

House Republican Health Plan Would Shift \$360 Million in Medicaid Costs to South Dakota

South Dakota would have to raise taxes or cut other parts of its budget by \$360 million over ten years to maintain South Dakota Medicaid under the House Republican health plan, new Urban Institute estimates show. These estimates reflect the House Budget Committee-approved bill. Revisions to the bill may modify the cost shift to the state. South Dakota's program enables low-income seniors, children, and people with disabilities to get needed health care. And it helps parents and other adults stay healthy, work, and avoid medical debt.

**\$360
Million**

The House plan (the American Health Care Act) would cut federal Medicaid funding for South Dakota by imposing a "per capita cap" on Medicaid, with the capped amounts set to grow more slowly over time than the actual growth in South Dakota's Medicaid costs.

South Dakotais already facing a budget shortfall this year. If South Dakota didn't raise taxes or cut other budget areas like education, it would have to cut Medicaid eligibility, benefits, and/or payments to hospitals and physicians. These cuts could jeopardize the health and well-being of seniors, people with disabilities, children, and adults who rely on Medicaid today.

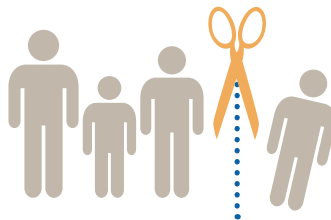
How Capping Federal Medicaid Funds Would Affect State Budgets

States really only have three ways to cut costs to Medicaid:

Cut Benefits



Cut Enrollment



Cut Payments to Providers



14 Million People Would Lose Medicaid Coverage Nationwide

The House plan would cut Medicaid funding nationwide by \$880 billion over the next ten years, with the cuts rising to 25 percent by 2026, the Congressional Budget Office estimates. This would cause 14 million people to lose Medicaid coverage.

The cuts would be most severe in states that have expanded Medicaid to low-income adults, many of which would end their expansions due to the deep federal cuts. But the per capita cap would cut federal funding for all states.

Medicaid Helps South Dakota's Families

134,000

South Dakotans get comprehensive, affordable health coverage through Medicaid.

Most are children, seniors, and people with disabilities.



Medicaid covers **37%** of children in the state.



Medicaid covers **15%** of seniors and people with disabilities in the state.