

# Converting Medicaid to Block Grants

*Hurts Millions of Low and Middle Class American Families*

## Devastates Medicaid

The current Medicaid program is a joint partnership financed by the federal government and the states in which states receive a fixed amount of money. Changing Medicaid to federal block grants means that states would receive less federal money but would have additional flexibility to design and manage their Medicaid programs. Because annual increases likely would not keep pace with rising health care costs, states could run out of money to pay for needed services.



## Rations Care

If states have less money as a result of block grants, they would be forced to cut Medicaid benefits in different ways. These could include limiting the number of people who can enroll, creating waiting lists for services, increasing beneficiaries' contributions, and reducing payments to doctors and hospitals, making it harder to find doctors or hospitals that accept Medicaid beneficiaries.



## Threatens Nursing Home & Long-Term Care

Millions of middle and low-income individuals rely on Medicaid to pay for their nursing home care and long-term services and supports (LTSS). In 2012, Medicaid paid for 61% of LTSS. The average annual cost for nursing home care is \$81,000 for a semi-private room, which most people cannot afford.



## Shreds the Health Care Safety Net

Among Medicaid's seniors and disabled beneficiaries, there are more than ten million individuals who also receive Medicare benefits (dual eligibles). Medicaid pays the Medicare premiums, deductibles and co-payments for millions of these low-income individuals. If states do not have enough money to cover these payments, many seniors could face diminished Medicaid benefits *and* a loss of their Medicare coverage. This may result in many Medicaid beneficiaries delaying or foregoing needed care and becoming sicker and more expensive to treat later.

for more on Medicaid go to [ncpssm.org](http://ncpssm.org)

