

# Medicaid Works: Cuts Would Harm Mainers

Large cuts in federal funding for Maine's Medicaid program, known as MaineCare, would put health coverage at risk for many Mainers. MaineCare 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.

## Medicaid Helps Maine's Families

**371,000**

Mainers get comprehensive, affordable health coverage through Medicaid.

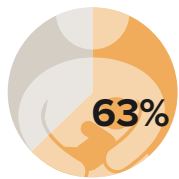
Most are children, seniors, and people with disabilities.



**63,000** of Maine's seniors get health care through Medicaid, including nursing home care and services that help them live at home.

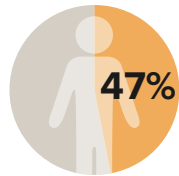
Seniors represent **17%** of total Medicaid enrollees in the state. This is much higher than the national average of 10%. Maine's seniors are particularly vulnerable to Medicaid funding cuts.

Medicaid helps **8,200** of Maine's babies get a healthy start in life each year.



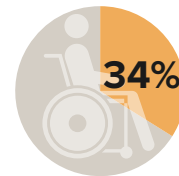
That's 63% of births in the state.

**132,000** of Maine's children can see a doctor when they are sick, and get the vaccinations and screenings they need to stay healthy, thanks to Medicaid.



That's 47% of children in the state.

Medicaid provides **72,000** people with disabilities in Maine with access to critical care that helps them live independently.

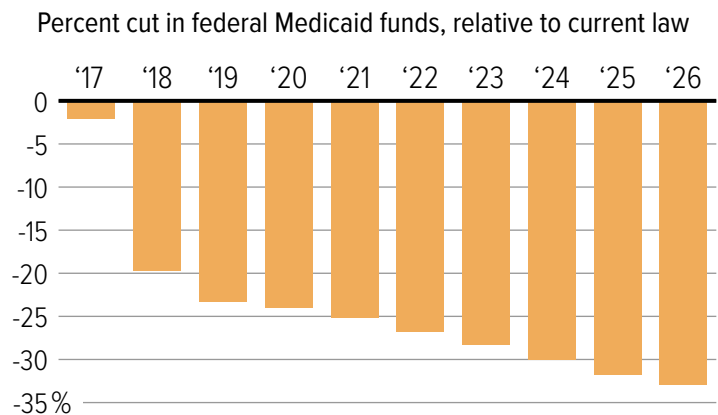


That's 34% of people with disabilities in the state.

## ... But Congress Is Considering Shifting Medicaid Costs to States

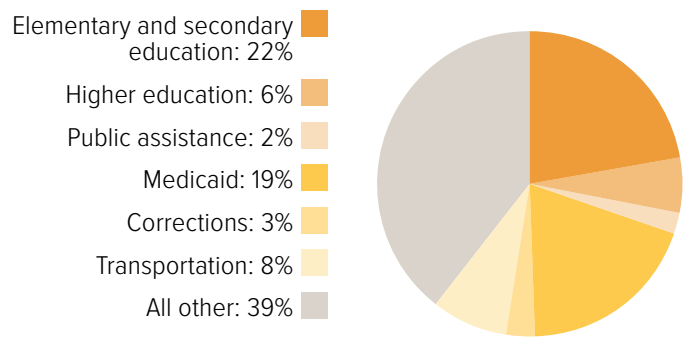
Congress is considering plans to "block grant" or "cap" Medicaid – which would cut federal Medicaid funding by large and growing amounts over time, leaving it well below what states will need to continue serving all beneficiaries. A proposal the House Budget Committee approved in 2016, for example, would cut \$1 trillion over ten years, with the cut growing to 33 percent by the tenth year, based on CBPP analysis (see graph).

These cuts would achieve federal savings by shifting Medicaid costs to Maine and other states. The loss of federal support could make it harder for Maine to respond to public health crises such as the current opioid epidemic.



Given that states must balance their budgets, cutting Medicaid would force Maine legislators either to make deep cuts to other state priorities like education or public safety, or decide which people to cut from Medicaid and which health services to stop covering. Given the magnitude of the cuts, there would be no way to protect the populations helped by Medicaid – including seniors, people with disabilities, and families with kids.

Distribution of Maine's State Budget, 2015



## Cutting Federal Medicaid Funds Would Have a Big Impact on Maine's Budget

The federal government covers **64%** of Maine's Medicaid costs. That's a great deal for Maine, especially when costs are higher than anticipated, such as when an effective but costly new medical treatment becomes available.

In 2015, Medicaid brought **\$1.5 billion** to Maine in federal matching funds. That was **62 percent** of all federal funds coming into the state.

## Cuts Could Undermine MaineCare's Innovative Programs

### Accountable Communities Initiative

Launched in 2014, the Accountable Communities initiative is part of a statewide strategy to reward doctors, hospitals, and other MaineCare providers for offering high-quality health care. Providers work together to provide physical and behavioral health care, long-term care, and dental care in a coordinated way. If they cut costs while maintaining quality of care, they share in the savings. Program payments reward providers for offering high-value care and keeping costs low.

Participants in the initiative include Penobscot Community Health Care, a health center serving 60,000 patients in eastern Maine.



Capping federal Medicaid funding and shifting costs to states could eliminate MaineCare's flexibility to continue innovative reforms.

#### Warning

A block grant or a per capita cap would force the state to make tough choices about which benefits or eligibility groups to cut — Maine probably wouldn't have reliable federal funds to invest in the provider rewards and value-based payments that support this innovative program.

### MaineCare Health Homes

MaineCare established "health homes" in 2013 to coordinate care for beneficiaries with chronic conditions or serious mental illnesses. These health homes, authorized by the Affordable Care Act (ACA), have reduced unnecessary use of the emergency department by 14 percent and cut costs by 18 percent per member.



Fully repealing the ACA would eliminate Maine's federal health home payments. And deeply cutting federal Medicaid funding would prevent states from making the upfront investment in care coordination needed to improve beneficiaries' health and reduce long-term costs.

#### Warning

Sources: CBPP, Census Bureau, Center for Health Care Strategies, Kaiser Family Foundation, Maine Department of Health and Human Services, Medicaid and CHIP Payment and Access Commission, National Association of State Budget Officers, Penobscot Community Health Care