



# GOVERNOR JOSH SHAPIRO

## Impact of Congressional Republicans' Health Care Cuts on Pennsylvania

**Medicaid is a Lifesaving Program Providing Health Care Coverage for Millions in PA**

- Medicaid provides health care coverage and services to 3 million Pennsylvanians, including:
  - 1.3 million children
  - 423,276 individuals with a disability
  - 312,000 older adults (65+)
  - Nearly 10,000 veterans
- Services provided under Medicaid keep Pennsylvanians healthy and help save lives. Every year, Medicaid in PA covers:
  - More than 175,000 Pennsylvanians receiving treatment for a substance use disorder;
  - Over 200,000 people receiving diabetes treatment;
  - 192,000 older Pennsylvanians and people with disabilities receiving care in their home or community instead of in a nursing facility;
  - More than 45,000 births; and
  - More than 61,000 people with treatment for heart failure.

## Republicans' Health Care Cuts Could Kick Over 300,000 Pennsylvanians Off Their Health Care, Raise Health Care Costs, and Threaten the Closure of Rural Hospitals

- By passing their budget reconciliation bill, Congressional Republicans are cutting health care for millions of Americans. This will have devastating impacts on the Commonwealth and its residents.
- This legislation could kick **over 300,000 Pennsylvanians** off Medicaid due to new reporting requirements and six-month redeterminations, leaving individuals with disabilities, older adults, and working families without health care coverage. After a decade of hard work reducing the number of uninsured Pennsylvanians by nearly 50%, hundreds of thousands of Pennsylvanians will lose coverage and become uninsured. This will raise health care costs for all Pennsylvanians — including those with private insurance.
- New analysis from the Commonwealth shows Congressional Republicans' budget reconciliation bill would also shift \$1 billion in food assistance costs from the federal government onto our state budget and result in at least 140,000 Pennsylvanians losing access to food assistance because of new red tape and reporting requirements.
- Pennsylvania has 25 rural hospitals operating on a deficit, struggling to survive and relying significantly on Medicaid. This bill would put more strain on them and threaten the closure of hospitals in our underserved rural communities.
  - Of the 65 acute care hospitals operating in rural communities, about half are currently in the red with no ability to absorb the increase in uncompensated care that is an inevitable result of cuts to Medicaid.
  - When rural hospitals close, it's not just a health care crisis — it's a jobs crisis, an EMS delay crisis, and a public health emergency in the making.
- The Commonwealth will not be able to backfill or make up for these devastating costs. These cuts will force the state to **make reductions in eligibility, benefits and/or provider reimbursement rates**.

- Congress also imposed unfunded federal mandates on Pennsylvania without providing any new flexibility, including new work reporting requirements and new eligibility redeterminations.
  - To redetermine eligibility every six months instead of once a year, DHS would need to increase its staff by 500, at an **estimated cost of \$37 million per year**.
  - Implementing new work reporting requirements would require a staff increase of 250, at an **estimated cost of \$18 million per year**.
- These cuts will **reduce access to health care, especially for millions of Pennsylvanians, including older adults, veterans, and working families**, leading to:
  - Delays in enrollment
  - Increased administrative costs for the Commonwealth
  - Disruptions in care
  - Increased use of uncompensated ER and inpatient services
  - Delayed care or treatment for and exacerbation of conditions like diabetes or heart disease

This is a bad bill that will have negative and lasting impacts on our Commonwealth. Any lawmaker in DC who thinks the Commonwealth can backfill this massive hole they've created is wrong — and these cuts will have real life consequences for Pennsylvanians.