



# THE PARTNERSHIP FOR MEDICAID

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## **Partnership for Medicaid Concerned about the Potential Impact of CMS Block Grant Guidance**

WASHINGTON— The Partnership for Medicaid, a nonpartisan, nationwide coalition made up of organizations representing doctors, health care providers, safety net health plans, counties, and labor, expresses its concern over the Administration’s recently released [Healthy Adult Opportunity](#) initiative encouraging states to apply for Medicaid block grants or per capita caps through the Section 1115 waiver process. Ultimately, the guidance undermines the defined-benefit nature of the Medicaid program outlined in statute, as well as the long-term viability of Medicaid’s role as a safety net. We call on the Administration to maintain the federal government’s current financial commitment to the states to care for our nation’s most vulnerable, low-income individuals.

This guidance could lead to significant benefit cuts and may require states to limit the number of beneficiaries receiving coverage. Vulnerable populations stand most likely to be adversely affected by the new guidance. A Congressional Budget Office analysis of a previous [block grant proposal](#) found that Medicaid spending would be cut by 35 percent over twenty years and cause approximately 22 million beneficiaries to lose coverage across the country by 2026.

It’s worth noting that Medicaid’s unique state-federal partnership already enables states the flexibility to innovate and design the program to fit their needs with the support of the federal government. Block grants and other capped funding allotments, by contrast, represent a dramatic shift of the program’s costs, financial risk, and oversight onto already-burdened state and local governments, providers, plans, beneficiaries, and local taxpayers, which may lead to financial uncertainty for other critical state priorities.

The Partnership for Medicaid believes that any changes to the Medicaid program must align with our [core principles](#) to maintain a strong safety net, ensure comprehensive coverage for beneficiaries, and provide sustainable program financing. As providers most likely to deliver care and coverage to the populations most affected by a block grant or per capita cap model, the Partnership continues to express our serious concern that the newly released guidance fails to uphold these principles. We remain committed to preserving the federal government’s current financial commitment and stand ready to work with the Administration to ensure that all eligible beneficiaries receive the care and coverage they need to live healthy and productive lives.

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**The Partnership for Medicaid** is a nonpartisan, nationwide coalition made up of organizations representing doctors, health care providers, safety net health plans, counties and labor. The goal of the coalition is to preserve and improve the Medicaid program.

**The Partnership for Medicaid** seeks to raise awareness about the vital role played by the Medicaid program, which provides essential health care services to more than 58 million people. By working in a bipartisan manner with all levels of government and affected constituency groups, we seek to provide viable solutions to improving the quality and delivery of services, with the aim of constraining costs without undermining the program's fundamental goals.

Above all, **The Partnership for Medicaid** is a unified voice to ensure that Medicaid continues its crucial role as a strong safety net for vulnerable Americans.