16.1% of [adults aged 19-64](#)

#### **What is Medicaid called in Washington?**

Medicaid goes by many names. For example, in Washington, Medicaid is also known by:

- **Apple Health**
- The insurance companies that cover Medicaid beneficiaries—**Amerigroup, Community Health Plan of Washington, Coordinated Care of Washington, Molina Healthcare of Washington, and United Health Care**
- Washington's Medicaid home and community-based services programs— **Specialized Dementia Care Program (SDCP), Community Options Program Entry System (COPES) Waiver, Community First Choice (CFC) Program, Medicaid Alternative Care (MAC) Program, New Freedom (NF) Waiver, Medicaid Personal Care (MPC) Program, and Tailored Supports for Older Adults (TSOA) Program**

### **MEDICAID IS A SIGNIFICANT SOURCE OF FEDERAL FUNDING TO WASHINGTON**

#### **What role does Medicaid play in Washington's budget?**

- Federal Medicaid funding to Washington was **\$12.5 billion in 2023—57% of all federal funding to Washington.**<sup>1</sup>
- Most of **Washington's** Medicaid expenditures are matched by the federal government at a rate known as the [Federal Medical Assistance Percentage or FMAP](#)—**Washington's FMAP is 50%.**
- The federal matching rate for services provided to the Affordable Care Act (ACA) Medicaid expansion population (adults 19-64 not eligible on another basis such as pregnancy) and family planning services is 90%.

### **SLASHING FEDERAL MEDICAID FUNDING WOULD LEAVE WASHINGTON WITH THE HARD CHOICE OF WHOSE COVERAGE AND BENEFITS TO CUT**

Medicaid is a [lean](#) program. It has grown to cover more people, but per-person spending growth has been [much lower](#) than other payers. With few options for how to fill the budget hole left by cuts to Medicaid funding, states will consider cuts to coverage and benefits, leaving more people uninsured and underinsured.

<sup>1</sup> The author's calculations based on the [National Association of State Budget Officers State Expenditure Report data](#).

### **Who could lose coverage in Washington?**

Federal law requires states to cover certain groups of people, while [others are optional](#). With less federal Medicaid funding, Washington policymakers may consider cutting coverage for optional groups like:

- **Certain children with disabilities** such as children under age 19 who are disabled and living at home.
- **Elderly and disabled adults** such as those who are institutionalized or eligible for home and community-based services.
- **Individuals who need breast or cervical cancer treatment** and do not have other treatment coverage.
- **Postpartum moms** whose pregnancies ended in the prior 12 months.
- **Adults with disabilities, chronic health conditions, and behavioral health care needs.**
- Washington also may consider reducing [income eligibility levels for mandatory eligibility groups](#), such as **children, pregnant women, and parents/caretakers.**

### **For Washingtonians who remain on Medicaid, what benefits could they lose?**

Federal law requires states to cover certain benefits for adults, while [others are optional](#). Washington policymakers may consider cutting optional benefits such as:

- **Home- and community-based services (HCBS)** that allow the elderly and people with disabilities to receive services in their own homes or communities rather than institutional settings. In Washington, more than 11,000 people are [on a waiting list](#) for Medicaid HCBS—that number would only grow.
- **Dental services.**
- **Optometry services.**
- **Hospice services.**
- **Physical therapy; occupational therapy; and/or speech, hearing, and language disorder services.**

## **CUTTING FEDERAL MEDICAID FUNDING WOULD CLOSE HEALTH CARE PROVIDERS' DOORS IN WASHINGTON AND REDUCE QUALITY OF SERVICES**

With more people uninsured and underinsured, providers will experience an increase in uncompensated care. Making matters even worse, states are very likely to further cut Medicaid provider payment rates as another way to make up for the loss in federal funding.

### **How does Medicaid support Washington's hospitals?**

- In addition to payments for services provided to Medicaid managed care plan enrollees, **Washington hospitals [received](#) \$828.8 million in Medicaid payments in 2023**, including \$418.7 million in Medicaid Disproportionate Share Hospital (DSH) and other supplemental payments that help to offset uncompensated care for Medicaid patients and the uninsured.

### **How does Medicaid support Washington's nursing homes and other facilities?**

- **59% of Washington's nursing home residents [rely on](#) Medicaid** as their primary source of coverage.
- Washington mental health facilities, nursing facilities, and intermediate care facilities for people with disabilities [received](#) **nearly \$1.2 billion in Medicaid payments** in 2023.

### **How does Medicaid support home and community-based services providers in Washington?**

- In 2021, **105,800 people in Washington [relied on](#) Medicaid for HCBS.**
- Nationally, Medicaid accounted for nearly [70% of home and community-based services spending in 2022](#).

### **How does Medicaid support [community health centers](#) in Washington?**

- **60%** of Washington [community health centers' revenue](#) came from Medicaid in 2023.
- **57%** of [community health center patients](#) in Washington have Medicaid.