



Medicaid's Future Hinges On Who Wins The White House

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Health care activists rallied in front of the U.S. Capitol on March 22, 2017, to protest Republican efforts that would have dismantled the Affordable Care Act and capped federal payments for Medicaid patients. The Republican congressional bills, part of the party's "repeal and replace" push in 2017, were eventually defeated.

It was either put food on the table or drop their health insurance, says Oscar Anchia of Miami. His wife's coverage was costing \$700 a month, and his hours had been cut back because of the coronavirus pandemic. So Anchia made the difficult decision to drop his spouse from his policy, because they needed the money.

Then in October, his love for 40 years fell ill with COVID-19.

"This has been a crazy, crazy nightmare," he said, after his wife's first week in the hospital. He kept asking Baptist Health about the bill. He was already at \$92,000 from her stay in the intensive care unit.

At this point, Anchia's best hope is that his wife will be covered by a federal assistance program for uninsured COVID-19 patients. But that's because he lives in one of the dozen holdout states that hasn't expanded Medicaid through the Affordable Care Act. That part of the ACA was intended to provide health coverage for adults who are working but who have no insurance through their job — either because it's not offered or because they can't afford the premiums.

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Medicaid provides health care for millions of low-income Americans. But its future depends very much on politics. Over the past four years, the Trump administration has tried to impose conservative principles on the program and shrink it. A Joe Biden presidency would attempt to go the other way.

"For example, me, I always work. I've been working 36 years in the same company," says Anchia, who builds signage for airports. "And now I find myself in this position. Medicaid would be great for regular people. I'm not the only one."

Anchia's wife is out of the ICU, but he also expects he'll need help paying for prescription medication when she's sent home.

In Florida alone, roughly 1.5 million people would be eligible for coverage under Medicaid expansion, according to estimates by the Florida Health Justice Project. It's a number that has grown recently because of the economic trouble and job losses triggered by the pandemic.

"The pandemic has really elevated the visibility of the suffering and that it cuts across socioeconomic lines," says Miriam Harmatz, executive director of the Florida Health Justice Project. "These are folks you wouldn't have expected to be among the ranks of the uninsured."

Under a Biden administration, Democrats could deliver on a proposal known as "the public option." It would bring coverage to people in this uninsured group without requiring them to wait for state officials to take action on Medicaid.

But Harmatz is hopeful that Florida could still join the ranks of expansion states, no matter who becomes president.

Even under the Trump administration, some Republican-led states have moved forward with Medicaid expansion after initially refusing. New survey data from the Commonwealth Fund find that expansion remains popular with voters, even among Republicans, in 10 swing states that may decide the outcome of this election.

This summer, voters in Oklahoma and Missouri approved ballot measures to expand Medicaid, against the wishes of their Republican governors and legislators.

Most recently, Georgia's request to expand Medicaid was approved this month by Trump appointees at the U.S. Department of Health and Human Services. Georgia's expansion, however, will apply to fewer adults than in other states, allow the state to charge some monthly premiums and require adults to work or engage in other "qualifying activities."

Georgia Gov. Brian Kemp hailed the limited expansion of Medicaid as a way to save money. Critics point out, however, that the Kemp plan means Georgia actually receives less federal aid to cover these new Medicaid enrollees, compared with states that embraced a full Medicaid expansion, and that tens of thousands of Georgians will still remain uninsured, which can put financial stresses on hospitals and local taxpayers.

In the last four years, Trump's health officials have pushed states to look for ways to spend less on Medicaid.

"I think the Trump administration views Medicaid the same way every Republican administration does, as sort of a nuisance," says Michael Cannon, director of health policy studies at the libertarian Cato Institute.

Making work requirements part of eligibility has been the most popular way to try to rein in spending and push back against Medicaid expansion.

But work requirements have been blocked by the courts.

"I don't really see a lot of enthusiasm for work requirements returning," Cannon says. "But I don't really see a lot of enthusiasm by Republicans to work on any broader Medicaid reforms, either."

The more sweeping Republican-backed initiative — which has been somewhat sidetracked by the pandemic — calls on states to overhaul how Medicaid is paid for. Currently, each state splits the costs of Medicaid with the federal government, with the feds paying 50% to 75% of each enrollee's cost, depending on the state. The new payment idea, called a "block grant," would involve the federal government giving each state a yearly lump sum payment for Medicaid and would essentially cap the federal government's responsibility. Block grants have been an ambition of the Republican Party for decades.

Seema Verma, administrator of the Centers for Medicare & Medicaid Services, paved the way for block grants in January. Tennessee was first in line. But the state is still the only one waiting to hear back on its request.

That's partly because Tennessee is asking for a block grant that would bring the state more federal money for Medicaid, not less — as much as a billion dollars a year.

"Folks here in Tennessee found a creative way to propose a block grant that, at least from a financial standpoint, didn't pose really any risk for the state," says Mandy Pellegrin, policy director of the Tennessee-based Sycamore Institute.

If the federal government approves the design of the proposed block grant, Tennessee could theoretically use the additional money to add more residents to its Medicaid rolls. "Expansion is certainly something that could happen under this waiver," Pellegrin says.

Even though Tennessee's specific proposal has the potential to cover many more people, Democrats have generally dismissed the idea of block grants as a backdoor way to cut benefits Americans are entitled to.

This policy push-and-pull over Medicaid assumes that the Affordable Care Act will stay intact, including the 90% federal matching money that most states have relied on to expand coverage to the working poor. But the Trump administration is still pushing for the Supreme Court to overturn the entire law, with an oral argument set for Nov. 10.

"We would not expect that to continue under a Biden administration," says Rachel Nuzum, vice president of federal and state health policy at the Commonwealth Fund. "So there's a fair bit of uncertainty. What we know is, states cannot operate well in an environment of uncertainty."

Nuzum says this election — from state legislative contests up to the White House — has the potential to provide a little more certainty on how millions of Americans receive their health care.